Listening

ALKION
TERMINALS

ESG report 2022

CEO statement

2022 was a year of **change** and continued **progress** for us. This is exemplified by the changes to our integrated service offerings, through which we made significant progress toward facilitating the energy transition. And it is demonstrated by the changes to our operations. By joining forces with Koole Terminals, we significantly increase our potential. 2022 was also the year we developed a sustainability strategy covering various environmental, social, and governance aspects of our business.

"In 2022, we continued making progress on all three building blocks of our sustainability strategy – Foster wellness, Empower people, and Reduce adverse climate impacts – and made meaningful contributions to a healthier, safer, and more sustainable world."

Foster wellness: Safety is our top priority

"Foster wellness" refers to our commitment to the safety, health, and well-being of everybody on and around our premises. We continuously strive to improve our safety record by investing in process safety and treating the health and safety of our employees as a top priority in everything we do. In 2022, we developed an extensive safety, security, and health improvement plan for the company, as well as for each terminal for the next two years. We use the Process Safety Event Rate (PSER) to track our progress toward reducing the number of process safety incidents. In 2022, the PSER decreased from 1.0 to 0.27. The Total recordable Injury Rate (TIR) is the most important indicator of our safety performance. In 2022, we saw a slight decrease in our TIR to 2.7 compared to 3.0 in 2021. We will continue to work hard to cultivate and promote a "safety mindset" and safe behaviors among all who work on our premises, so that everyone who works with us gets home safely each day.

Empower people

As Alkion, we are proud of our people. We acknowledge that they are our most precious asset and an essential part of our success. That is why we "Empower people" through recognition, developing skills and leadership talent, and

promoting diversity. In 2022, employees participated in an average of 22 hours of training, compared to 12 hours in 2021. Gender diversity among our workforce increased too. The share of female employees rose from 16% in 2021 to 19% in 2022. In addition, women now hold 31% of senior management positions, including the terminal manager position in Amsterdam.

Reduce adverse climate impacts

Various environmental and geo-political factors, such as the European Green Deal and the war in Ukraine, continue to push the energy transition forward. The energy transition has the potential to fundamentally change the way our society operates. As Alkion, we have the ambition to play a leading role in facilitating this transition, and we are preparing for this change. We do this by investing in tailored logistics solutions for biofuels, sustainable feedstocks, green gases, bio-methanol, e-fuels, SAF, and more. In doing so, we are not only moving in the direction of the demand, but also contributing to our and our customer's sustainability goals.

In the coming years, the group will see the introduction of smaller tanks, segregated systems, and new heating and blending capabilities. And it will see a shift toward greater operational flexibility to produce, develop, source, and blend a growing range of renewable fuels and chemicals. In 2022, we made significant steps forward by advancing the construction of a new ISO tank storage platform and continuing our investment in biofuels projects. For example, our terminal in Vado Ligure refurbished a tank to accommodate the storage of the heated biofuel Fatty Acid Methyl Esters (FAME). In Santander, we converted several tanks so that they can be heated and accommodate bio-feedstocks. And in Le Havre, we approved an investment in the construction of a new 20,000 CBM tankpit for niche and bioproducts.

We are also committed to reducing our own ecological footprint by taking tangible climate actions. We measure the CO_2 emissions resulting from our own operations, and we take meaningful steps to reduce these emissions. In 2022, we achieved a 15.4% reduction in CO_2 emissions compared to 2019 and were on track to achieve our 20% reduction target by 2025. We have put various measures in place to achieve this target, including detailed implementation plans and timelines for each terminal based on the local agenda and priorities. For example, the installation of solar panels at our Vado

Ligure and Lisbon terminals resulted in the production of 1,318 MWh renewable solar energy, which accounted for 33% and 53% of the terminals' energy consumption respectively. We also advanced solar energy feasibility studies and planned for the commissioning of additional solar panels in 2023.

Another way we are taking tangible climate actions is by improving the efficiency of our operations. In 2022 for example, our terminal in Vado Ligure refurbished the vapor recovery unit (VRU) to improve its efficiency and reliability. The modifications resulted in a significant reduction in daily energy consumption of approximately 720 kWh.

Koole Terminals and Alkion Terminals are officially one group

In mid-November 2022, Koole and Alkion joined forces. As a group, we have significantly increased our growth potential. With 20 terminals in seven countries and a total capacity of 5.3 million cubic meters, we aspire to become the European market leader in innovative and integrated services for storage, processing, and logistics. Our teams are working hard on the integration of the two companies from various angles. As a group, we stand stronger and are well-positioned to be at the forefront of the transition to more sustainable products, all while maintaining the highest standards for quality and safety.

We are proud of all the steps we have taken to contribute to a healthier, safer, and more sustainable world. With this second sustainability report, we promote transparency by providing stakeholders with insight into our sustainability efforts and progress toward our goals. Goals that we can only achieve together with our stakeholders. This report covers the sustainability strategy, goals, activities, and performance of Alkion Terminals. From next year onwards, we will publish a joint group report that includes Koole Terminals.

John KRAAKMAN
CEO Koole Terminals Group

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1 Listening is everything

"Meaningful responsibility starts with listening."

Everything that Alkion stands for is expressed in our company motto:

Listening is everything.

This is the identity that aligns with our vision of the world and is carried out by the people of Alkion. It is the vision that unites Alkion Terminals across Europe, as well as the different cultural backgrounds and languages found within our company.

Thus, we listen to each other in our continuous search for improvement, safety, and responsibility. If someone comes up with an idea, we treat it as an opportunity for evolution and improvement. It does not matter if the idea comes from someone who has been part of our team for 20 years or for two days. Nor does it matter if they work in the field or in the office.

We listen, of course, to our customers, in order to contribute to their goals and help them flourish. But above all, "Listening is everything" expresses the way in which we hear, consciously and unconsciously, what the planet and its people need and believe.

We respond by acting and defining our long-term environmental and business sustainability targets. We empower employees to take responsibility and tackle the climate and environmental challenges we face. We strive for resource-efficient operations with lower emissions. And we look at and invest in storage solutions that foster the energy transition.
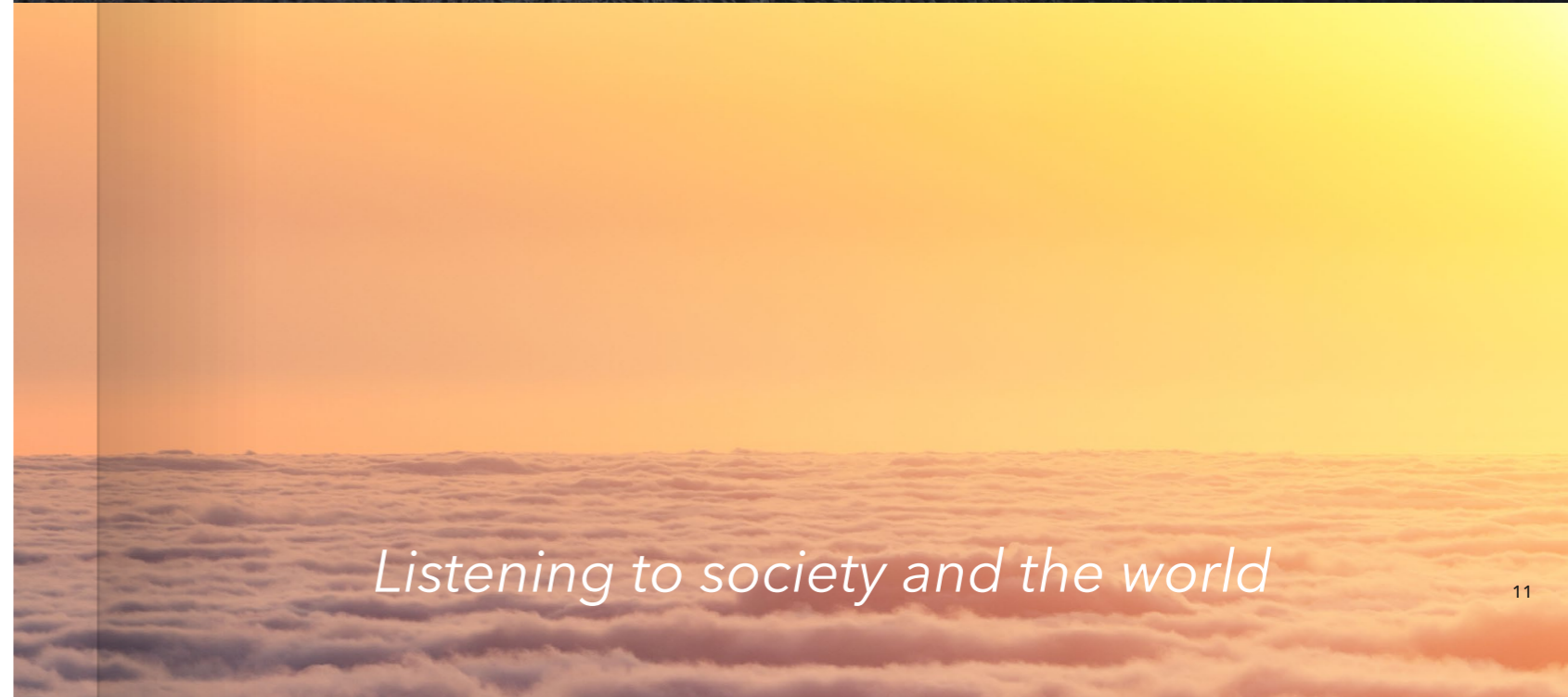
In doing so, we contribute to a prosperous and healthy future for all.

Listening to each other
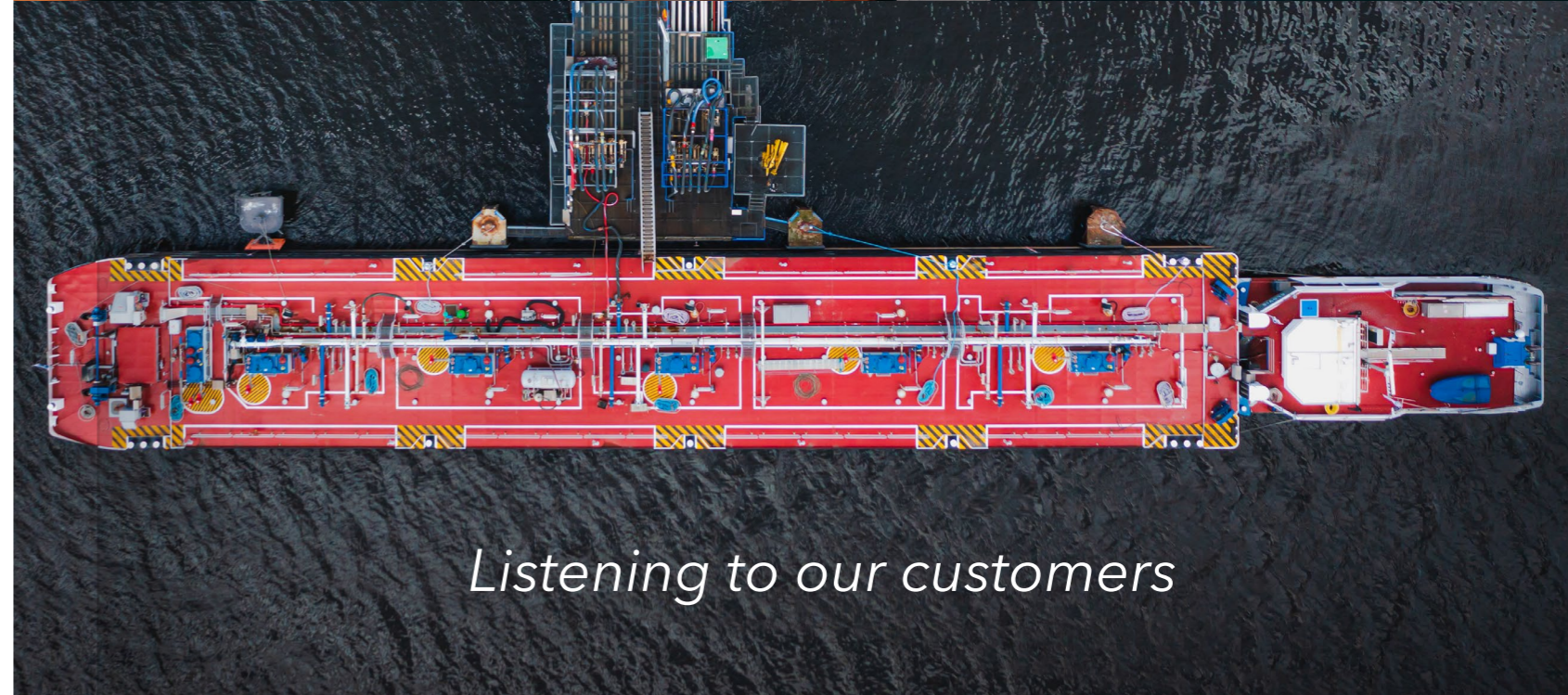
Listening to our customers

Listening to society and the world

All about our bird

Alkion's colorful bird logo has been with us from the start (2016) as it inspired the name of the company. The story begins in Ancient Greece, a period when "Alkionides" were the "halcyon (kingfisher) days." According to Greek mythology, these calm, bright days in the middle of winter were granted by the gods so that kingfishers would be able to hatch their eggs. The Greeks believed that it was a mythical bird, usually identified as a kingfisher, who had the power to create the halcyon days by softening the winds and calming the waves.

So, the halcyon days have always been associated with

Calmness, serenity, and prosperity.

And it is these benefits that we want to bring to our customers, our people, our communities, and our planet through operational excellence and a sustainable business model. In this way, we play our part in contributing to a prosperous and healthy future for all.

1. Listening is everything

Values for everyone

Everything Alkion does is underpinned by six core values shared by everyone who works at Alkion:

Your safety is our only way
Ensure that everyone returns home safely each day

Discipline
Work smart, not hard

Customer-centric
Be approachable with a no-nonsense personal touch

Freedom to act
Act while you can

Can-do-together
Go the extra mile

Respect and equality
Listen actively

2 Alkion at a glance

"Alkion does everything in its power to live up to its responsibilities."

16

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Alkion 2022. Our highlights in numbers

Terminals

9

across 5 of the largest EU economies

CBM

1.2 million

Tanks

862

Revenue

€

>100M€

Sustainable fuels

33%

growth in revenue 2017 to 2022

Chemicals

57%

of revenue
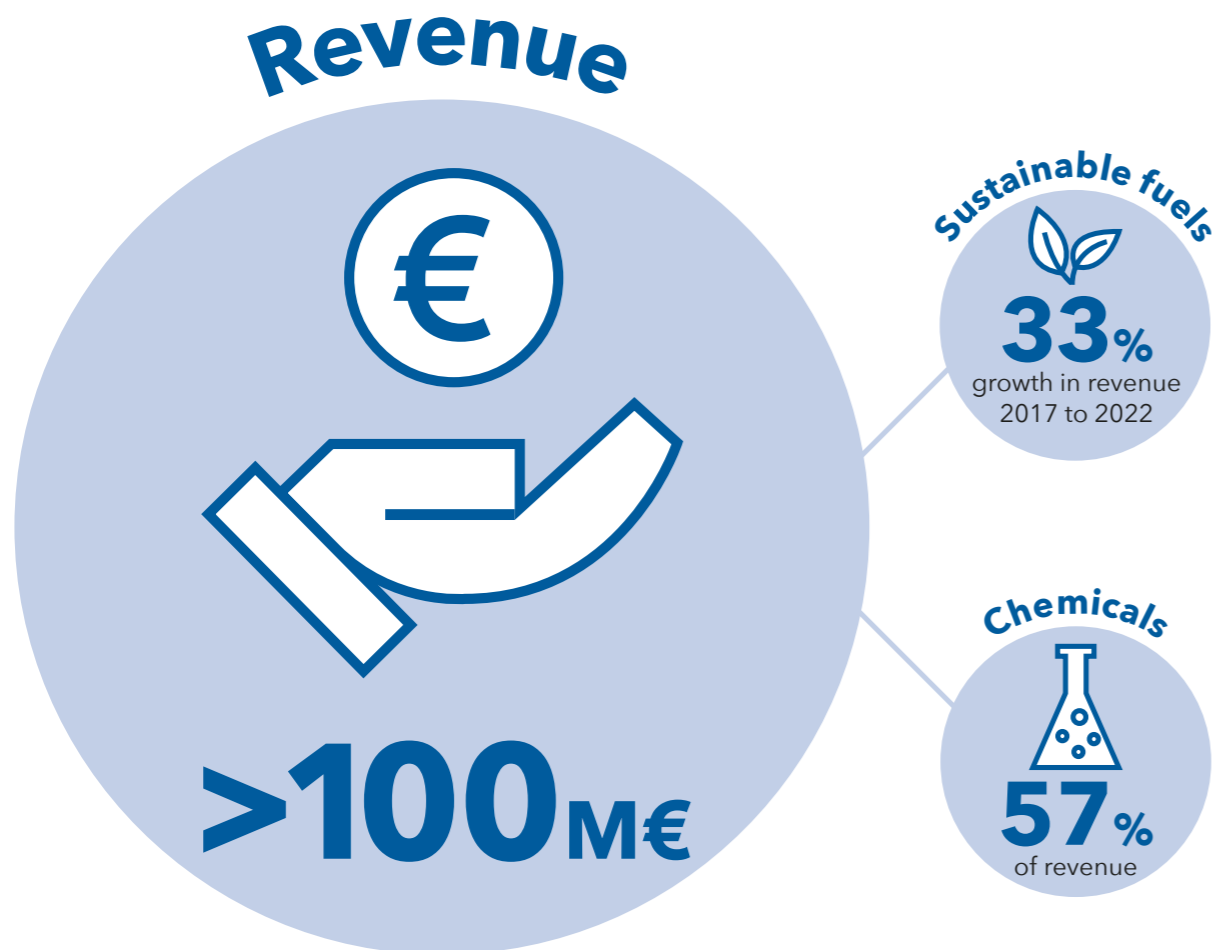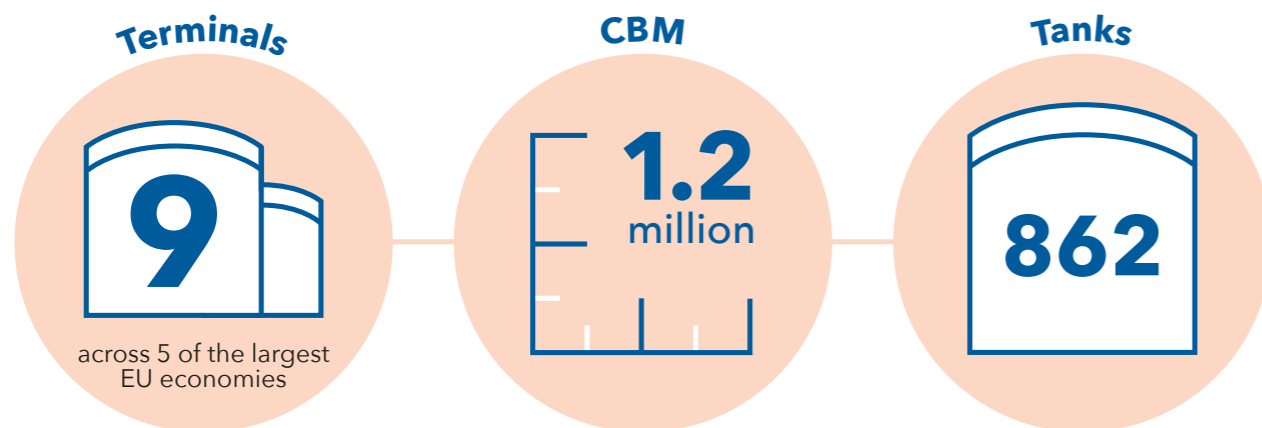
ESG-linked financing with €100 million CAPEX line

Customers

15+

years average

Top 5 customers

20+

years average

CO_2 emissions

CO_2

15.4% less

compared to 2019

Solar panels

2022
1,318MWh

↑ **57% more**

2021
572MWh

2. Alkion at a glance
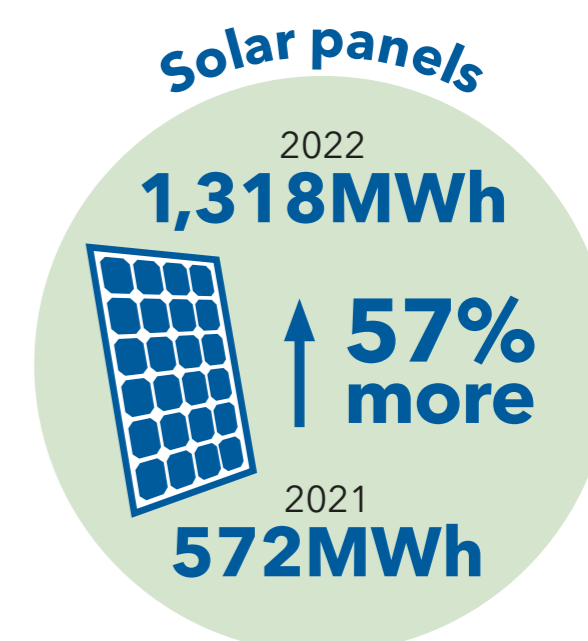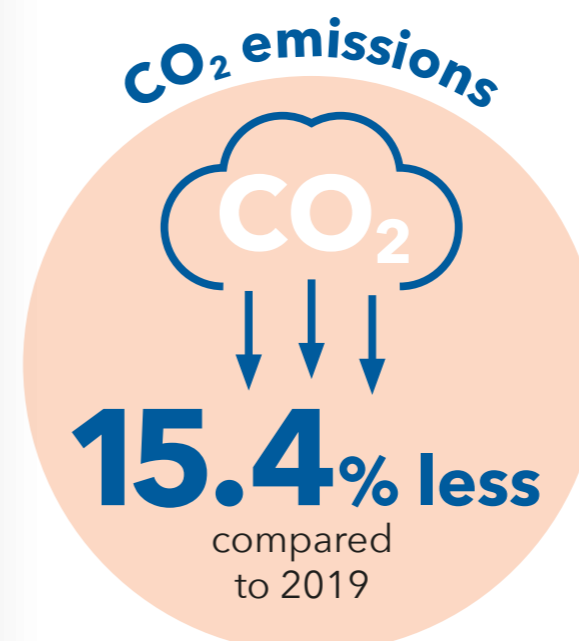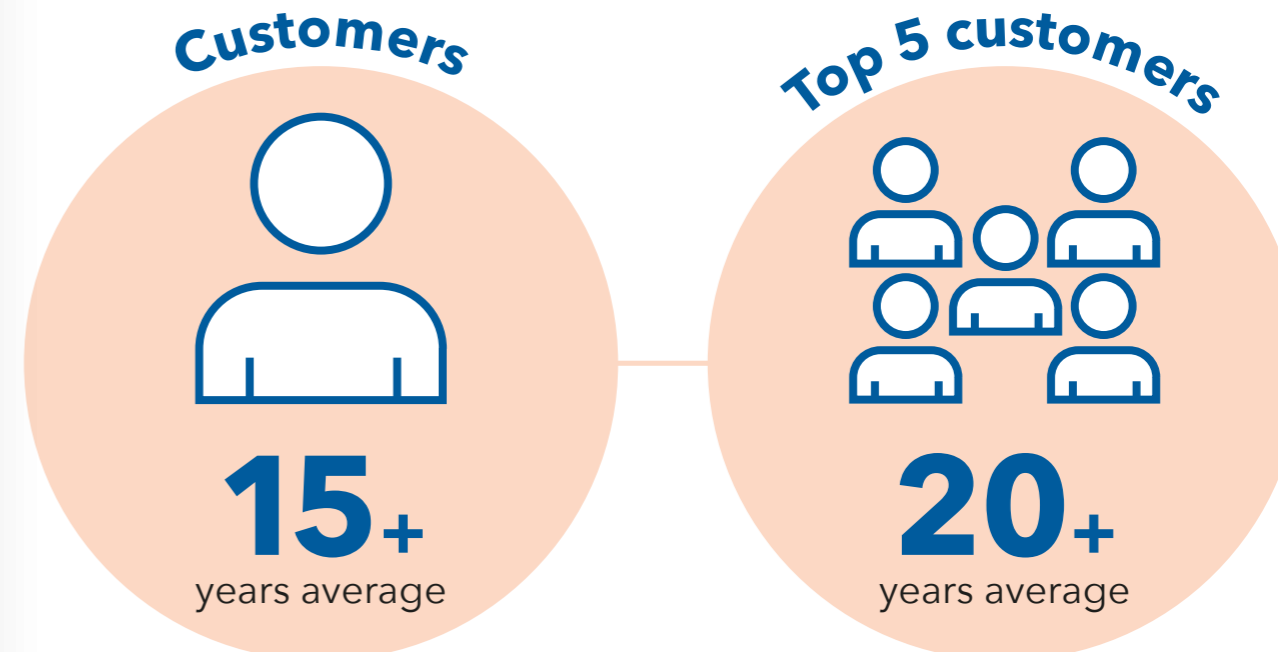
A key hub for industrial supply chains

Alkion's core business is the safe storage and handling of a wide variety of bulk liquid products in strategic hubs across western Europe. This makes us an essential link in a global network that enables modern life. Acting as a reliable and committed partner for a wide range of customers, we constantly listen to customer needs and tailor solutions to their individual requests. As a future-focused company, we are investing in new storage solutions and upgrading equipment that will support the energy transition.

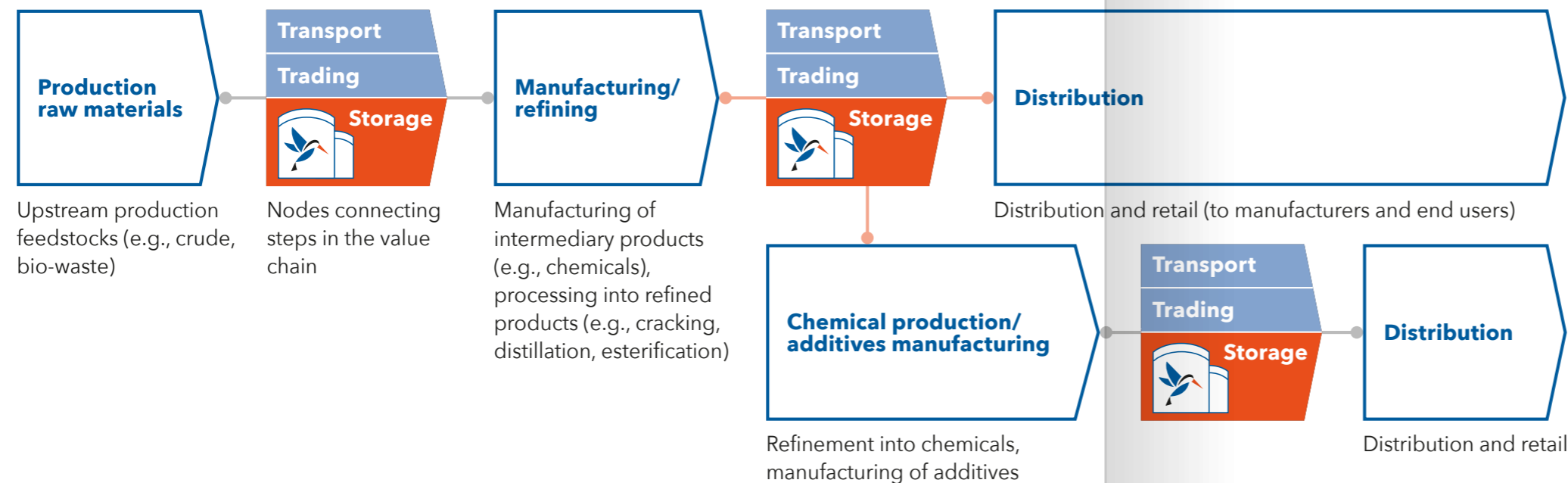Our objective is straightforward: to support our customers so that they are able to run secure and seamless supply chains at locations that are convenient for them. To this end, we operate nine terminals in five European countries. All our terminals are located in regional hubs with good connections to important transport junctions. Thus, they are fully integrated into customers' operations and serve economically significant industrial hinterlands and consumer end markets.
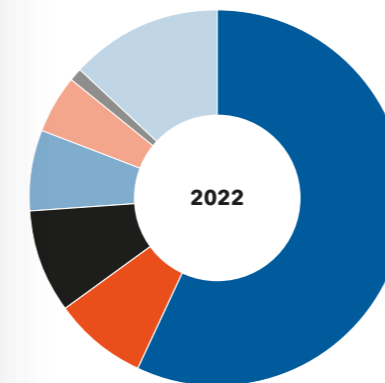
The products we handle are crucial to supply chains of numerous industries, including automotive, chemicals, construction, textile, packaging, agriculture, cosmetics, and transport, as well as to the functioning of global energy markets.
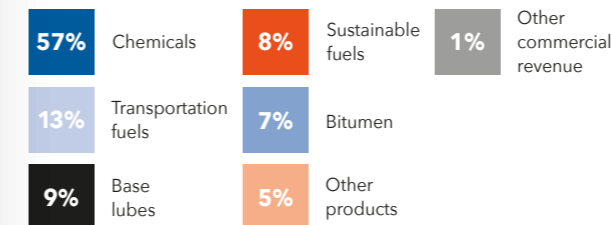
The majority of our revenue is based on long-standing customer relationships. This makes us better positioned to build a resilient, growing, successful, and sustainable business model. Chemicals generate 57% of our revenue. The storage and handling of biofuels for the energy transition is a growing part of our business, and we experienced a 33% increase in revenue from sustainable fuels from 2017 to 2022.

Alkion's role in the value chain as a storage provider

Production raw materials
Upstream production feedstocks (e.g., crude, bio-waste)

Transport
Trading
Storage
Nodes connecting steps in the value chain

Manufacturing/ refining
Manufacturing of intermediary products (e.g., chemicals), processing into refined products (e.g., cracking, distillation, esterification)

Transport
Trading
Storage

Distribution
Distribution and retail (to manufacturers and end users)

Chemical production/ additives manufacturing
Refinement into chemicals, manufacturing of additives

Transport
Trading
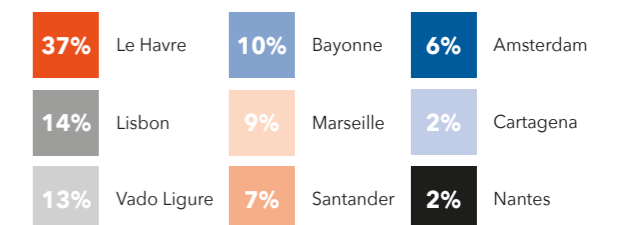**Storage**

Distribution
Distribution and retail

Alkion is a high-performing bulk liquid storage platform with a diverse chemicals and sustainable fuels-focused portfolio.

2022

2022 Revenue Split by Product Categories (%)

- **57%** Chemicals
- **13%** Transportation fuels
- **9%** Base lubes
- **8%** Sustainable fuels
- **7%** Bitumen
- **5%** Other products
- **1%** Other commercial revenue

The share of overall Alkion capacity per terminal.

2022
1.2 million CBM

- **37%** Le Havre
- **14%** Lisbon
- **13%** Vado Ligure
- **10%** Bayonne
- **9%** Marseille
- **7%** Santander
- **6%** Amsterdam
- **2%** Cartagena
- **2%** Nantes
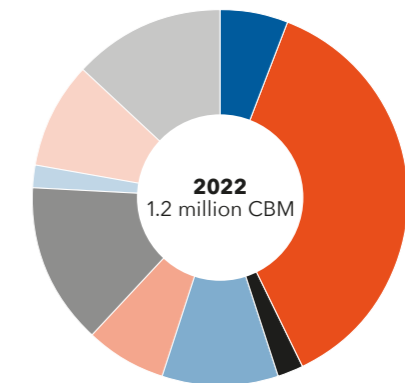
The majority of Alkion's storage capacity serves the manufacturing supply chain and distribution sectors.

2022

- **72%** Manufacturing supply chain
- **26%** Distribution
- **<1%** Strategic storage
- **<1%** Other
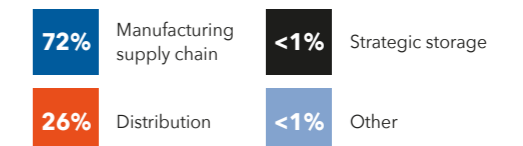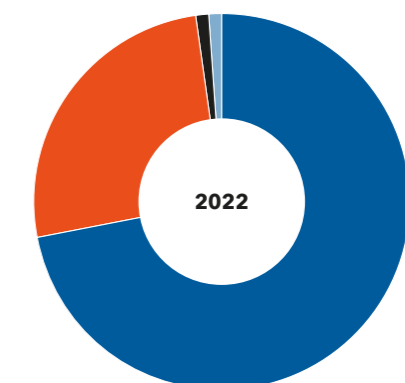
Nine terminals in five countries

An integrated, bulk liquid storage network encompassing France, the Netherlands, Spain, Italy, and Portugal. All terminals are strategically located in key ports on the Atlantic and Western Mediterranean coasts.

Terminal location
Le Havre
Abbreviation
ATLH
Capacity (kcbm)
460
Number of tanks
201
Modalities
Road, Vessel/barge, Pipeline, Rail
Product portfolio
Base lubes, Chemicals, Sustainable fuels, Transportation fuels
Strategic and competitive positioning
Well-connected to Paris, the Seine valley, and the French hinterland. Located near various refineries and chemical clusters.
Certificates
ISO 9001:2015, ISO 14001:2015, ISPS, CDI-T assessed, Seveso

Terminal location
Santander
Abbreviation
ATS
Capacity (kcbm)
86
Number of tanks
45
Modalities
Road, Vessel/barge, Rail
Product portfolio
Sustainable fuels, Chemicals, Other products
Strategic and competitive positioning
Positioned to serve niche market players in its hinterland with a focus on distribution in the agricultural sector.
Certificates
ISO 9001:2015, ISPS, Seveso

Terminal location
Nantes
Abbreviation
ATN
Capacity (kcbm)
25
Number of tanks
19
Modalities
Road, Vessel/barge, Rail
Product portfolio
Bitumen, Chemicals, Other products
Strategic and competitive positioning
Strategic and competitive positioning Strategically located on the Loire River with sea vessel access allowing easy access to the Atlantic Ocean.
Certificates
ISO 9001:2015, ISPS

Terminal Location
Amsterdam
Abbreviation
ATA
Capacity (kcbm)
74
Number of tanks
16
Modalities
Road, Vessel/barge
Product portfolio
Sustainable fuels, Transportation fuels, Other products
Strategic and competitive positioning
Located in ARA, the transportation fuels hub for Northern EU, and serving the connected economies in the hinterland. Focused on specific products and supply chain-integrated customers.
Certificates
Seveso

Terminal Location
Bayonne
Abbreviation
ATB
Capacity (Kcbm)
125
Number of tanks
25
Modalities
Road, Vessel/barge, Rail
Product portfolio
Bitumen, Chemicals, Transportation fuels, Sustainable fuels, Other products
Strategic and competitive positioning
Positioned as a distribution and manufacturing supply chain terminal located close to one of the major French chemical clusters in Lacq.
Certificates
ISO 9001:2015, ISPS, CDI-T assessed, Seveso

Terminal location
Cartagena
Abbreviation
ATC
Capacity (kcbm)
26
Number of tanks
11
Modalities
Road, Vessel/barge
Product portfolio
Chemicals
Strategic and competitive positioning
Port embedded in a chemical cluster with excellent road accessibility.
Certificates
ISO 9001:2015, ISPS, CDI-T assessed, Seveso

Terminal Location
Lisbon
Abbreviation
ATL
Capacity (kcbm)
170
Number of tanks
25
Modalities
Road, Vessel/barge, Pipeline
Product portfolio
Transportation fuels, Chemicals, Sustainable fuels
Strategic and competitive positioning
Located on the left bank of the river Tejo, near the industrial area of Barreiro. Well-positioned for the distribution of fuels into Portugal and Southwestern Spain, with a direct pipeline to chemical customers.
Certificates
ISO 9001:2015, ISPS, Seveso

Terminal Location
Marseille
Abbreviation
ATM
Capacity (kcbm)
107
Number of tanks
73
Modalities
Road, Vessel/barge, Pipeline, Rail Product Portfolio Chemicals, Sustainable fuels, Bitumen
Product portfolio
Chemicals, Sustainable fuels, Bitumen
Strategic and competitive positioning
Strategic access to the industrial zone of Lyon Feyzin and the Alps with large chemical operations and downstream operators.
Certificates
ISO 9001:2015, CDI-T assessed, Seveso

Terminal Location
Vado Ligure
Abbreviation
ATVL
Capacity (kcbm)
158
Number of tanks
16
Modalities
Road, Vessel/barge, Pipeline
Product portfolio
Transportation fuels, Sustainable fuels
Strategic and competitive positioning
Located close to the Trecate refinery (pipeline connected) and Northern Italian economy.
Certificates
ISO 14001:2015, ISO 45001: 2018, Code of Ethics and 231 Model, CDI-T assessed

Amsterdam
Le Havre
Nantes
Santander
Bayonne
Marseille
Vado Ligure
Lisbon
Cartagena

2. Alkion at a glance

Strategically located regional hub terminals, near to industrial and chemical clusters.

Netherlands

North Sea

Amsterdam

Rotterdam

Le Havre

Paris

Seine

Nantes

France

Lyon

Rhône

Genoa

Italy

Vado Ligure

Atlantic Ocean

Santander

Bayonne

Lacq

Marseille

Barcelona

Porto

Spain

Portugal

Madrid

Valencia

Western Mediterranean Sea

Lisbon

Cartagena

Sines

Algeciras
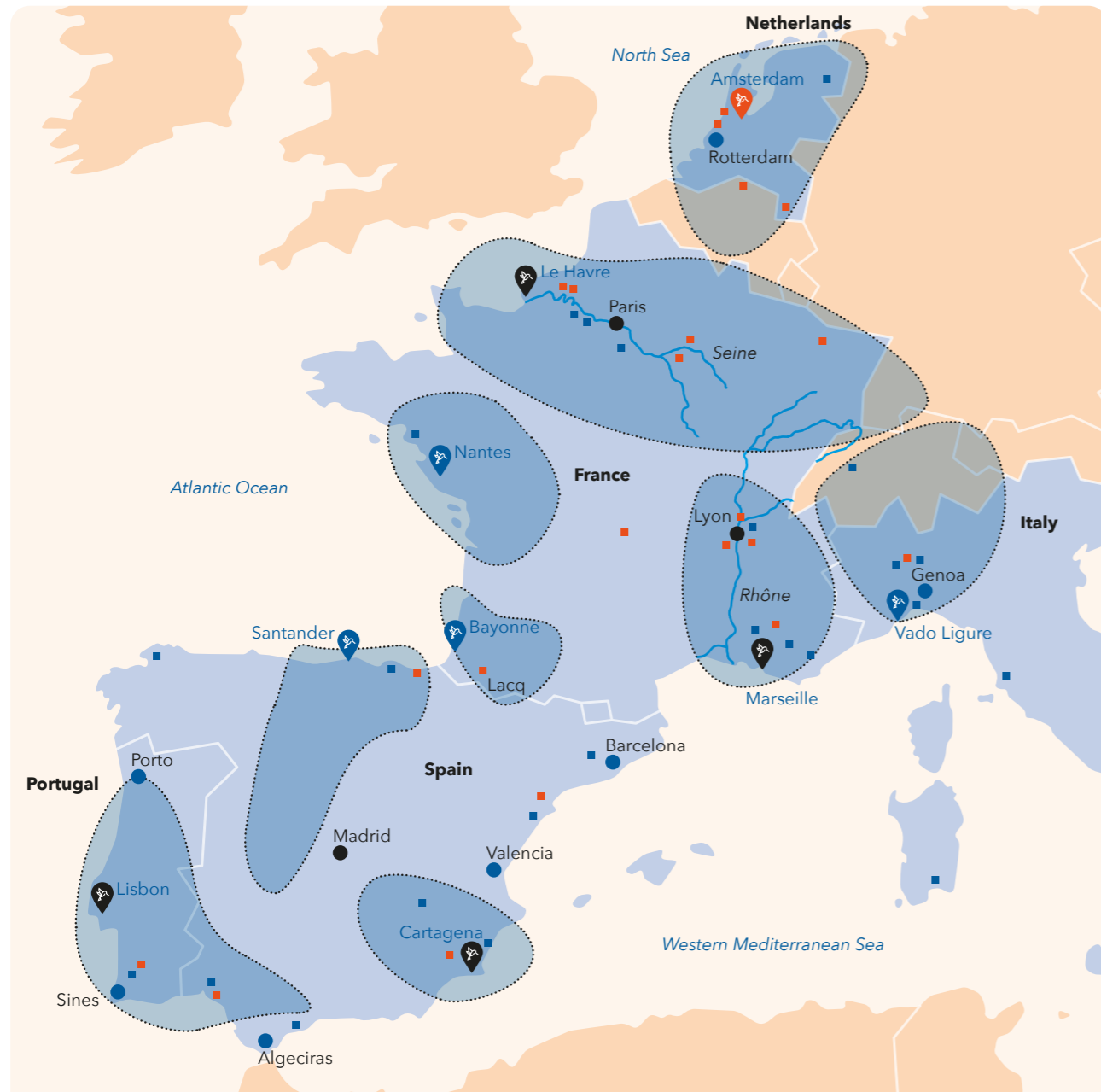
Alkion only terminal in the Port	Petrochemical cluster	Main cities
Alkion only chemical terminal in the Port	Key refinery	Key rivers
Alkion terminal	Port	Key Western European petrochemical clusters

Alkion Terminals BV is headquartered in Zaandam, the Netherlands. The Group, through Alkion France Holding SAS (ATF) and Alkion Terminals Holding SAS, has ten subsidiaries: AT Amsterdam BV (ATA), AT Lisbon SAS (ATL), AT Nantes SAS (ATN), AT Marseille SAS (ATM), AT Vado Ligure Srl (ATVL), AT Le Havre SAS (ATLH), AT Terminal Bayonne SAS (ATB), AT Santander SA (ATS), and AT Cartagena SA (ATC). Each subsidiary is in possession of one or more terminals in the respective city, and some of them (i.e., ATN, ATM, ATS) own shares in some of the other subsidiaries (i.e., ATC, ATM, ATN) as displayed below.

There is also one subsidiary, AT Sotrasol SA (ATSOT), currently under liquidation. The decision to close the Sotrasol terminal was made in 2015 at the request of Le Havre Port Authority, which had designated an alternative use for the plot. We closed ATSOT in 2021 and successfully migrated customers to the Le Havre terminal. The decommissioning is proceeding according to plan, and the plot will be handed over to the Port Authority in 2023.

Alkion Terminals B.V.

100%

Alkion France Holding SAS

100%

Alkion Terminals Holding SAS

Alkion Terminals Amsterdam B.V. — 100%   100% — Alkion Terminals Le Havre SAS

0,01%

Alkion Terminals Lisbon SAS — 100%   99,99% — Alkion Terminals Sotrasol SA (liquidation)

Alkion Terminals Nantes SAS — 99,89%   100% — Alkion Terminal Bayonne SAS

0,11% 0,01%

Alkion Terminals Marseille SAS — 99,99%   100% — Alkion Terminals Santander SA

50%

Alkion Terminals Vado Ligure Srl — 100%   50% — Alkion Terminals Cartagena SA

Note: The above organizational chart was valid until Koole Terminals BV acquired the Alkion Terminals Group on November 16, 2022. From that day onward, Alkion Terminals Group is officially part of the Koole Group. As the acquisition took place at the end of 2022, this 2022 ESG report and the chart above covers Alkion Terminals Group, excluding Koole Terminals.

3 Sustainability vision

"Hearing what the planet and its people need and believe."

Our sustainability strategy is based on three pillars.

By caring for "People, Planet & Profit," we contribute to the prosperity, durability, and well-being of our employees, business partners, our investors, and the communities and the environment in which we operate. The Alkion Sustainability vision was developed to address and monitor important topics across the dimensions of Environment, Social, and Governance.

Alkion contributes to the UN Sustainable Development Goals

Through our actions and commitments, which are based on defined pillars, we best contribute to three specific United Nations Sustainable Development Goals (SDGs). We focus on: Good Health and Well-being (SDG 3), Decent Work and Economic Growth (SDG 8), and Climate Action (SDG 13). In addition, we contribute to several other SDGs.

We will monitor the implementation of each pillar on an ongoing basis.

Foster wellness

Safety and health

Sports, lifestyle and well-being

3 GOOD HEALTH AND WELL-BEING

Empower people

Recognition

Developing skills and leadership talent

Promoting diversity

8 DECENT WORK AND ECONOMIC GROWTH

Reduce adverse climate impacts

Internally
by reducing the impacts of our own operations.

Externally
by facilitating storage solutions for the energy transition.
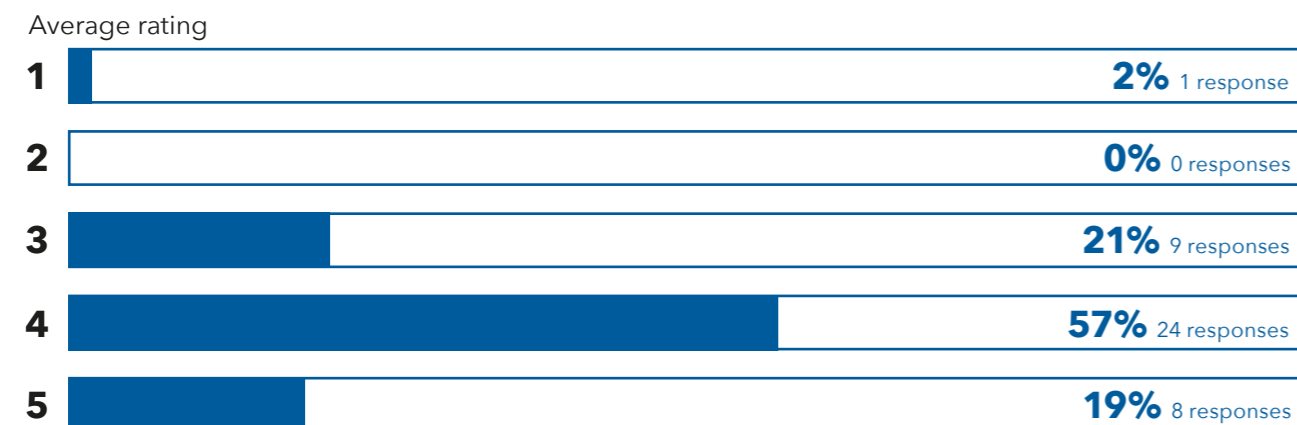
13 CLIMATE ACTION

Embedding employee priorities in the Sustainability vision

Our Sustainability vision (strategy) was developed internally. 50 managers from across Alkion were invited to participate in a survey: the "Purpose Accelerator." The objective was to uncover everybody's personal and collective drives and motivations. We also wanted to enable participants to share what they truly find important in life and for Alkion, and to discover which UN SDGs they consider most important. The results formed a solid base from which a coherent Alkion narrative unfolded. The results also show that employees care for Alkion.

A real bond
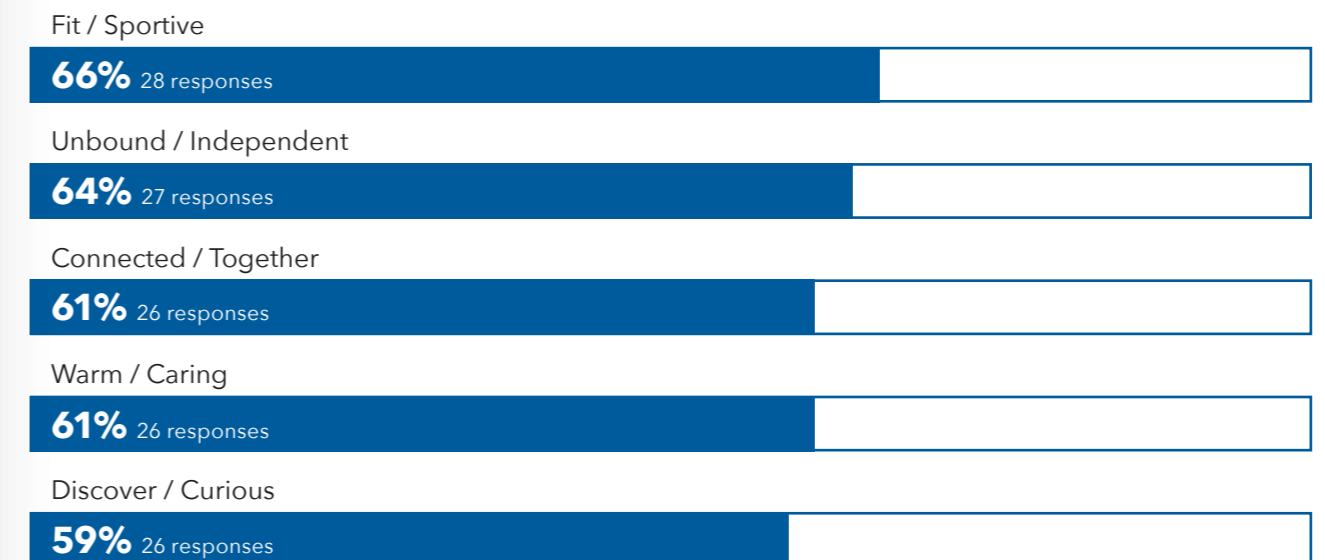### 76% of respondents have an above-average strong emotional bond with Alkion.

Question: *How dear is Alkion Terminals to your heart?*

Average rating

1	**2%** 1 response	
2	**0%** 0 responses	
3	**21%** 9 responses	
4	**57%** 24 responses	
5	**19%** 8 responses	

Discovery of values
Employees were presented a list of 24 values and asked what they found important in their own lives and what they wish for the company. The results indicate that they find motivation through a good mix of values. "Fit / Sportive" received the highest score and is strongly aligned with our first pillar: Foster wellness.

Question: *According to you, which of these types suit Alkion Terminals the best? Think about how you normally experience the organization.*

Fit / Sportive
66% 28 responses

Unbound / Independent
64% 27 responses

Connected / Together
61% 26 responses

Warm / Caring
61% 26 responses

Discover / Curious
59% 26 responses

Top-rated Sustainable Development Goals
"Quality education" received the highest score and is linked to our second pillar: Empower people.

Question: *Which of the Sustainable Development Goals are close to your heart?*

Quality Education
45% 19 responses

Good Health and Well-Being
38% 16 responses

Climate Action
31% 13 responses

Decent Work and Economic Growth
26% 11 responses

No Poverty
26% 11 responses
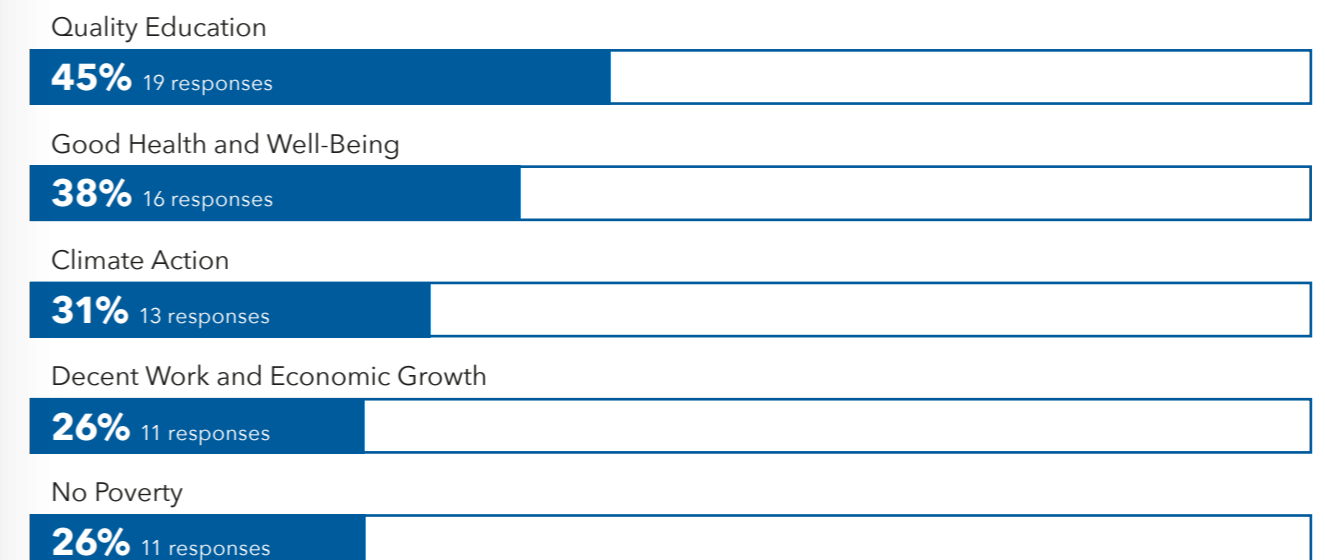
Materiality assessment

We conducted our first materiality assessment in 2022. The purpose of this assessment was to identify and prioritize topics that have significant economic, environmental, and social impacts on our business. This enabled us to further develop a robust ESG agenda that responds to relevant sustainability priorities and that drives the agenda of key reporting subjects. For this report, we did not make any revisions in our materiality assessment. The topics to the right of the diagonal line in the graphic below are our material topics (also indicated in bold).

Environment

1. **Waste management**
2. **GHG emissions and energy use**
3. **Water management and soil pollution**
4. **Adaptation to climate change**
5. Biodiversity
6. **Investment in the energy transition**

Social

7. **Occupational health and safety**
8. **Process safety**
9. Community engagement and charity
10. **Talent attraction, development and retention**
11. Diversity and inclusion
12. **Customer focus and operational excellence**
13. **Working conditions**
14. **Well-being and sports**

Governance

15. Application of best practices
16. **Cybersecurity**
17. Business ethics and integrity
18. Anti-corruption
19. Procurement and supply management
20. Privacy
21. Governance
22. Digitalization

3. Sustainability vision

"We continued our journey of building on the three pillars as established in our ESG strategy, enabling us to publish our second ESG report. Ongoing initiatives, at all levels of the Group, to continuously ensure safety and improve our ecological footprint speak to the commitment of our people. People at Alkion have a forward-thinking mindset and a willingness to adapt to the changing energy landscape. As such, we strive to invest in infrastructure that supports the storage and distribution of renewable and sustainable energy products. In addition, we adopt more sustainable practices in our own operations, such as scaling our solar panel projects at Lisbon and Vado Ligure, switching to heating alternatives with lower carbon emissions like the new boiler in Santander, and improving tank insulation."

John VAN SOEST, Managing Director Alkion Terminals

Engagement with our stakeholders

Alkion has a wide range of stakeholders with whom we engage on various topics and at different frequencies. Next to relationship management, some of the dialogues include regular reporting and providing information.

Stakeholder	Nature of dialogue	Frequency	Content of dialogue in 2022
Customers	Relationship management, collaboration	Daily	Schedule, contract, new activities, sustainability, safety
Chain partners	Relationship management, collaboration	Weekly	Schedule, contract, new activities, sustainability, safety
Suppliers	Providing information, reporting	Weekly	Schedule, contract, safety, sustainability, good governance
DCMR	Providing information, reporting	Weekly	Permits, air quality, safety, nuisance
Labor Inspectorate	Providing information, reporting	Weekly	Incidents, safety
Port Authority	Relationship management, collaboration	Daily	New activities, sustainability, Sites, nautical
Shareholder	Providing information, reporting	Daily	Financial progress and plans, new activities, safety, sustainability, good governance
Banks & investors	Providing information, reporting	Monthly and quarterly	Financial progress and plans, new activities, safety, sustainability, good governance
Employees	Dialogue, providing information (Listen-Up)	Daily	New activities, sustainability, safety
Local residents	Providing information, dialogue	Quarterly	Health and safety, sustainability, good governance
USI	Dialogue, providing information	Regularly	New activities, sustainability, safety
Synerzip-LH	Providing information, dialogue	Regularly	Health and safety, sustainability, good governance
Allo industries	Relationship management, collaboration	Regularly	New activities, sustainability, Sites, nautical
SPPI	Providing information, dialogue	Regularly	Health and safety, sustainability, good governance
Nederland CO$_2$ Neutraal	Dialogue, providing information	Ad-hoc basis	New activities, sustainability including reduction of CO$_2$
ORAM	Providing information, dialogue	Regularly	Health and safety, sustainability, good governance
UNEM	Providing information, dialogue	Regularly	Health and safety, sustainability, good governance

Stakeholder	Nature of dialogue	Frequency	Content of dialogue in 2022
Sustainable Port of Cartagena	Providing information, dialogue	Regularly	Health and safety, sustainability, good governance
Herenvest Insurance	Providing information, reporting	Annually and ad-hoc basis	Contract, claims or incidents
EY Assurance	Providing information, reporting	Bi-annually	Assurance regarding financial reporting
Rijkswaterstaat	Relationship management, collaboration	Regularly	New activities, sustainability, sites, nautical
De Omgevingsdienst Noordzeekanaalgebied	Relationship management, collaboration	Ad-hoc basis	New activities, sustainability, sites, nautical, safety
De veiligheidsregio Amsterdam Amstelland	Relationship management, collaboration	Ad-hoc basis	New activities, sustainability, sites, safety
DREAL "Les directions régionales de l'Environnement, de l'Aménagement et du Logement"	Providing information, dialogue	Regularly	Health and safety, sustainability, good governance, other
Other auditors and assurance providers	Providing information, dialogue, reporting	Regularly	Health and safety, sustainability, good governance, other
ARPAL (Agenzia regionale per la protezione dellámbiente ligure)	Relationship management, collaboration	Ad-hoc basis	New activities, sustainability, sites, nautical, safety
APA (Agência Portuguesa Ambiente)	Providing information, dialogue	Regularly	Permits, air quality, safety, nuisance
DGEG (Direção-Geral de Energia e Geologia)	Relationship management, collaboration	Ad-hoc basis	New activities, sustainability, sites, nautical, safety
ANEPC (Autoridade Nacional de Emergência e Proteção Civil)	Providing information, dialogue, reporting	Regularly	Safety compliance
DGRM (Direção-Geral de Recursos Naturais, Segurança e Serviços Marítimos)	Providing information, dialogue, reporting	Regularly	New activities, sustainability, sites, nautical, safety
ENSE (Entidade Nacional para o Sector Energético)	Providing information, dialogue, reporting	Regularly	Throughput reporting
IGAMAOT (Inspeção-Geral da Agricultura, do Mar, do Ambiente e do Ordenamento do Território)	Providing information, dialogue, reporting	Regularly	New activities, sustainability, sites, nautical

4 Foster wellness

"A prosperous and healthy future for everyone."

Foster wellness

Alkion is committed to an approach in which we "Foster wellness" in terms of the Safety, Health, and Well-being of everybody on and around our premises.

Safety and health

Well-being

**Foster
wellness**

4.1 Safety
and health

Central to the Foster wellness pillar is safety.

Alkion operates in a complex industrial environment where safety is everything. Since our establishment in 2016, we have deployed a responsible and sustainable business strategy based on risk mitigation.

This approach is defined as:

Safety, Security, Health, Environment, Compliance, and Quality (SSHECQ).

Our safety motto is: "Your Safety is Our Only Way."

"

We operate in an industry where the slightest inattention can have major consequences. Consequences for people, our customers, the environment, and even society. The stakes are high, and we have the obligation to always keep everything under control. It goes without saying that we do everything we can to fulfil this responsibility.

"

"At Alkion, it is our firm belief that all incidents are preventable, and that we can and must conduct our activities and business without harming our employees and contractors, the environment, our customers, our neighbors, the community, and the authorities. As such, we set high SSHECQ expectations, make them very visible in our organization, and hold everyone responsible for her/his safety performance. All this is summarized in our safety motto: "Your Safety is Our Only Way."

Jean-Michel TREMSAL, SSHECQ Director Alkion Terminals

4. Foster wellness

Main developments in 2022

It is all about continuous improvement. In 2022, we developed an extensive SSHECQ improvement plan for the company, as well as for each terminal for the next two years. These ambitious plans were developed based on lessons learned from events that happened in the past and based on our high expectations. In 2022, our overall SSHECQ performance improved slightly compared to 2021. However, we did not meet our expectations with regard to occupational safety. We work hard to influence and change the "safety mindset" and behaviors of people working at our premises.

Everyone's responsibility

We are compliant with SSHECQ regulations and appropriate standards in the design, construction, operation, maintenance, and inspection of our assets and facilities. We strive to achieve a solid SSHECQ performance that aligns with the interests of our customers and other stakeholders. Our employees and contractors know, understand, and adhere to our rules. Alkion employees are visible "safety leaders," and we hold individuals accountable for their safety performance. Each employee is part of an SSHECQ-linked bonus scheme as we believe safety is everyone's responsibility.

At the top management level, our CEO has the ultimate responsibility regarding our SSHECQ performance. The SSHECQ Director Alkion Terminals is responsible for the strategy, coordination, standardization, and monitoring of the efforts that are carried out at our terminals.

Safety poster at Alkion sites.

Alkion's 8 "Golden Rules" of Safety

As Alkion, we have the responsibility to create safe and healthy workplaces to prevent accidents, injuries, and occupational illness. To prevent serious injuries and fatalities, we introduced the "8 Safety Golden Rules" (or Life Saving Rules). In our action plan for the period covering 2022 and 2023, our main priority is to further develop the "Golden Rules" with a gap analysis and gap closure plans at each terminal. The action plan also includes an extensive training program and cross audits by Terminal and SSHECQ managers. At the end of 2022, the implementation of the plan was in progress at each terminal, supporting our expectations to avoid serious injuries and fatalities.

Safety poster at Alkion sites.

4. Foster wellness

Well-developed corporate SSHECQ management system

We work hard to improve our SSHECQ performance. Our corporate SSHECQ system includes the following set of tools and methods:

- Slogans and posters in common areas at each site.

- A half-yearly CEO safety video watched by all staff and discussed in operational toolbox meetings.

- Corporate SSHECQ calls and/ or face-to-face meetings with site management.

- Monthly progress calls by COO and SSHECQ Director with Terminal Directors to review performance based on reported KPIs.

- Reporting: setting a standard on incident reporting and classification as well as an incident notification system.

- Monthly reports to inform about year-to-date (YTD) results versus the set target to provide visibility using a corporate dashboard.

- Near-misses and incident investigation through the implementation of a Root Cause Analysis tool and the development of specific trainings.

- Voluntary push to operational excellence assessments, e.g. through CDI-T[1] inspections.

- Risk assessment: development of the Alkion Risk Matrix and specific attention to SSHECQ in the Alkion Project Management Guideline.

- Process safety culture: emphasis on reporting of PSE/ LOPC[2] incidents according to the API-RP 754[3] guideline.

- Learning and sharing: providing internal safety bulletins.

- Close adherence to regulatory requirements: regular monitoring of and responding to changes in the regulatory landscape and the development of an audit tracker.

- Training on corporate crisis management, including exposure to media, emergency training at terminals more often than required by law, and continuous safety trainings.

- Promoting a "Just Culture" concept where reporting and sharing is the keystone for continuous improvement.

- Introduction and promotion of the "last-minute risk assessment" tool to embed a safety mindset and influence behaviors. There has been a strong effort on this specific topic at all terminals, which will continue in the coming years. This simple technique is seen as a key improvement driver to move our performance in occupational safety to the next level.

[1] CDI-T: "Chemical Distribution Institute – Terminals"
[2] PSE/LOPC: Process Safety Event / Loss of Primary Containment
[3] API-RP 754: A Recommended Practice 754: Process Safety Performance Indicators for the Refining and Petrochemical Industries

Reporting and monitoring

We measure, monitor, report, benchmark, and communicate our performance honestly and transparently. We monitor KPIs on a monthly basis. In recent years, we have significantly improved the accuracy of our reporting in the field of occupational safety and process safety (as well as customer service quality and the environment).

All our sites comply with the strict EU requirements for "major hazards facilities" regarding safety and the handling of hazardous substances and regarding the protection of the environment.

KPIs: Occupational health and safety and Process safety[1]	2020	2021	2022
Occupational safety			
Work-related fatalities	0	0	0
Total recordable cases count (LTI+MTC+RWC)[2]	8	12	10
Total recordable cases rate (per 200,000 working hours)	1.91	3.0	2.7
First aid cases	21	22	16
Process safety			
Process safety events count (Tier 1 & 2 API 754)[3]	0	4	1
Process safety events count per 200,000 working hours (Tier 1 & 2 API 754)	0	1.0	0.27
Process safety events count (Tier 3 API 754)	55	45	56
Leading KPIs			
Safety & process observation rounds count	881	1,197	1,362
Emergency response drills count	60	65	57
Security drills count	18	24	22

[1] All figures cover our own employees and our contractors.

[2] The figures for "total recordable cases" include injuries resulting in: lost time, medical treatment, and restricted work as defined by the US OSHA.

[3] Tier 1, 2, and 3 are defined as per API-RP754.

Foster wellness

4.2 Sports, lifestyle, and well-being

4. Foster wellness

The Foster wellness pillar also covers sports, lifestyle, and well-being.

An employee survey showed that sports is a high priority for many Alkion employees, and we encourage them to exercise and take part in sports activities as often as possible. This helps them to be more productive and creative at work and to thrive both personally and professionally.

Supporting well-being and sports

Many of our employees are active in sports at different levels and are involved in the running of local sports clubs. Alkion is an enthusiastic sponsor and supporter of some of these clubs.

Club name: HAC Rugby   **Terminal:** ATLH

Club name: HLHEVB Volleyball   **Terminal:** ATLH

Club name: Boucau-Tarnos rugby team   **Terminal:** ATB

HAC Team, Olivier Doutreleau (HAC Président) and Eric Verbrugghe giving out the trophy of the player of the Game.

"HAC (Le Havre Athletic Club) Rugby is one of the oldest rugby teams in France as its history dates to 1872. Today, HAC Rugby plays in the amateur division of the French league and has the ambition to build up the team to soon join the elite division again. We have been partners of HAC for some years, and our focus is on helping the club to make sports, and rugby in particular, accessible for disadvantaged neighborhoods and families. We support sports accessibility and talent development, as well as HAC's ambition to improve their performance. HAC Rugby and its partners share the values of respect, individual courage, and solidarity, as well as the common understanding that they are stronger together. These shared values, their collective and tactical intelligence, along with their drive to take initiative and improve their performance are all necessary to win matches and be successful in the business world."

Eric VERBRUGGHE, Terminal Director Le Havre

Social well-being

We consider social well-being to be an important part of overall well-being. Our employees should feel content and healthy. We therefore take steps to improve interactions among colleagues and to generate team spirit. We allocate budgets for team building events such as canoeing, and for social events outside of the workplace. Regular (quarterly or bi-annual) team meetings for staff of commercial, financial, technical, SSHECQ, and management teams are also part of this vision. In addition, we are working to increase the number of unifying events such as joint lunches and organized coffee breaks with all employees to increase social well-being.

5 Empower people

"It is them, the people of Alkion, who make the difference."

Empower people

As a company, Alkion is only as good as its people. The more empowered our people are to think and act in their interests and ours, the better our company will be. This also applies to contractors and anyone else who works alongside us. In addition, we interact continually with the people in the communities around us.

People of Alkion

People close to Alkion

Empower people

5.1 People of Alkion

Recognition, developing skills and leadership talent, and promoting diversity

As Alkion, we are proud of our people and acknowledge that they are our most precious asset and make an essential contribution to our success. We "Empower people" through recognition, developing skills and leadership talent, and promoting diversity.

KPIs: Our employees	2020	2021	2022
Total (in FTE, average during the year)	**351**	**346**	**350**
Permanent contract (based on FTE)	328	320	322
Non-permanent (temporary) contract (based on FTE)	23	26	28
Total (in headcount, per December 31)	**349**	**335**	**328**
Full-time employees (based on headcount)	330	322	316
Part-time employees (based on headcount)	19	13	12
New hires	13	13	37
Of whom are women	6	4	8
Employee turnover (%)	n/a	5.4	7.3
Employees covered by collective bargaining agreements (%)	100	100	100
Absenteeism rate* (%)	11	7.7	6.6

* Absenteeism rate includes sick leave, work accidents, COVID-19 cases, disability, paternity/maternity leave.

Human Resources (HR) management

Alkion manages its human resources in a structured manner and adopts advanced initiatives in line with best practices in its sector. Alkion is compliant with local legislation and has adopted the Equator Principles* framework as a baseline for HR management. The CEO has the primary responsibility for HR-related matters. These matters are managed by local HR departments, as well as Terminal Directors and directors at the corporate level. An internal succession plan for passing on leadership roles at terminals is in place for each terminal.

By the end of 2022, Alkion had 328 employees in total, which is slightly lower than in 2021. In 2022, the employee turnover rate was 7.3. 16% of the turnover was due to non-voluntary reasons (restructuring). Other reasons included retirement, resignation, and mutual agreement regarding conclusion of the employment contract.

We are proud that approximately 39% of our employees have been with us for more than 20 years. In 2022, 37 people joined our company, some of whom have worked for Alkion in the past.

KPIs: Number of employees per years of employment

0 to up to 1 year	1 to up to 5 years	5 to up to 10 years	10 to up to 20 years	Over 20 years
24	**64**	**39**	**74**	**127**

In addition to our own employees on the payroll, there are other "workers" who are not employees, but who do work for us at Alkion's locations and terminals. In 2022, we had on average 26 workers who are not employees, compared to 24 in 2021. We consider these workers an integral part of our business.

* The Equator Principles is a risk management framework adopted by financial institutions for determining, assessing, and managing environmental and social risk in project finance. It is primarily intended to provide a minimum standard for due diligence to support responsible risk decision-making.
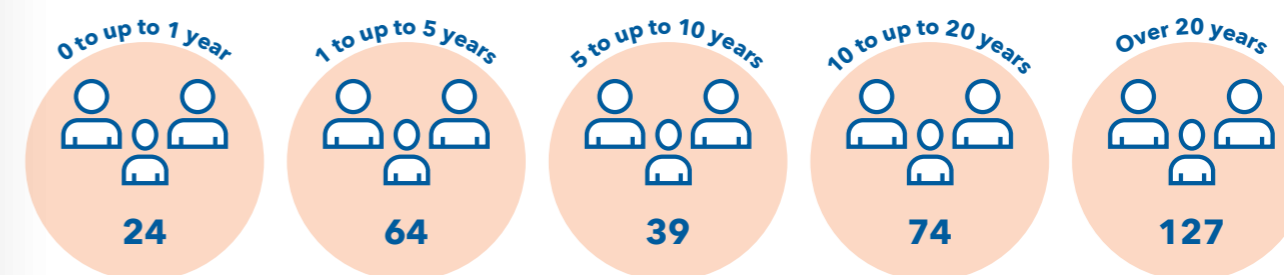
Recognition of our people

Our focus on the recognition of our people enables us to respond to the changing needs of our customers, as our employees are as motivated as possible and gain the necessary skills to respond to changes in the market. It also promotes higher standards in terms of safety, efficiency, and environmental and social responsibility, making Alkion a great place to work.

Employees creating value

We believe that effort should be recognized and rewarded. Alkion therefore has an extensive and structured bonus system. Every employee is engaged in an annual face-to-face performance assessment with their line manager to discuss their performance and provide feedback. During this meeting, the employee's targets for the following year are defined. Those targets are linked to a financial bonus. Targets comprise both corporate (financial and safety targets) and individual objectives.

In dialogue with our employees

Next to rewards, non-monetary recognition is equally important. Internal merit-based promotions are often used to fill senior positions. Management makes every effort to notice and compliment achievements on a daily basis.

We are working toward more regular meetings with employees to exchange ideas, assess employee satisfaction, follow up on suggestions, and listen to the needs of employees. To facilitate this, we have opened a mailbox: askmeanything@alkion.com. In 2022, no emails were received.

"Listening is everything" means that we do everything in our power to make sure everyone's voice is heard. We encourage open and transparent discussions, sharing and listening between everyone at Alkion. This applies to all processes and disciplines and between different levels of seniority. Good ideas can come from anyone, and it is often the people who are closest to our day-to-day activities at the terminals who are best able to propose new ways of working.

We aim to keep employees engaged while communicating our company's objectives and achievements, as well as updating them on important company projects and successes. To improve internal communication and value alignment, we introduced the periodic newsletter "Listen Up." The newsletter is distributed at each location in the local language. To increase employee engagement and share ideas, we have introduced an Alkion photo competition: "Through Your Eyes."
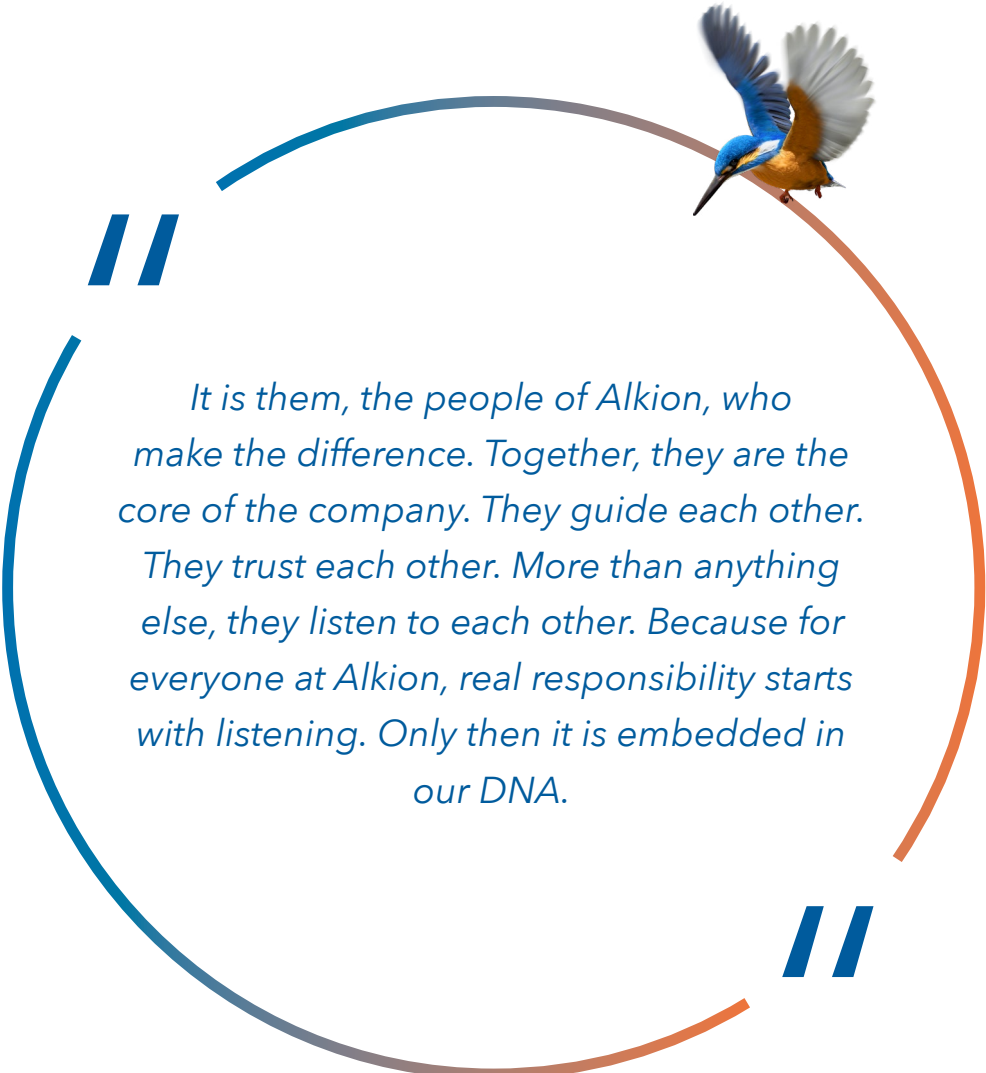
Listening to workers' councils

Historically, all Alkion terminals have been highly unionized, with up to three unions present at some sites. No strikes have occurred at any of the terminals since Alkion took ownership of them. Terminal Managers organize regular meetings with workers' councils to discuss remuneration, working conditions, and other employee needs and expectations.

Delegating responsibilities

We engage with and enable employees so that they feel empowered to take responsibility, tackle the challenges around us, and contribute to our company's success. For example, in 2022 Vado Ligure continued with its program focused on increasing the responsibilities of employees. All newly hired operators are trained as shift leaders. The coordinators of operations, office deliveries, and finance are given the opportunity to become managers, making them fully responsible for their areas of expertise. Delegating responsibilities helps employees feel more involved in life at the terminal and feel more accountable for the success and growth of the terminal.

It is them, the people of Alkion, who make the difference. Together, they are the core of the company. They guide each other. They trust each other. More than anything else, they listen to each other. Because for everyone at Alkion, real responsibility starts with listening. Only then it is embedded in our DNA.

Developing skills

Training opportunities and talent development are key for empowering people and ensuring long-term business sustainability. The training needs of employees are based on organizational needs, job requirements, and personal interests. Individual development programs are put in place for high-impact workers who contribute significantly to the achievement of KPIs and the implementation of our strategy. In addition, we have introduced mentoring and coaching sessions.

Training initiatives include:

- Providing trainings that are appropriate for the job and position, such as trainings on health and safety, first aid, firefighting, and cybersecurity.
- Organizing an annual finance seminar that includes sharing best practices, an accounting standard update, training on relevant IT software, and other related topics to enhance skills and knowledge.
- Conducting crisis management training. In 2022, the existing crisis management training program was extended to the Executive Management Team and included a media response module. The program first started in 2021 when Terminal Managers joined kick-off trainings.
- Offering language courses. Since 2017, a group of employees at the Vado Ligure and Le Havre terminals have been taking English courses to better communicate with headquarters and other terminals.
- Sponsoring an employee to receive a university degree in law from Sorbonne, with a focus on business difficulties and insolvency proceedings.

"After the success of the terminal manager training, the leadership team also attended an interactive and fast-paced crisis management and media response training held in Paris. The training focused on developing appropriate responses for simulated scenarios based on relevant actual incidents, such as cyberattacks. Rather than a generic approach, the training provided individual coaching. Responses were filmed and evaluated to build up personal experience and improve skills."

Mats HAGSTRÖM, Finance Director Koole Terminals Group

KPIs: Training and development	2020	2021	2022
Average hours of training per employee	n/a	12	22
% of payroll budget devoted to training[1]	0.40	0.46	0.89
% of total employees that received a regular performance and career development review	100	100	100

Note: Training hours include mandatory training where the budget is provided by Alkion. The training hours are based on estimates.

[1] 100* "Total training budget (€)" / "Total Payroll (€)"

Leadership talent

Leadership is crucial for driving business strategy and innovation. We have taken steps toward developing leadership talent and it is a specific point of focus in our roadmap. For example, in Lisbon we are organizing trainings in Lean tools (Six Sigma and Lean Management, using the Kaizen and 5S methods) for operations management. During the period 2020 to 2022, we sponsored a Terminal Manager to follow an Executive MBA program at the Business School University of Navarra and a Manager at the corporate level to follow an Executive MBA program at the University of Amsterdam.

Diversity and equal opportunities

Alkion Terminals is committed to maintaining a work environment that is free from discrimination. We promote equal opportunity and diversity. Policies regarding inclusion, equal opportunity, and discrimination are clearly defined in the Alkion Code of Conduct. These principles are incorporated in all HR processes, including recruitment. No violations of these values are tolerated, and we have set a zero-discrimination target. Employees of the Alkion headquarters in the Netherlands represent many different nationalities. We celebrate our differences as they drive our forward-thinking mindset and create a vibrant and stimulating working environment.

Gender and generational diversity
We embrace gender and generational diversity. At Alkion, 31% of senior managers are women, including one female terminal Manager in Amsterdam. We strive to increase the share of female blue-collar workers.

KPIs: Diversity and equal opportunity	2020	2021	2022
Number of women in the company	55	56	69
Percentage of women in the company (%)	16	16	19
Percentage of women in senior management (%)	46.7	31.0	31.1
Remuneration ratio women to men "white-collar workers" (%)	n/a	80	84
Remuneration ratio women to men "blue-collar workers" (%)	n/a	94	86
Remuneration ratio women to men "technicians" (%)	n/a	88	92

"Our terminals are spread across Europe. We have different cultural backgrounds and speak different languages. Despite this, everyone listens to each other. If someone comes up with an idea, big or small, we treat it as an opportunity for evolution and improvement. It does not matter if the idea comes from someone who has been part of our team for 20 years or for two days. Nor does it matter if they work in the field or in the office.

A symbiosis of fresh ideas from younger generations and profound industry knowledge creates added value. We support the exchange of knowledge among colleagues, and we listen with the same attention to people regardless of their experience level. We look forward to attracting younger generations to our industry.

Our generational mix

KPIs: Employees by age category	2020	2021	2022
Employees <30 years	16	15	18
Employees 30-50 years	152	153	153
Employees >50 years	160	152	157

Note: The figures cover our employees with a permanent contract.

5. Empower people

5.2 People close to Alkion

Engaging with local communities

Alkion is a part of the society in which it operates. We work closely with multiple contractors and partners, and we continually interact with the people who make up the communities around us. We value them all. We listen to their ideas and input, and we are committed to their empowerment and development. That is because we know from experience that by improving their prospects, we improve our own prospects.

"We also listen to society and the wider world. Consciously and unconsciously, we hear what the planet and its people need and believe."

Active participation to listen and to be heard

Alkion is an active member of many local, regional, and national associations and platforms with the aim to strengthen collaboration within the sector and among its stakeholders. By actively participating in working groups and exchanging knowledge, we broaden the opportunity to engage with local communities and to maintain relationships based on trust. We also believe that positive and proactive participation allows us to listen to, and be heard by, our stakeholders. This includes employees, local and national government bodies, regulatory agencies, ports, and the communities living near our facilities.

Memberships

We consider stakeholder interests when making decisions at both the corporate and terminal levels. We participate in a variety of organizations, from sector associations that focus on safety and legislation updates to organizations that focus on the energy transition and sustainability.

Organization: USI
Terminal: ATF
Organization description: French terminals are full members of the Union of Tank Storage operators (USI), a joint representation of all storage operators in France. USI is represented at the European level through FETSA, which represents the bulk liquid storage sector at the European level.

Organization: Synerzip-LH
Terminal: ATLH
Organization description: An association that aims to proactively inform the local community of any unusual event.
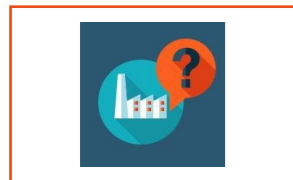
Organization: Allo Industrie
Terminal: ATLH, ATM
Organization description: An organization that contributes to the attractiveness and competitiveness of the Industrial and Port Zones of Le Havre and Marseille.

Organization: SPPPI (Secrètariat permanent pour la Prèvention des Pollutions Industrielles Estuaire de l'Adour)
Terminal: ATB
Organization description: An association that promotes consultation and deepens knowledge, directing the necessary actions and informing the public regarding the industrial environment close to the Adour estuary.

Organization: Nederland CO_2 Neutraal
Terminal: ATBV
Organization description: A network of companies committed to sustainability and the reduction of CO_2.

Organization: ORAM (Ondernemend Amsterdam)
Terminal: ATA
Organization description: A leading business network in the Amsterdam Metropolitan Area. TET (oram.nl) is one of the initiatives focused on energy transition topics within ORAM.

Organization: UNEM
Terminal: ATVL
Organization description: An association that brings together and represents key companies operating in Italy for the processing, logistics, and distribution of petroleum and low-carbon energy products. Alkion participates in working groups on biofuels and e-fuels.

Organization: Sustainable Port of Cartagena (Cartagena Puerto Sostenibile)
Terminal: ATC
Organization description: An initiative committed to incorporating the 2030 Sustainable Agenda, which is based on the 17 UN Sustainable Development Goals, into the port's strategy. This will be pursued through collaboration with multiple entities, including those in the private sector such as Alkion.

Donations and sponsorships

Each terminal, including the holdings ATBV and ATF, has a budget that can be allocated freely to support local communities and address local and societal needs. Besides providing local support and donating to employees' sports teams (read more in 4.2), Alkion supports a wide range of local NGOs and organizations.

Contributions	Terminal
Donations to fire brigade	ATLH
Support to educational institutions: ADEM, EM Normandie, ENSAM, Lycee Jules Siegfried.	ATLH
Protection and diagnostic equipment to Marques de Vadecilla Hospital in Santander.	ATS
Boucau rugby team.	ATB
Donations to local firefighting Bridgade Bombeiros Voluntários do Sul e Sueste in Barreiro.	ATL
Single mother association Associação Portuguesa de Apoio às Mães Solteiras.	ATL
Kids/parent support projects at Duchenne Heroes.	ATA
Intervention equipment to the civil defense volunteers' organization of Nantes.	ATN
Donations to APESA (Psychological Assistance to Entrepreneurs in Acute Suffering) which helps to prevent the suicide of entrepreneurs confronted with bankruptcy filings.	ATM

6 Reduce adverse climate impacts

"Looking beyond today or tomorrow."

Reduce adverse climate impacts

To reduce the adverse impacts of climate change, Alkion focuses on:
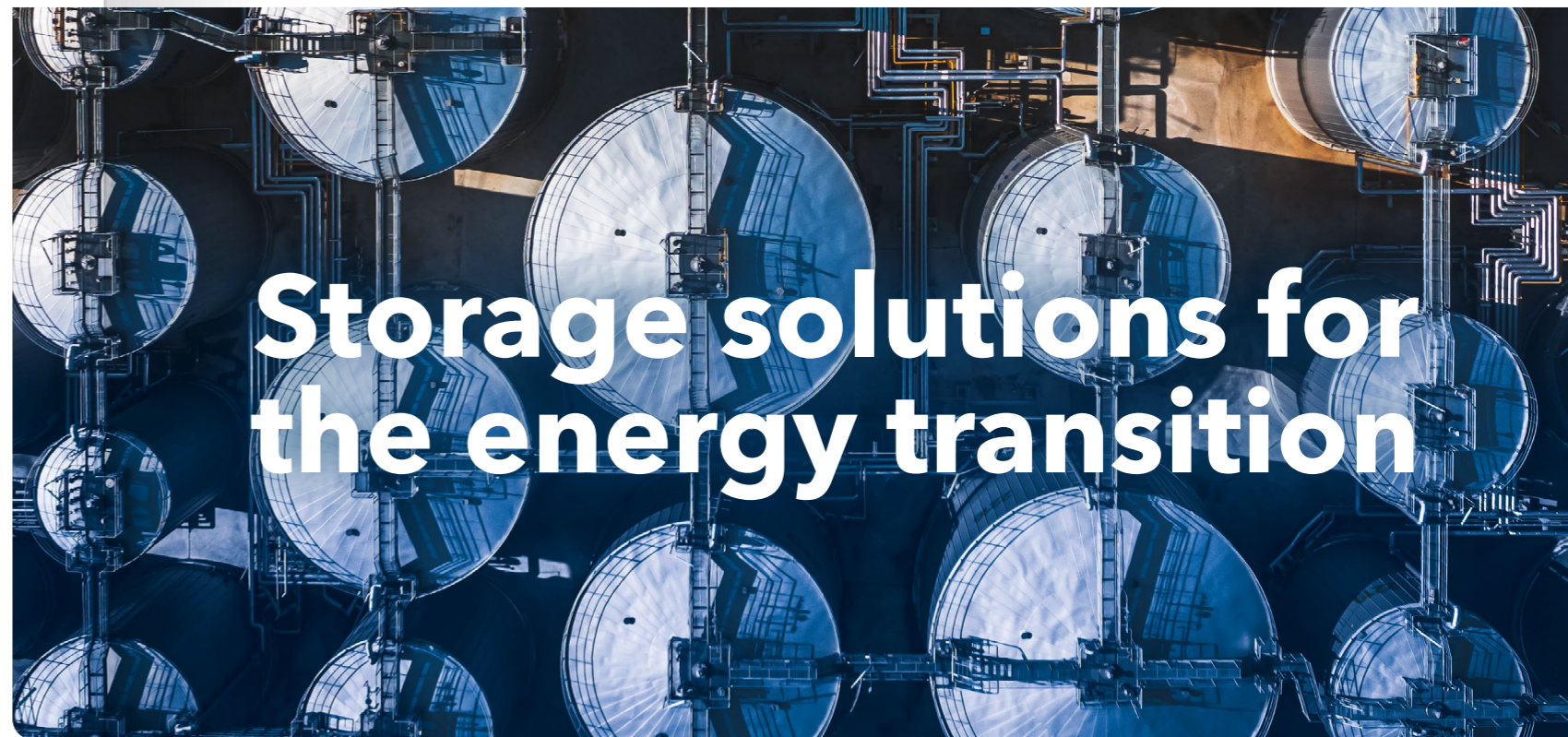
Internally

Reducing the impacts of our own operations.
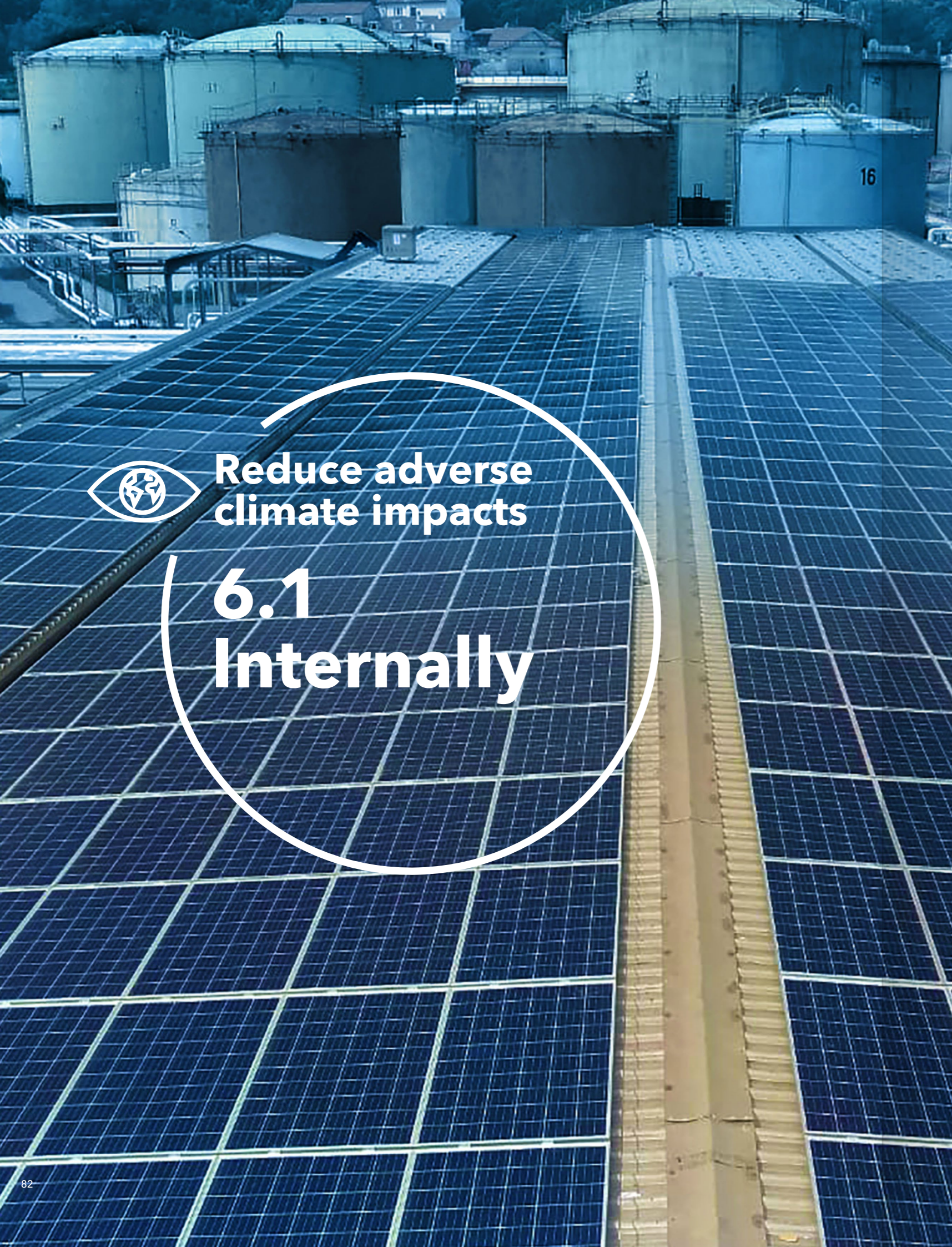
Externally

Facilitating storage solutions and infrastructure for the energy transition.

Resource-efficient operations

Storage solutions for the energy transition

Reduce adverse climate impacts

6.1
Internally

Resource-efficient operations

Owing to a variety of environmental and geo-political factors, Alkion is aware of the need to become more energy efficient. We are therefore pursuing more sustainable electricity and heat sources while upgrading to more energy-efficient assets. We are also striving to reduce the negative impacts of our own operations by taking meaningful steps toward reducing our ecological footprint. We do this by managing our emissions, as well as by managing our water consumption and waste generation.

Physical risks of climate change

Over the years, we have witnessed climate change and its physical risks. Our terminals are located in coastal areas and depend heavily on river and seaway infrastructure. As such, they are vulnerable to climate change related risks. For example, water level fluctuations in the Rhine, Seine, and Rhône rivers have a significant impact on logistics. Both droughts and floods can cause disruptions to regular barge and vessel activity. Heat waves can restrict shipping operations and drive increased demand for railway activity. Strong winds, thunderstorms, heavy rains, frosts, and other severe weather conditions can temporarily impact terminal operations. Although our terminals are designed for such weather conditions, the increasing frequency and/or intensity of extreme weather events impose additional risks. We will include the physical risks of climate change in our 2023 terminal risks assessment so that we have a better view of the climate risks we face.

6. Reduce adverse climate impacts

Climbing the 'CO$_2$ Performance Ladder'

The CO$_2$ Performance Ladder ("CO$_2$-Prestatieladder") is a CO$_2$ management system for organizations that is based on international standards and the GHG Protocol to help incorporate CO$_2$ reduction targets and measures into the business strategy.

It is a Dutch certification scheme, and the Alkion Group was awarded a certification in September 2021, which remained valid in 2022. Alkion became the first liquid bulk storage company to receive the CO$_2$ Performance Ladder certification in Europe. In order to maintain the certification, we are audited annually by an independent party. Our commitment relates to four areas: insight into emissions, emissions reduction, transparency toward stakeholders, and active participation.

By 2025 we aim to emit 20% less CO$_2$ than in 2019. In 2022 we achieved a 15.4% reduction in CO$_2$ emissions compared to 2019.

In 2019, which is our baseline year, we emitted 11,354 tons of CO$_2$. Scope 1 emissions accounted for 8,272 tons of CO$_2$ (73%), Scope 2 emissions for 2,917 tons of CO$_2$ (26%), and Scope 3 emissions (business travel) for 164 tons of CO$_2$.

Our Scope 1 emissions are mainly driven by the consumption of natural gas, which is used to store products that require heating. Our Scope 2 emissions are indirect emissions generated by purchased electricity (about 14% of the total). We use electricity to handle products at the terminal, for example for pumps, valves, vapor treatment units, and other equipment. The second biggest source of Scope 2 emissions (about 13% of the total) is driven by purchased steam, which is used to heat our tanks in Le Havre.

In 2021, we emitted 9,753 tons of CO$_2$, reducing our emissions by 14% in comparison to the 2019 baseline year. In 2022, we made further progress and reduced our CO$_2$ emissions to 9,602 tons. This means that we achieved a 15.4% reduction in emissions compared to our baseline year of 2019 and are therefore gradually progressing toward our emissions reduction target of 20% by 2025. The decrease in 2021 and further progress in 2022 are mainly driven by:

1 The transition of the business into a newly built and more energy-efficient tankpit in Le Havre. The old terminal was heated by natural gas, while the newly built terminal is heated using steam.

2 Switching to a more sustainable supplier of steam at Le Havre terminal. This meant switching from steam originating from the incineration of gas to steam produced at a waste-to-energy plant.

3 Increasing the share of green energy in our electricity supply, both by producing solar energy at our own sites and by purchasing green electricity in 2021. We will continue implementing measures that decrease our electricity consumption and continue investing in solar panels before investing further in the purchase of green electricity.

4 In 2022, at our Santander terminal, we stopped using diesel for generation of power, as the old diesel boiler was replaced by a new propane boiler.

How we reduce our CO$_2$ emissions

We have put various CO$_2$ reduction measures in place. Each terminal has a detailed implementation plan and timeline in place based on the local agenda and priorities.

Reducing Scope 1 emissions

Gas consumption

- Reassess the most efficient and sustainable heating option (electricity sources, neighboring plants)
- Improve the insulation of tanks and pipelines
- Assess the impact of replacing boilers or burners with more efficient versions
- Switch from gas boilers to more sustainable and efficient options, such as propane
- Replace part of the natural gas consumption with biogas

Fuel consumption

- Install charging stations for hybrid and electric cars at the terminals, including stations powered by solar energy
- Revise the corporate policy for leasing more efficient cars by introducing a limit for the maximum amount of CO$_2$ emissions per km driven
- Focus on leasing/renting hybrid and electric cars
- Promote the leasing of e-bikes

Reducing Scope 2 emissions

Electricity consumption

- Increasing the amount of green electricity and improving energy efficiency
- Preparing a business case and acquiring permits for the installation of solar panels
- Installing and commissioning solar panels
- Looking for energy suppliers that can provide green electricity
- Gradually switching to LED lighting
- Installing pumps with variable speed drive (inverters) and/or automatic pumps for flow regulation
- Smart lighting at night at the terminals/switch off lighting at night where possible
- Guaranteeing green energy consumption with Guarantees of Origin (GOs) in the future after we have further reduced our own energy consumption and improved our solar production capacity

Organizational measures

- Inform employees about "sustainable behavior" at the office
- Replace plastic cups with more sustainable alternatives
- Conduct a sustainability workshop/education/quiz for employees
- Place posters promoting sustainability in offices and common areas

GHG emissions by scope and source

KPIs: GHG emissions (ton CO_2)	2019	2020	2021	2022
Scope 1				
Gas consumption	7,663	8,556	6,157	5,207
Propane and liquified petroleum gas (LPG)	119	158	120	206
Fuel consumption transport diesel (cars)	255	208	184	200
Fuel consumption transport gasoline (cars)	33	33	48	61
Fuel consumption power (diesel)	92	127	94	0
Fuel consumption non-road diesel (gnr)	87	66	21	74
Terpentine VOC	23	23	13	19
Scope 2				
Electricity	1,493	1,488	964	1,387
Steam	1,424	1,506	2,051	2,349
Total (Scope 1 and 2)	**11,190**	**12,154**	**9,652**	**9,503**
Scope 3				
Business travel	164	61	101	99
Total (Scope 1, 2, and 3)	**11,354**	**12,215**	**9,753**	**9,602**

Our emissions in 2022 are equivalent to:

- 5,211 return flights Amsterdam – New York
- 2.9 million kg office paper consumed
- Annual gas and electricity consumption of 1,978 households
- 480,100 trees growing in one year
- 1,041 tours around the world in an average car
- 970 days of operating one windmill

To monitor and compare our CO_2 emissions over the years, we have identified three carbon intensity-based KPIs. Compared to 2021, we see slight improvements for all three KPIs.

KPIs: Intensity-based CO_2 footprint	2019	2020	2021	2022
CO_2 emissions per FTE (CO_2 in tons / FTE)	32.3	34.8	28.2	27.4
CO_2 emissions per revenue (CO_2 in tons / Revenue in million EUR) * 1,000	113.2	121.9	99.3	94.2
Emissions per throughput (CO_2 in tons / throughput in tons) * 1,000	3.6	4.6	3.6	3.3

6. Reduce adverse climate impacts
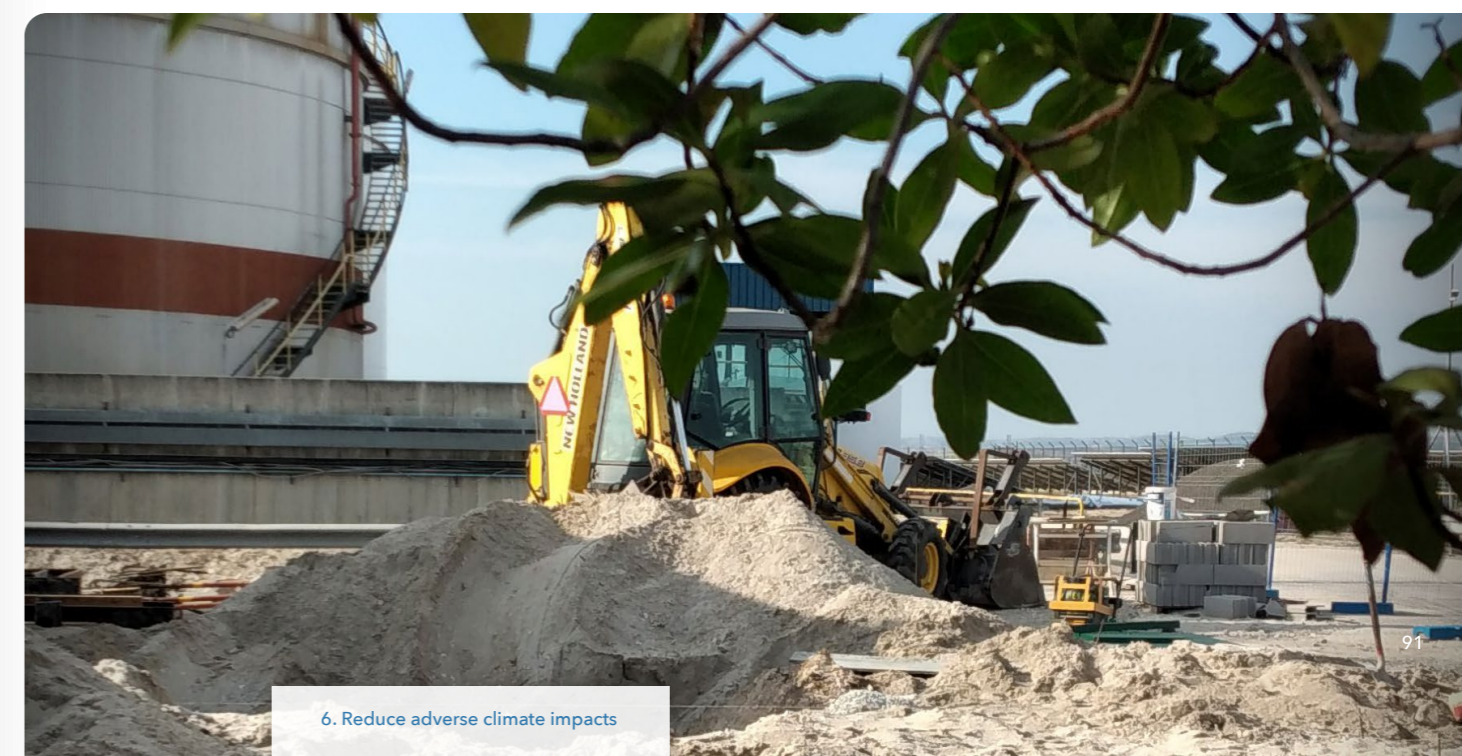
From grey to green electricity

Target: 100% of electricity from renewable energy sources in 2023.

Alkion strives to ensure that the electricity used by our terminals comes from renewable energy sources. We achieve this though: 1) the production and consumption of solar energy and 2) securing the use of green electricity through Guarantees of Origins (GOs).

In 2022, we did not purchase green electricity, however we continued with our efforts to decrease our energy consumption and made further investments in the production of solar energy.

Harnessing the power of the sun

The sun is becoming an increasingly important source of Alkion Terminals' energy supply. This is part of our company-wide commitment to sustainability. Alkion is proud to have solar panels operational at two sites. The first location where solar panels were installed was Vado Ligure (ATVL) in 2018. In December 2021, Lisbon became the second terminal (ATL) to start the generation of solar energy. Panel locations are carefully analyzed to optimize efficiency and to ensure compliance with Seveso regulation. We have installed solar panels on office buildings, car parking roofs, and other suitable locations.

In 2022, we produced 1,318 MWh by solar panels on both sites, which is 57% more than the 572 MWh produced in 2021. This increase is driven by the solar panels in Lisbon, which were operational all year in 2022. 60.5% of all solar energy produced is used for self-consumption at the terminal. The surplus energy (39.5%) is sold to the grid, generating additional revenues and supplying the grid with renewable energy.

The solar panels also allow ATVL and ATL to operate more independently from the unpredictable energy market and its volatile price changes. The severe market fluctuations in 2022 demonstrated once again the importance of energy security.

6. Reduce adverse climate impacts

"Our solar panels were installed on the rooftops of our operational buildings, resulting in an optimal usage of square footage that was not being utilized otherwise. The numbers speak for themselves: In 2022, ATVL produced 636 MWh of solar energy, which allowed for a reduction in energy purchases of 31%. We have to take care of our future. We have to show, as Alkion Terminals, that we are part of this change. Additionally, these changes have a positive impact on our business and our customers."

Alessandro SISTI, Terminal Manager Vado Ligure

"The first phase of installing solar panels in Lisbon is just the beginning. This year, we have already approved an investment for the second phase of our solar panel project, which will add 601 KW of installed capacity by the end of 2023. This will enable us to more than double the production of green electricity at Alkion Lisbon, increasing it from 682 MWh produced in 2022 to approximately 1,440 MWh in 2023. Besides the production of green energy for self-consumption, the surplus energy is sold to the power grid, providing green energy for our community and additional revenue for the company."

**Diogo GODINGO,
Terminal Manager Lisbon**

CO_2 reduction, energy savings, and higher energy self-sufficiency

Vado Ligure

Annual electricity production:
2021: **558 MWh** - 2022: **636 MWh**

Terminal's electricity consumption covered by electricity generated by solar panels:
2021: **31%** - 2022: **33%**

Reduction of electricity costs in comparison to scenario without solar panels:
2021: **43%** - 2022: **41%**

Lisbon

Annual electricity production:
2022: **682 MWh**

Terminal's electricity consumption covered by electricity generated by solar panels:
2022: **53%**

Reduction of electricity costs in comparison to scenario without solar panels:
2022: **36%**

6. Reduce adverse climate impacts

KPIs: Energy consumption (GJ)	2019	2020	2021	2022
Total energy consumption (GJ)	**256,331**	**278,748**	**264,241**	**245,045**
Of which from non-renewable sources (%)	*99.35%*	*99.54%*	*90.16%*	*98.83%*
Of which from renewable sources (%)	*0.65%*	*0.46%*	*9.84%*	*1.17%*
Electricity from non-renewable sources	**44,536**	**44,568**	**25,272**	**47,354**
Electricity from renewable sources	**1,656**	**1,282**	**25,996**	**2,869**
Steam from non-renewable sources	**39,594**	**41,876**	**75,183**	**87,197**
Fuel consumption from non-renewable sources	**170,545**	**191,022**	**137,791**	**107,624**
Diesel	*4,827*	*4,509*	*3,367*	*3,072*
Gasoline	*344*	*360*	*518*	*659*
Natural gas	*163,808*	*184,074*	*132,325*	*101,163*
Propane and LPG	*1,566*	*2,080*	*1,581*	*2,730*

Alkion to expand its green energy production

Alkion focuses on solar panel projects across the entire group. More solar panel installations will be commissioned in 2023: The third Alkion terminal to install solar panels will be Amsterdam in 2023, followed by the second phase of solar panel installation in Lisbon and first phase in Bayonne. Besides the already approved projects, we continue to conduct feasibility studies for installing solar panels at other terminals. Cartagena, Santander, and Marseille advanced feasibility studies in 2022 and the investment decision for those installations is expected to be taken in 2023.

Guarantees of Origin

Guarantees of Origins (GOs) are EU digital certificates that guarantee that energy has been generated in a renewable way, indicating the precise method and source of consumption. In 2021, 50% of our purchased electricity was GO-assured as having been generated by a renewable energy source. In 2022, we did not purchase green electricity with GOs, but instead prioritized increasing the solar production capacity. We set the target to achieve 100% of electricity from renewable energy sources in 2023. Alkion applies strict criteria when selecting GOs: Renewable energy should be generated in the country of consumption.

6. Reduce adverse climate impacts

Improving efficiency of our operations

Improving efficiency of the vapor recovery unit (VRU) in Vado Ligure
Besides gradually switching from grey to green energy sources, we also focus on reducing our energy consumption by improving the efficiency of our operations. For example, in 2022 Vado Ligure refurbished the vapor recovery unit (VRU) to improve its efficiency and reliability. The system is designed to retain and convert the hydrocarbon vapors into liquid gasoline and releasing clean air into the atmosphere. Performed modifications allowed for a significant reduction in energy consumption, from 204.5 kW to 85 kW installed power required. This results in energy savings of 90 kWh and daily savings of approximately 720 kWh. In addition to energy savings, the refurbished VRU reduces the consumption of activated carbon that is used in the process of VRU emissions reduction.

KPIs: Total electricity consumption (MWh)	2019	2020	2021	2022
Grey electricity purchased	12,371	12,380	7,020	13,154
Green electricity purchased	0	0	6,772	0
Self-generated electricity by solar and self-consumed	460	356	449	797
Total electricity consumption	**12,831**	**12,736**	**14,241**	**13,154**
Percentage of green electricity out of total electricity consumption (%)	**3.6**	**2.8**	**50.7**	**6.1**

KPIs: Self-generated electricity by solar (MWh)	2019	2020	2021	2022
Self-generated electricity by solar	575	502	572	1,318
Of which self-consumed	*460*	*356*	*449*	*797*
Of which exported to the grid	*115*	*146*	*124*	*521*

6. Reduce adverse climate impacts

More sustainable heating options: new boiler in Santander
Alkion Terminal Santander replaced its old diesel boiler with a new propane boiler. The boiler became operational in July 2022 and is a big step for the terminal in providing a more efficient and sustainable heating solution to its customers. The new boiler has reduced the terminal's CO_2 emissions by 50% for the same amount of energy produced. The cost reduction in euros amounts to 35% per unit of energy produced.

"The new boiler's electronic systems optimize energy consumption. It has reduced our CO_2 footprint significantly. It is also more economical to run because it uses propane as fuel instead of diesel. This in turn allows us to offer our customers more competitive heating fees. It is really a win-win situation in terms of sustainability, efficiency, and service to the customer. We need to make these efforts for the benefit of the environment, society, our local community, our customers, and our company."

**Augustin MORENO ROLDAN,
Terminal Manager Santander and Cartagena**

# ISO 14001 environmental management system certificate

Environmental management is an integral part of our integrated management system in all terminals. Two of our terminals took the extra step to voluntarily be certified to the ISO 14001:2015 standard on environmental management systems. Our terminal in Vado Ligure has been certified for over 15 years and our terminal in Le Havre has been certified since 2021.

Volatile Organic Compound (VOC)

The storage and handling of volatile products releases VOC emissions into the atmosphere, which may have an impact on the quality of the air in nearby communities. Alkion permanently seeks to control and reduce these emissions through the proper design, operation, and maintenance of its assets. We also measure and monitor VOC emissions. Our aim is to improve the performance of vapor recovery units in compliance with regulations, install more efficient vapor recovery units, and provide more tanks with floating screens. We are currently studying or executing a few projects at different terminals to reduce the VOC emissions. In addition, we remain in close contact with nearby communities to communicate and explain any VOC-related impacts.

Further reducing emissions: new scrubber unit in Cartagena
Alkion Terminal Cartagena is installing a new two-stage scrubber unit to further reduce emissions from handling phenols. In doing so, we are replacing the older, less efficient unit. The new scrubber will be able to clean the phenol vapors from the nitrogen exhaust during the filling of the tanks and during tank breathing. It will be able to reduce the phenol concentration from 13,000 mg/Nm^3 to 20 mg/Nm^3, representing a 99.85% reduction efficiency. Additionally, the unit will be equipped with an emissions analyzer. The system will be controlled from the control room by a computer and measure the emissions in real time after being processed in the new scrubber. All data will be recorded and kept in a database. It will increase the trans-parency in reporting our emission levels and improve the emissions trend analysis.
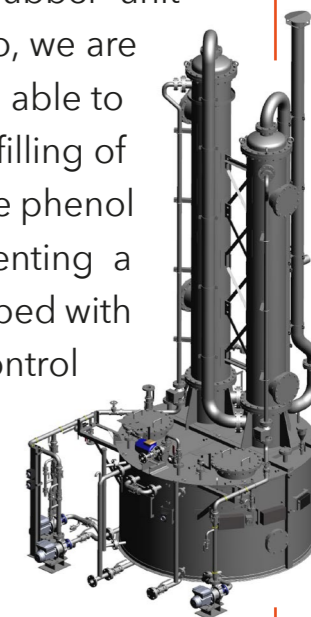
Nuisance

Around our terminals, local communities may be affected by odor from our operations. We are looking into options to mitigate this nuisance, while maintaining close communication with relevant community representatives and authorities. In 2023, we have planned large investments for two of our terminals to significantly reduce nuisance from odor through new or improved equipment.

Waste management

Our waste management approach is based on reducing the amount of waste we generate and where possible making sure that our waste is recycled or reused. Through our activities, we generate numerous waste streams, both hazardous and non-hazardous. Of these waste streams, waste coming from construction and decommissioning activities make up the largest portion of our waste.

All our waste is processed in compliance with the highest standards as required by law and with the use of authorized waste disposal and recycling companies. In Le Havre, we send some of the collected waste to the waste incineration plant at the port. Our terminal buys steam from this waste incineration plant.

Hazardous waste
Includes mainly:
- Remains of products: residues, sludges, and liquid waste from tank cleanings. The number of tanks under inspection in a given year can result in strong annual fluctuations in the amount of waste generated.
- Construction and decommissioning (C&D): waste such as contaminated scrap and concrete, materials containing asbestos, and contaminated soil.

The decommissioning and remediation of the Sotrasol site in Le Havre accounted for almost half of our hazardous waste in 2021 and for around 94% in 2022. These activities started in mid-2021 and continued in 2022 and are the main reason for the significant increase of hazardous waste from 2021 to 2022. We expect the amount of hazardous waste to decrease once the decommissioning activities are completed.

Non-hazardous waste
Non-hazardous waste includes mainly plastics, paper and cardboard from our offices, other garbage, non-contaminated soil, steel, and water. We have separate waste collection system in place. At almost all terminals, we have replaced plastic cups with recyclable cups and/or promoted conventional multiple-use mugs and plates etc.

KPIs: Waste generated (tons)	2020	2021	2022
Hazardous waste	1,049	3,734	31,617
Non-hazardous waste	13,853	15,171	4,033
Total waste generated	**14,902**	**18,905**	**35,650**

6. Reduce adverse climate impacts

Water management

Increasingly, water scarcity, but also water quality, is becoming an issue throughout Europe, including around the areas where Alkion operates. We are aware that pressure on water resources will continue to grow in the coming years as droughts become more common. Water is a resource that is used in Alkion's operations, for example for the cleaning and inspection of tanks, product dilution (mainly for caustic soda), firefighting systems, and domestic usage.

We see it as our responsibility to minimize water usage wherever possible and discharge our wastewater according to local and national regulations related to wastewater discharge. We treat most of our wastewater in our own facilities. At some facilities where we do not have an on-site wastewater treatment plant, we send our wastewater to third-party treatment plants.

KPIs: Water consumption (m³)	2020	2021	2022
Third party water (municipal)	52,128	60,005	51,137
Third party water (industrial)	46,825	32,629	27,440
Surface water (from pond, river, harbor, canal)	75	100	80
Seawater	0	0	0
Groundwater	0	0	0
Total water consumption	**99,028**	**92,734**	**78,657**

Note: A small portion of our industrial water consumption is accounted for under the category "tap water," since in a couple of our terminals it is not possible to make this distinction.

| KPIs: Wastewater treatment (m³)	2020	2021	2022
Wastewater treated off-site	20,180	21,725	2,596
Wastewater treated on-site and discharged	155,585	141,829	124,536
Total amount of wastewater	**175,765**	**163,554**	**127,132**

Note: The wastewater figures may also include contaminated rainwater released and/or treated. Wastewater from our own wastewater treatment plants is discharged into rivers, seas, canals, or to the municipal system.

Biodiversity

The decline of biodiversity is one of the most salient environmental issues of our time. Because of this, it is crucial for Alkion to be aware of potential biodiversity issues in the areas in which we operate. All our terminals are located in the vicinity (distance less than 4 km) of Natura 2000 sites. Natura 2000 sites fall under the EU Directives on Birds and Habitats and are found throughout countries in Europe. The designation of areas as Natura 2000 sites is aimed at ensuring the long-term survival of species and natural habitats.

There are a total of 16 protected areas close to Alkion terminals. In Nantes and Bayonne, protected areas directly border the terminals, meaning additional, site-specific regulations are set by authorities. Our impact on biodiversity is particularly relevant during the extension of our "license to operate" for growth projects.

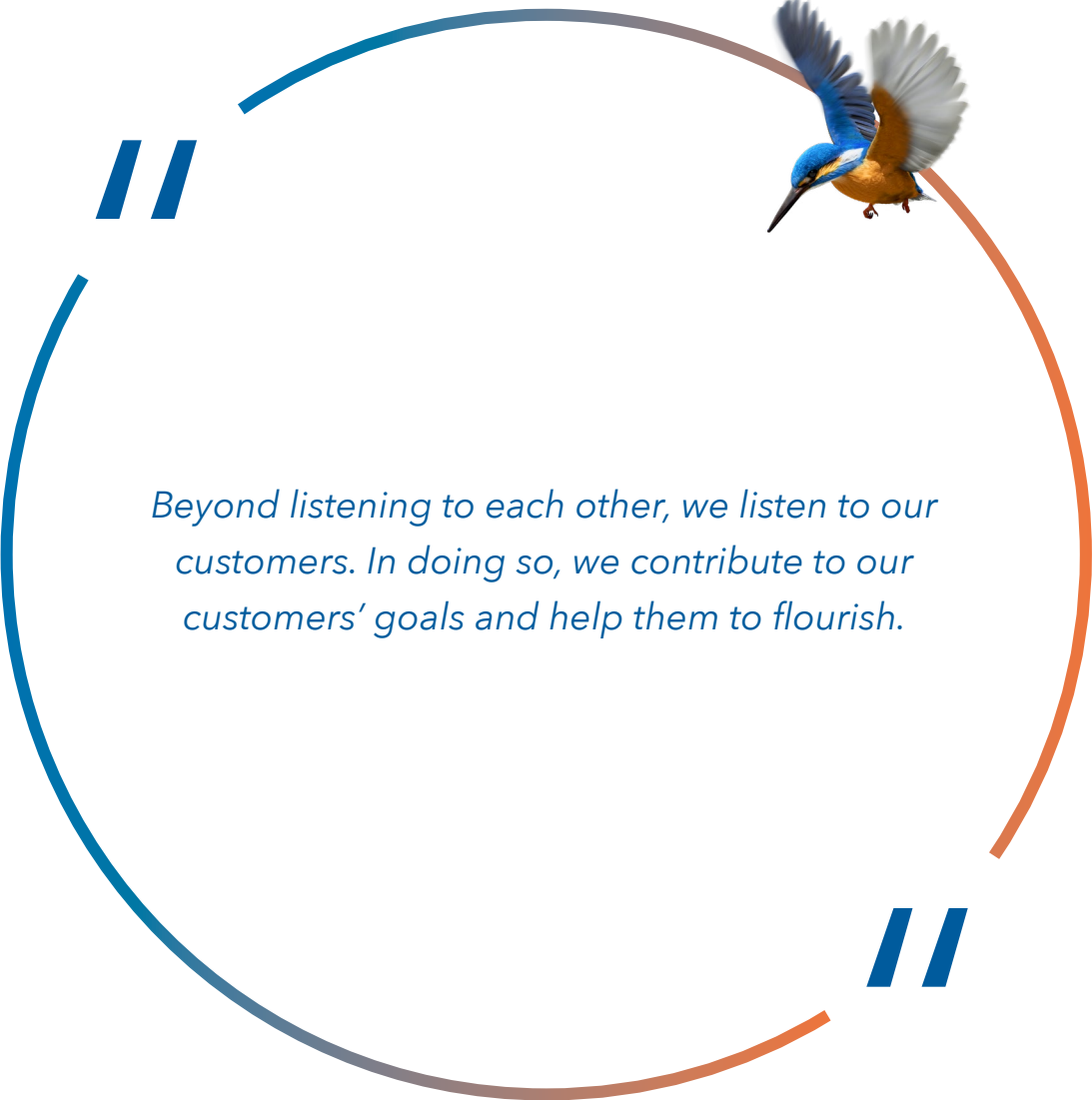6. Reduce adverse climate impacts
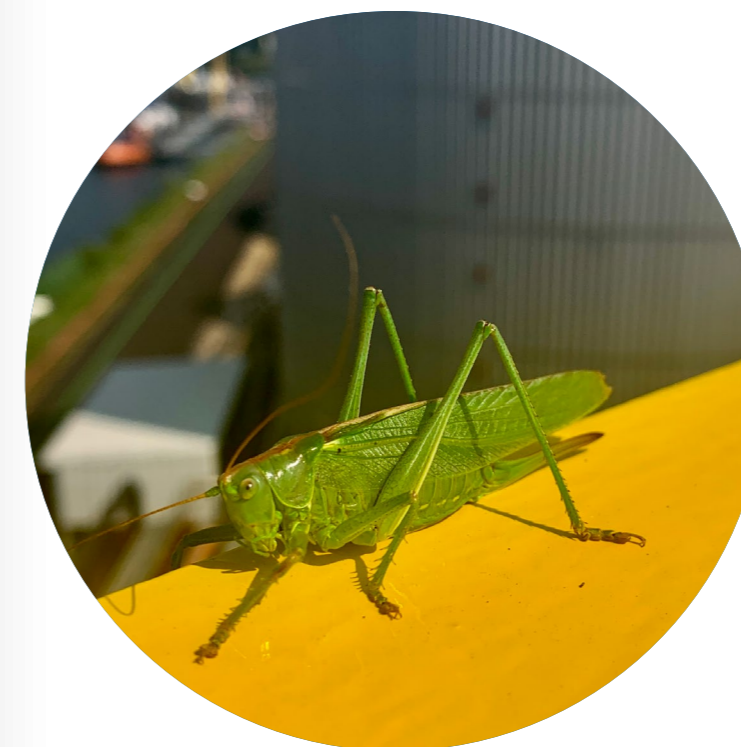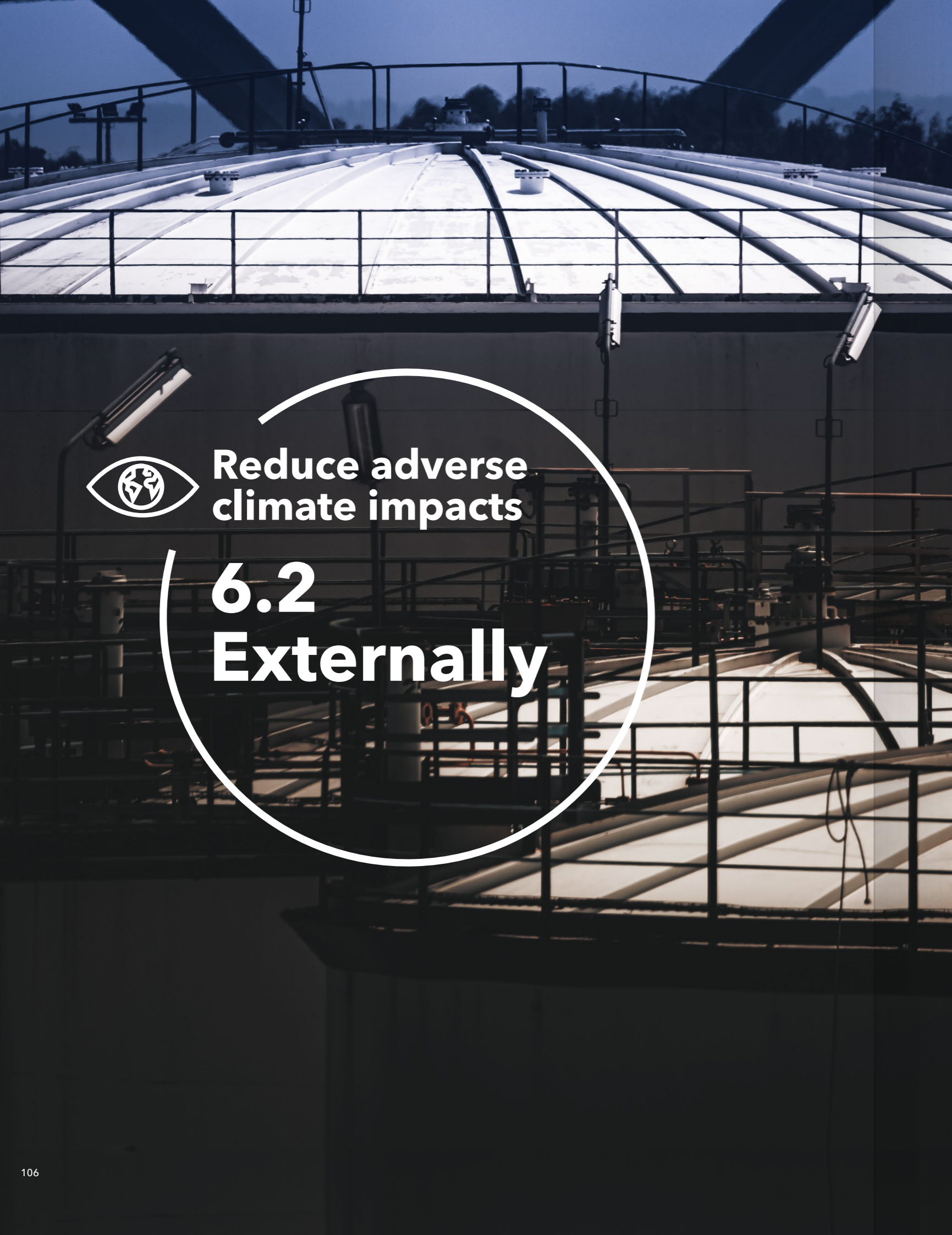
Reduce adverse climate impacts

6.2 Externally

Storage solutions for the energy transition

The energy transition will be facilitated through new forms of energy. This requires new energy infrastructure for the sourcing, storage, blending, and distribution of those energy products. Alkion was an early mover in terms of identifying the need for this infrastructure. Together with our customers, we are investing in various projects to facilitate and support the transition that is taking place across the energy industry. For instance, we have invested in tailor-made solutions for biofuels and advanced feedstocks storage. We are also focusing on diversifying the services for our customers.

Facilitating storage solutions for the energy transition

Alkion is well-positioned to play a significant role in the energy transition by offering tailor-made and flexible terminal infrastructure that meets the demand of today's energy markets, which are increasingly focused on environmental issues. Our customers have been among the first to pioneer and react to this changing landscape. In response, Alkion has moved quickly to offer the flexibility and capabilities needed to produce, develop, source, and blend a growing range of renewable fuels and chemicals. The demand for storage solutions for more sustainable energy sources will grow substantially in the years to come.

Beyond listening to each other, we listen to our customers. In doing so, we contribute to our customers' goals and help them to flourish.

Alkion has demonstrated foresight and growing expertise in this area by, for instance, diversifying our product portfolio. Thus, we are working on projects such as new SAF infrastructure and synthetic fuels (e-fuels), as well as pilot projects for methanol bunkering. Our business development unit is assessing opportunities for new energy carriers such as ammonia, hydrogen, methanol, and biomass-to-liquid. We have invested in, and continue to develop, greenfield and brownfield projects supporting the growth of our customers' business. Below are just some of the examples.

Amsterdam biofuels hub

Biofuels play an important role in the energy transition by contributing to ambitious national, EU, and Paris Agreement targets. However, new infrastructure is necessary if they are to fulfil their potential. Alkion Terminal Amsterdam can help to make this happen by redeveloping an unused plot of land adjacent to the existing terminal site. We are planning to add 23 more tanks and increasing the storage capacity dedicated to biofuels and various feedstocks, especially the advanced varieties, by approximately 60,000 CBM. Smaller, heated, and dedicated tanks create the flexibility that enables blending to the right product quality specification.

6. Reduce adverse climate impacts
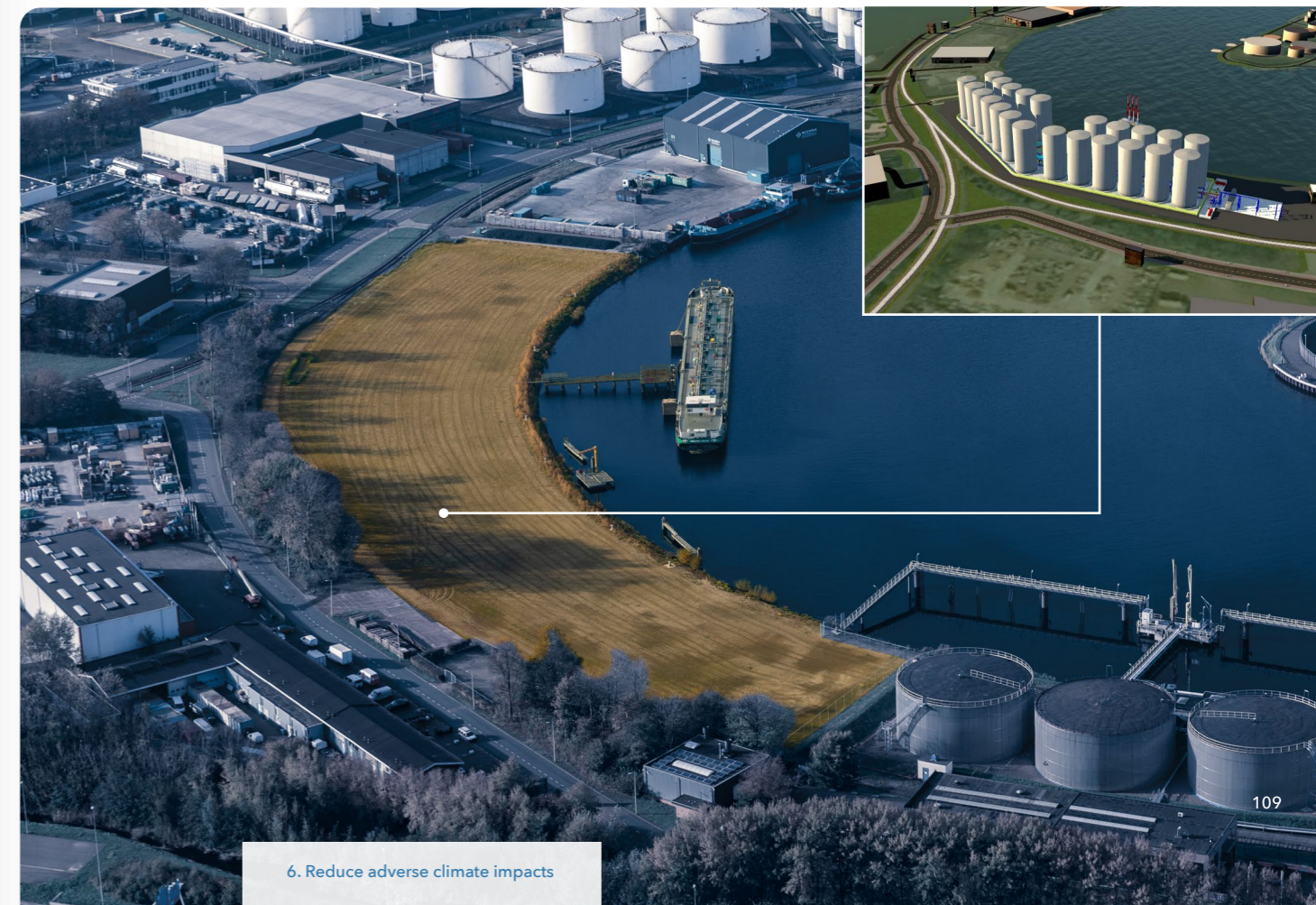
Establishing a biofuels hub at Vado Ligure

Southern Europe is progressing quickly in terms of meeting the needs of the growing biofuels industry. Alkion Terminal Vado Ligure invested in the energy transition by completely refurbishing a tank to accommodate the storage of the heated biofuel Fatty Acid Methyl Esters (FAME). The project was executed in cooperation with a major and long-standing customer. The heating for the tank is managed by an electrical heat tracing system. This system allows the product to be heated more sustainably, especially by using electricity generated by our own solar panels on site. Additional projects to strengthen the biofuel hub are ongoing at Vado Ligure.
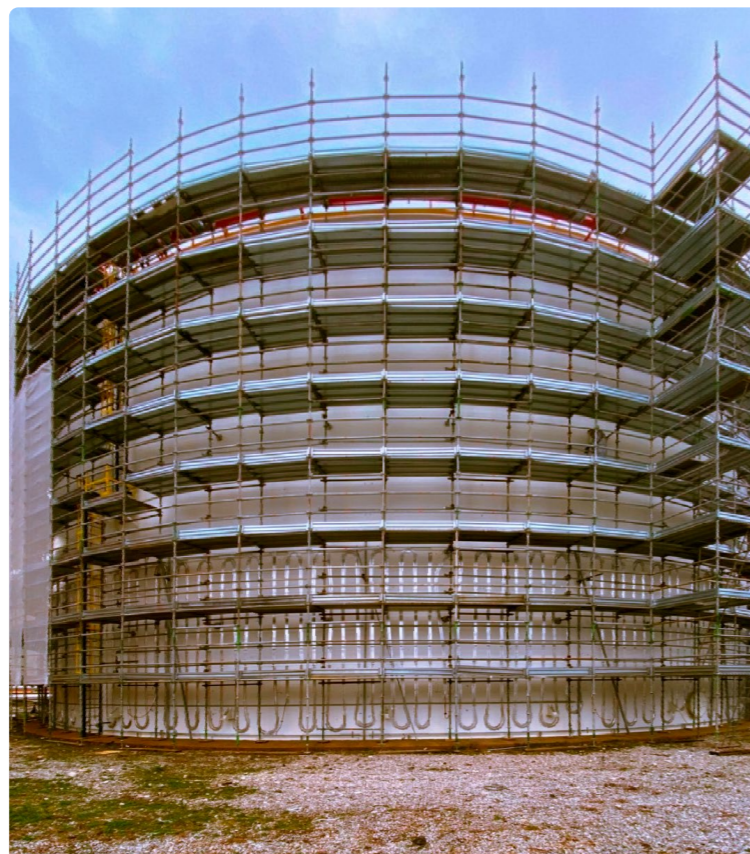
Refurbishing capacity for biofuels

In Santander, we converted several tanks so that they can be heated and accommodate bio-feedstocks. In Marseille, we invested in infrastructure to further expand our chemical and biofuels facilities. Bioethanol is a significant and growing market in France, which is demonstrated by various growth projects at our French terminals.

New state-of-the-art tankpits at Alkion Terminal Le Havre: continuous growth

Tankpit 22

A major new tankpit at Alkion Terminal Le Havre became operational in early 2021. This tankpit replaces the capacity lost due to the closure of Alkion Terminal Sotrasol in Le Havre.

The new tankpit offers 33,000 CBM of storage capacity in 24 tanks and is tailor-made for high value heated products such as additives and lubricants. The new asset features state-of-the-art energy-efficient equipment and insulation. The heating is delivered by steam from waste incineration instead of the natural gas used at the old asset.

Watch the video here.

Tankpit 23

Considering the success of the project and market needs, Alkion took the Final Investment Decision at the end of 2022 to build one more tankpit (i.e., Tankpit 23) dedicated to heated products. The new tankpit will offer 20,000 CBM of additional heated storage capacity in 15 tanks and will be commissioned in two phases to become operational in the first half of 2025. The tank sizes range between 500 CBM and 2,500 CBM and will be fit for products with a wide range of viscosity and storage temperature requirements, providing significant tank flexibility to our customers.

Both new assets feature state-of-the-art, energy-efficient equipment and insulation, reducing and optimizing the energy consumption of the tankpits. The strategic choice was made to heat these new tanks with steam generated by the incineration of locally-collected industrial waste at the port instead of with natural gas, which was used previously. This heating option offers lower CO_2 emissions for Alkion and our customers and provides higher energy security in case of gas shortages in the market.
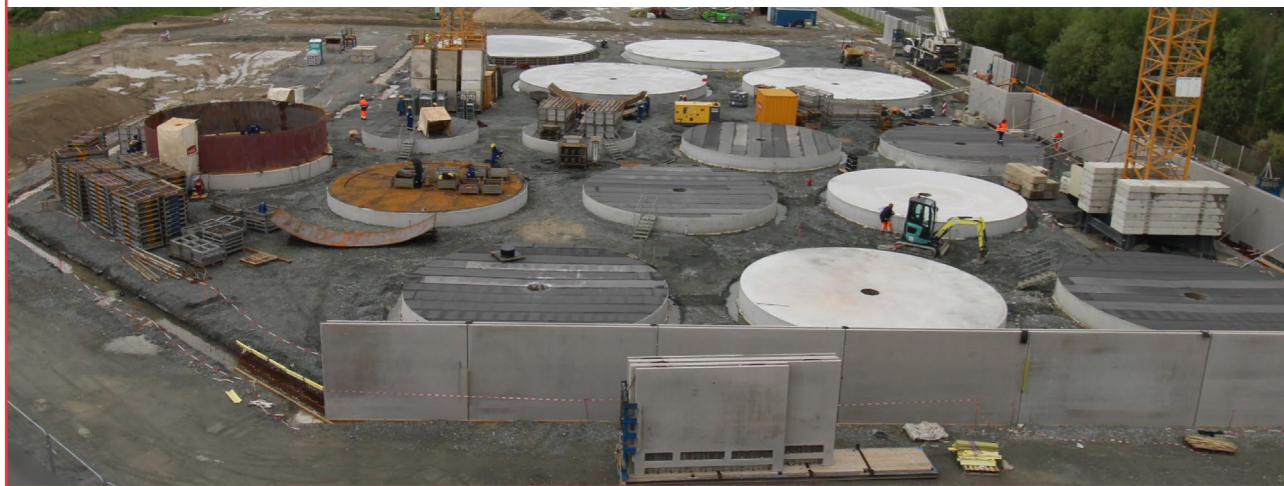
"Since the Western European market is short of heated storage capacity, we are more than happy to welcome the new Tankpit 23 project, which will reinforce the attractiveness of Le Havre in the European tank storage landscape.

The project will enable us to better serve our customers and to continue our Alkion growth story with high value-added products. We are focusing on specialty products such as biomass-to-liquid, additives, wax, capric acid, sustainable fuels, and many more. The tankpit has been designed to bring as much flexibility to the market as possible. It features three different tank sizes (500, 1,000, and 2,500 m³), a truck loading bay for each tank, stainless steel tanks, several maritime lines, and special design elements to accommodate products with a storage temperature of more than 100°C. Creating value is in our nature!"

Johannes DOUCET, Commercial Director Le Havre
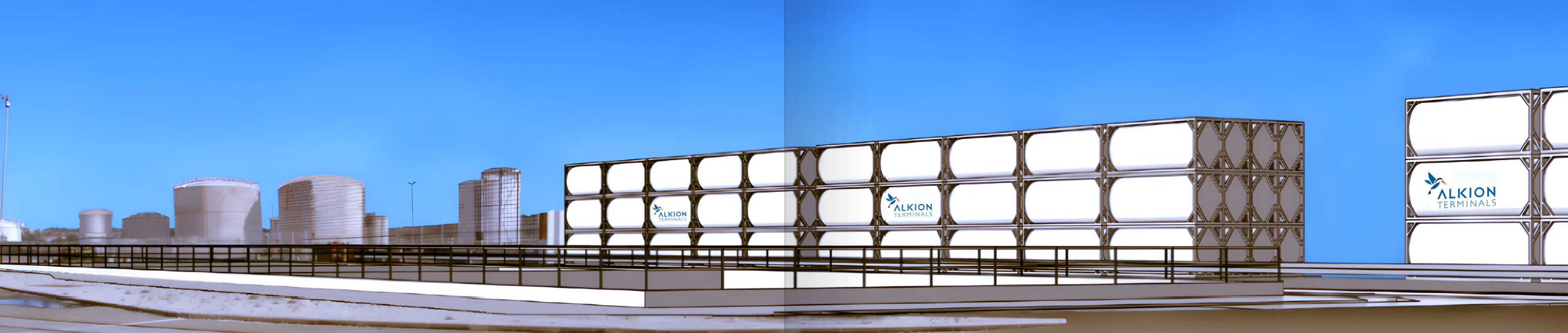
Decarbonizing supply chains

New ISO tank storage platform

Alkion Terminal Marseille is the first location in the south of France to receive authorization from DREAL (the regional directorates for the environment, planning, and housing) to construct and operate a major ISO tank storage platform in the fall of 2023. The new storage platform will offer 204 spaces for multiple product types: flammable (84 spots), toxic (60 spots), and corrosive (60 spots). This will contribute significantly to the safe storage of dangerous goods. ISO tanks are multimodal. This means that the product does not have to be discharged and reloaded, which creates multiple opportunities for supply chain optimization. For instance, switching from truck to rail transport becomes easier. This can lead to the increased use of rail transport, which can significantly reduce CO_2 emissions and contribute to the decarbonization of the supply chain.

6. Reduce adverse climate impacts

7 Governance and business ethics

Strong governance

Alkion Terminals has a governance structure designed to ensure the efficient operation of the organization. At the core of this structure is an experienced management team with profound and long-standing industry experience. A well-developed approval system allows for quick decision-making.

At each terminal, integrated management systems are in place, which cover the topics of Safety, Security, Health, Environment, Compliance, and Quality (SSHECQ).
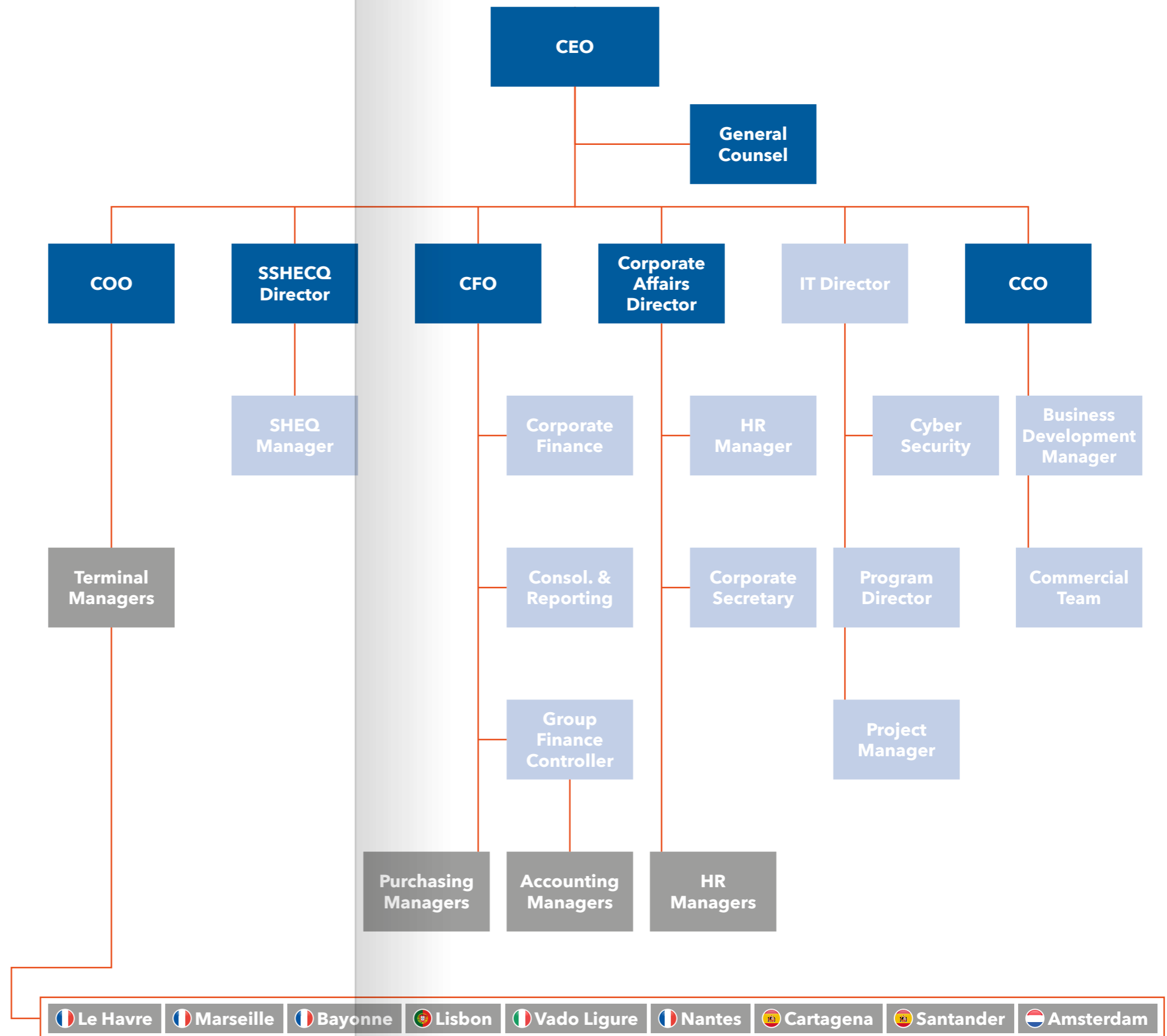
Note: On November 16, 2022, Koole Terminals BV acquired the Alkion Terminals Group. From that day onward, Alkion Terminals Group is officially part of the Koole Group. As the acquisition took place at the end of 2022, this 2022 ESG report covers only Alkion Terminals.
The management structure of Alkion was effective up until November 16, 2022. On the acquisition date of Alkion Terminals Group by Koole Terminals BV, the CEO and CCO of Alkion resigned. After the acquisition date there were changes in the organizational structure.
The COO of Alkion Terminals Group became the Managing Director Alkion Terminals and the CFO of Alkion Terminals became the Finance Director Koole Terminals Group. Job titles presented in the report represent the situation after the acquisition. The new organizational structure of the Koole Group will be presented in the 2023 Group Report.

Strong and lean organization with experienced management.

CEO

General Counsel

COO | SSHECQ Director | CFO | Corporate Affairs Director | IT Director | CCO

SHEQ Manager

Corporate Finance | HR Manager | Cyber Security | Business Development Manager

Terminal Managers

Consol. & Reporting | Corporate Secretary | Program Director | Commercial Team

Group Finance Controller

Project Manager

Purchasing Managers | Accounting Managers | HR Managers

Le Havre | Marseille | Bayonne | Lisbon | Vado Ligure | Nantes | Cartagena | Santander | Amsterdam

ESG management

ESG and sustainability management are incorporated into our organizational structure. Responsibilities related to the management of ESG-related matters are shared between the CEO, the SSHECQ Director, and the Terminal Managers. ESG-related matters are frequently discussed during board meetings and the bi-weekly meetings of the Management Team and the Terminal Managers Team. ESG topics are also highlighted in presentations, updates, and quizzes during in-person management meetings to increase awareness and improve the exchange of information. All policy and internal documents are published on the Alkion intranet and accessible to every employee.

Senior management team with unparalleled industry expertise.

● Number of years Industry Experience   ● Number of years with Alkion Terminals
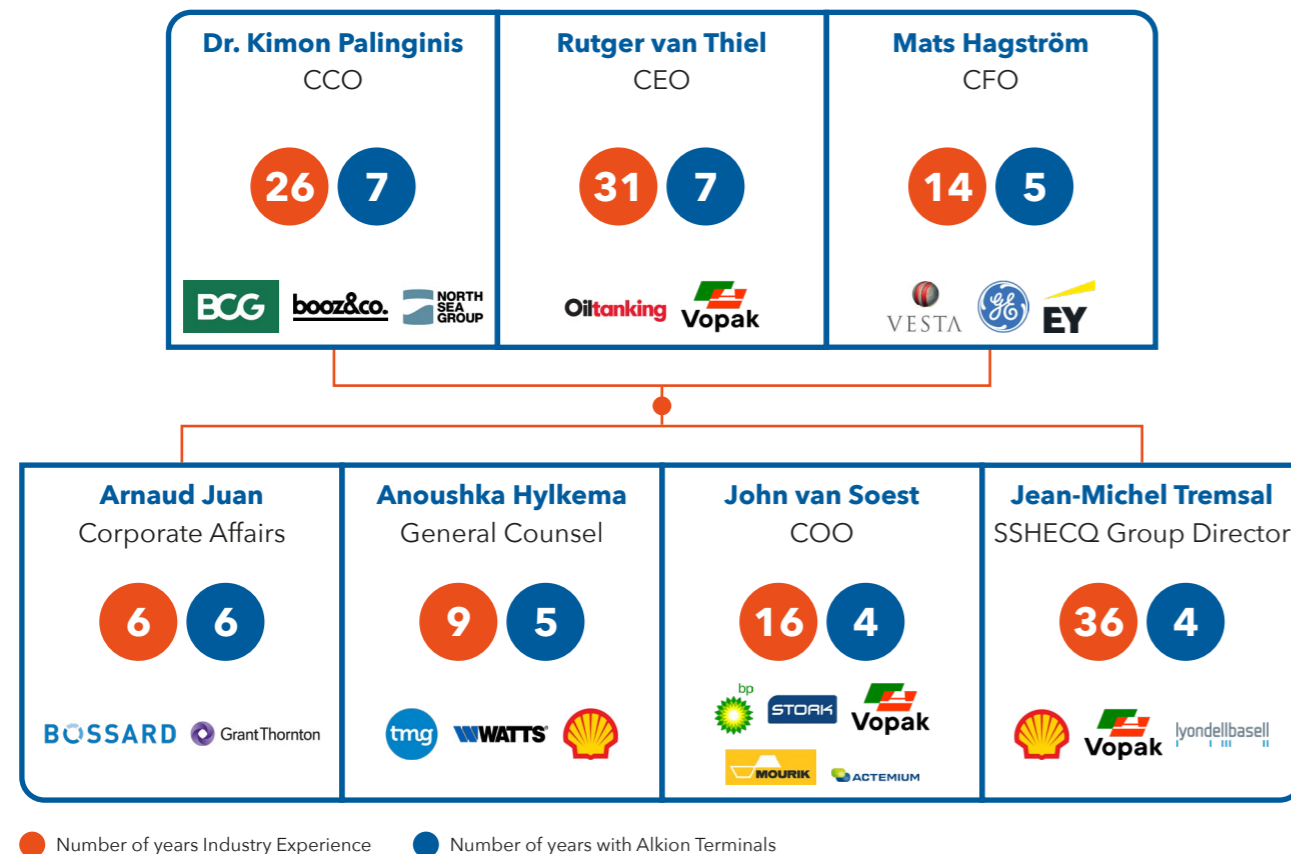
Note: The management structure was effective up until November 16, 2022. On the acquisition date of Alkion Terminals Group by Koole Terminals BV, the CEO and CCO resigned.

For the last three years, Alkion has monitored and collected ESG-related KPIs for internal use and shareholder reporting. Since 2021, this information has also been shared with banks within the framework of ESG-linked financing and included in the Group's first ESG report.

Implementing ESG topics

The implementation of ESG topics is incorporated into our budgeting process. Every terminal has an individual implementation plan in place for each of Alkion's sustainability pillars. The CAPEX and OPEX budgets and MTP (medium-term planning) account for planned initiatives. This enables a proactive approach to initiatives on the agenda and local responsibilities and priorities and helps us to better monitor our progress and set and correct sustainability goals.

ESG/Sustainability reporting

In November 2022, we voluntarily published our first ESG report following the GRI Sustainability Reporting Standards. The report helps us better inform our stakeholders about our sustainability-related actions and performance (at Alkion, we use the terms ESG and sustainability interchangeably).

Alkion falls under the new EU legislation, the Corporate Sustainability Reporting Directive, which requires companies to report on ESG topics covered in the ESRS (European Sustainability Reporting Standards). In 2025, the Group will report its 2024 data according to the new legislation that took effect in 2023. Alkion is taking the necessary measures to prepare for this change by closely monitoring and planning for compliance with the European legislation.

To ensure efficient and consistent reporting, an implementation plan has been developed, which focuses on identifying reporting obligations and selecting a software platform to collect and report the required KPIs from all locations.

Risk management

The responsibility for risk management at the Group level lies with our CFO. Our Terminal Managers are responsible for managing risks at the terminal level. We conduct regular risk management assessments as part of the terminal manager meetings and the annual budgeting process, and we maintain an enterprise risk register per terminal. Risks are assigned to risk owners and categorized between Operational, Financial & Reporting, Legal & Compliance, and Logistics.

The risk assessment further entails assigning a risk rating value, which is determined based on the expected financial loss, reputational damage, business impact and business value, and the likelihood of occurrence. For each risk, a risk treatment method is determined, and progress is continuously monitored. For example, we consider the pending wave of retirements a risk, because it will result in the loss of key competencies. The risk of dependency on individual employees is an operational risk for which we have developed succession plans on a competency basis.

Crisis management

In case of a major incident, Alkion Terminals has a corporate crisis management and crisis communication protocol in place. This protocol is supported by an external strategic communications consultancy agency. We have an inactive crisis management page on the Alkion website and management has received media response training.

Code of Conduct

The Alkion core business ethics principles are included in our Code of Conduct. Published in 2018, the Code of Conduct sets out Alkion's core values and regulates topics such as anti-corruption, anti-bribery, anti-competition, anti-monopoly, and ethical behavior. In addition, the Vado Ligure terminal has a Code of Ethics in place together with the Organizational, Management and Control model pursuant to the Legislative Decree 231/2001. Since the establishment of Alkion in 2016, no corruption or bribery incidents have been reported.

Supplier management

Alkion's 10 largest suppliers in 2022 were in France. The top five suppliers are providers of utilities, followed by maintenance services and employment services.

The process for assessing Alkion's suppliers is divided into three main steps: approval, procurement, and monitoring. If the supplier is not fully compliant with Alkion's requirements, we may suspend the supplier. Suppliers are required to sign a general terms and conditions policy (T&C), which includes ethical, environmental, health, and safety requirements. During the approval step, we conduct a risk assessment audit of ESG topics such as insurance, guarantees, safety procedures, and certifications. Supplier management is important because it helps organizations ensure the quality, reliability, and cost-effectiveness of the products and services that they receive from suppliers, which ultimately contributes to the success of their own operations.

Data protection and privacy

In line with the relevant European regulations, we store and protect the data we receive from our customers and employees. We comply with data protection and privacy obligations in all countries in which we operate. Careful handling of this data is of great importance to ensure that we can maintain the trust of our stakeholders, both inside and outside the organization. Such trust is crucial for the continued success of our business.

Cybersecurity: Increasing focus on cybersecurity for safe and continuous operations

In our digital and connected world, safety and security go beyond the physical protection of people and products. Cybersecurity is an essential element in the delivery of uninterrupted services to our customers. It is also essential to ensure safety at our sites. As a crucial link in the supply chain, we assume responsibility for the smooth operation of our industrial network (OT) hardware and software, which monitors and controls equipment, assets, and processes.

Alkion uses a risk assessment matrix to define potential risks and takes action to mitigate those risks. Cybersecurity is therefore embedded in Alkion's governance system, and we have put in place an effective cybersecurity strategy that identifies current and potential vulnerabilities. This program is led by our IT team and supported by efficient and lean governance practices. The cybersecurity performance of Alkion's locations was successfully audited in 2021 by a third party. In 2023, cybersecurity performance will again be audited for quality assurance. In 2022, we continued our efforts to keep our IT environment safe and protected.

As part of our cybersecurity plan, we carry out a yearly mandatory cybersecurity training. The training is completed by all active Alkion employees and external support staff with a user account for Alkion's IT environment. Moreover, we conduct regular phishing tests to increase employee awareness and knowledge of cybersecurity threats.

Supplier management

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After completing the procurement step, we continue to monitor our suppliers through our Supplier Assessment process. We have a formalized supplier audit system in place, which includes administrative, planning, service, quality, safety, and environmental criteria. Satisfaction levels for each criterion are evaluated using a four-point scale.

- In the last three years, Alkion performed 11 supplier audits, of which three were conducted in 2022. These audits were conducted at a civil work supplier, an electricity and instrumentation supplier, and an engineering supplier.
- No supplier or contractor has ever been blacklisted from the approved supplier list.

And we look beyond today or tomorrow by defining long-term environmental and business sustainability targets. In doing so, we contribute to a prosperous and healthy future for all.

8 GRI content index

Statement of use

Alkion Terminals BV. has reported with reference to the GRI Standards for the period January 1, 2022 - December 31, 2022.

GRI 1 used

The GRI Foundation 2021 document has been used to develop the contents of the report.

GRI STANDARD	Category	Location
GRI 2: **General Disclosures** **2021**	2-1 Organizational details	2. Alkion at a glance / 9 terminals in 5 countries 2. Alkion at a glance / Group composition Back cover
	2-2 Entities included in the organization's sustainability reporting	2-2 Entities included in the organization's sustainability reporting
	2-3 Reporting period, frequency and contact point	2. Alkion at a glance / Group composition
	2-3 Reporting period, frequency and contact point	Back cover
	2-4 Restatements of information	No significant restatements
	2-5 External assurance	About this report
	2-6 Activities, value chain and other business relationships	2. Alkion at a glance
	2-7 Employees	5. Empower people / 5.1. People of Alkion / Human resources management
	2-8 Workers who are not employees	5. Empower people / 5.1. People of Alkion / Human resources management
	2-9 Governance structure and composition	7. Governance and business ethics / Strong governance 7. Governance and business ethics / ESG management
	2-13 Delegation of responsibility for managing impacts	7. Governance and business ethics / ESG management
	2-14 Role of the highest governance body in sustainability reporting	7. Governance and business ethics / ESG management
	2-15 Conflicts of interest	7. Governance and business ethics/ Code of conduct
	2-16 Communication of critical concerns	5. Empower people / 5.1. People of Alkion / Recognition of our people 7. Governance and business ethics / Crisis management
	2-19 Remuneration policies	5. Empower people / 5.1. People of Alkion / Recognition of our people 5. Empower people / 5.1. People of Alkion / Diversity and equal opportunities
	2-22 Statement on sustainable development strategy	CEO Statement 3. Sustainability vision
	2-24 Embedding policy commitments	7. Governance and business ethics / Implementing ESG topics
	2-26 Mechanisms for seeking advice and raising concerns	5. Empower people / 5.1. People of Alkion / Recognition of our people 7. Governance and business ethics / Code of conduct
	2-28 Membership associations	5. Empower people / 5.2 People close to Alkion / Active participation to listen and to be heard
	2-29 Approach to stakeholder engagement	3. Sustainability vision / Engagement with our stakeholders 5. Empower people / 5.2. People close to Alkion / Engaging with local communities
	2-30 Collective bargaining agreements	5. Empower people / 5.1. People of Alkion / Human resources management
GRI 3: **Material Topics 2021**	3-1 Process to determine material topics	3. Sustainability vision / Materiality assessment
	3-2 List of material topics	3. Sustainability vision / Materiality assessment
	3-3 Management of material topics	Management of material topics are explained under the same sections/ locations where disclosures are found.
	GHG Emissions and Energy Use and Adaptation to climate change and Investment in the energy transition	
GRI 302: **Energy 2016**	302-1 Energy consumption within the organization	6. Reduce adverse climate impacts / 6.1. Internally / CO_2 reduction, energy savings and higher energy self-sufficiency
GRI 305: **Emissions 2016**	305-1 Direct (Scope 1) GHG emissions	6. Reduce adverse climate impacts / 6.1. Internally / How we reduce our CO_2 emissions
	305-2 Energy indirect (Scope 2) GHG emissions	6. Reduce adverse climate impacts / 6.1. Internally / How we reduce our CO_2 emissions
	305-4 GHG emissions intensity	6. Reduce adverse climate impacts / 6.1. Internally / How we reduce our CO_2 emissions
	305-5 Reduction of GHG emissions	6. Reduce adverse climate impacts / 6.1. Internally
Own topic: **Adaptation to climate change**	No indicator	6. Reduce adverse climate impacts / 6.1. Internally / Physical risks of climate change
Own topic: **Adaptation to climate change**	No indicator	6. Reduce adverse climate impacts / 6.2. Externally

GRI STANDARD	Category	Location
	Water management and soil pollution	
GRI 303: **Water and** **Effluents 2018**	303-1 Interactions with water as a shared resource	6. Reduce adverse climate impacts / 6.1. Internally / Water management
	303-2 Management of water discharge-related impacts	6. Reduce adverse climate impacts / 6.1. Internally / Water management
	303-3 Water withdrawal	6. Reduce adverse climate impacts / 6.1. Internally / Water management
	303-4 Water discharge	6. Reduce adverse climate impacts / 6.1. Internally / Water management
	Waste management	
GRI 306: **Waste 2020**	306-1 Waste generation and significant waste-related impacts	6. Reduce adverse climate impacts / 6.1. Internally / Waste management
	306-2 Management of significant waste related impacts	6. Reduce adverse climate impacts / 6.1. Internally / Waste management
	306-3 Waste generated	6. Reduce adverse climate impacts / 6.1. Internally / Waste management
	Talent attraction, development and retention	
GRI 401: **Employment 2016**	401-1 New employee hires and employee turnover	5. Empower people / 5.1. People of Alkion / Human resources management
GRI 404: **Training and Education** **2016**	404-1 Average hours of training per year per employee	5. Empower people / 5.1. People of Alkion / Developing skills and leadership talent
	404-2 Programs for upgrading employee skills and transition assistance programs	5. Empower people / 5.1. People of Alkion / Developing skills and leadership talent
	404-3 Percentage of employees receiving regular performance and career development reviews	5. Empower people / 5.1. People of Alkion / Recognition of our people
GRI 405: **Diversity and Equal** **Opportunity 2016**	405-1 Diversity of governance bodies and employees	5. Empower people / 5.1. People of Alkion / Diversity and equal opportunities
	405-2 Ratio of basic salary and remuneration women to men	5. Empower people / 5.1. People of Alkion / Diversity and equal opportunities
	Occupational health and safety, Well-being and sports, and Process safety	
GRI 403: **Occupational Health** **and Safety 2018**	403-1 Occupational health and safety management system	4. Foster wellness / 4.1. Safety and health
	403-2 Hazard identification, risk assessment, and incident investigation	4. Foster wellness / 4.1. Safety and health
	403-3 Occupational health services	4. Foster wellness / 4.1. Safety and health
	403-5 Worker training on occupational health and safety	4. Foster wellness / 4.1. Safety and health
	403-6 Promotion of worker health	4. Foster wellness / 4.1. Safety and health 4. Foster wellness / 4.2. Sports, lifestyle and well-being
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4. Foster wellness / 4.1. Safety and health
	403-8 Workers covered by an occupational health and safety management system	4. Foster wellness / 4.1. Safety and health 5. Empower people / 5.1. People of Alkion / Human Resources Management
	403-9 Work-related injuries	4. Foster wellness / 4.1. Safety and health / Reporting and monitoring safety KPIs
Process safety: Own material topic and indicator	Process Safety Event Rate (PSER)	4. Foster wellness / 4.1. Safety and health / Reporting and monitoring safety KPIs
	Working conditions	
GRI 407: **Freedom of Association** **and Collective** **Bargaining 2016**	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	5. Empower people / 5.1. People of Alkion / Human resources management 7. Governance and business ethics / Supplier management
Own topic: **Cybersecurity**	No indicator	7. Governance and business ethics / Cybersecurity
Own topic: Customer **focus & Operational** **excellence**	No indicator	2. Alkion at a glance / A key hub for industrial supply chains

Alkion's vision

Alkion does everything in its power to live up to its responsibilities."

As a forward-thinking bulk liquid storage company, Alkion is an essential link in the global network that enables our modern life. Alkion considers this to be a great privilege, yet also a major responsibility, as the slightest inattention can have major consequences; consequences for customers, the environment, and even society.

It is a responsibility that Alkion can never do enough to live up to.

It goes without saying that Alkion accepts this task gratefully. And that it does everything in its power to live up to its responsibilities. Perhaps more significant is the way in which this is achieved. Alkion deploys reliable equipment, technology, and processes. However, these alone will not make the difference.

It is them, the people of Alkion, who make the difference.

Together they are the core of the company. They guide each other. They trust each other. Yet more than anything else, they listen to each other. Because, for everyone at Alkion,

meaningful responsibility starts with listening.

Only then it is embedded in our DNA. Alkion's terminals are spread across Europe, and its employees come from different cultural backgrounds and speak different languages. Despite this, everyone listens to each other. If someone comes up with an idea, big or small, this is seen as an opportunity for evolution and improvement. It does not matter if the idea comes from someone who has been with the company for 20 years or for two days. Nor does it matter if they work in the field or in the office. Beyond listening to each other, everyone at Alkion listens, above all, to their customers. This contributes to their customers' goals and helps them to flourish. But Alkion also listens to society and the world at large. Consciously and unconsciously,

it hears what the planet and its people need and believe. And it looks beyond today or tomorrow,

by defining its long-term environmental and business sustainability targets. In doing so, the company contributes to a

prosperous and healthy future for all.

About this report

With this second Environmental, Social, and Governance (ESG) Report, we detail our commitments, activities, and performance as they relate to our ESG priorities. Unless otherwise stated, the contents presented in this report cover the full calendar year 2022.

Like our previous ESG report, we again used the GRI Sustainability Reporting Standards 2021 as guidance. We provide information consistent with the "general disclosures" of the GRI Standards as much as possible, and we have started to report against various "topic disclosures" for our material topics. Please see the section "GRI Content Index" for more information. The contents of this report were not subject to external assurance. In this report, we use the terms "sustainability" and "ESG" (environmental, social, and governance) interchangeably.

The Alkion Terminals Group consists of nine terminals located in five major European economies. This report covers data from our nine terminals, which are fully owned by Alkion Terminals BV. On November 16, 2022, Koole Terminals BV acquired the Alkion Terminals Group. From that day onward, Alkion Terminals Group is officially part of the Koole Group. As the acquisition took place at the end of 2022, this 2022 ESG report covers Alkion Terminals Group and excludes the Koole Terminals Group. (The Koole Terminals BV published a separate ESG report covering the 2022 financial year.)

Any statement, presentation, or other information contained herein that relates to future events, goals, or conditions is, or should be considered, a forward-looking statement. Where, in any forward-looking statement, an expectation or belief as to future results or events is expressed, such expectation or belief is based on the current plans and expectations of management and expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will be achieved or accomplished. Readers are cautioned against placing undue reliance on these forward-looking statements. The actual outcomes, results, timing, and commitments of a forward-looking statement may vary from those indicated in the report and are subject to numerous factors. These factors include but are not limited to macro and microeconomic trends, sociodemographic and technological trends, changes in energy markets, geopolitical situations, legislative and regulatory changes on local, national, and international levels, climate-related risks, changes in storage industry landscape and our stakeholders' preferences, and any other unforeseen events or conditions.

Invitation to the reader
We are always interested in receiving feedback from readers who have questions about this report, our company, or energy transition. We invite everyone to contact us at our corporate email address.

ALKION
TERMINALS | **Listening is everything.**