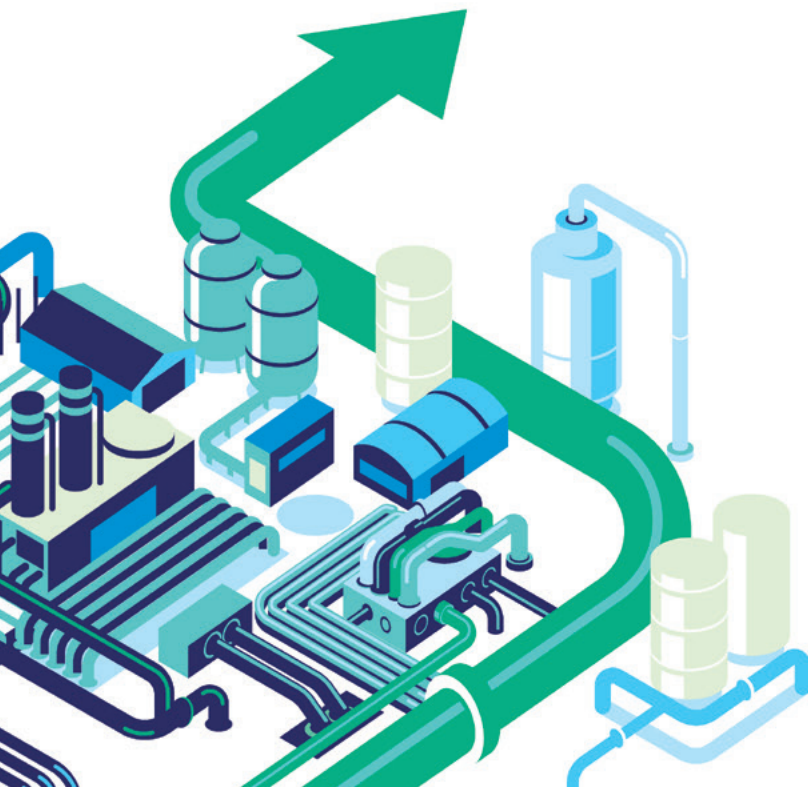




Act Anticipate Commit

2022 ACTIVITY
AND SUSTAINABLE
DEVELOPMENT
REPORT



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About this report

The Teréga group Activity and Sustainable Development Report (ASDR) covers activities relating to the transmission and storage of gas by Teréga SA, and the projects undertaken by Teréga Solutions concerning renewable energies, industrial performance and decarbonisation. As a responsible industrial operator, the Teréga group has fully integrated its CSR commitments into its global strategy to ensure that its business is based on sustainable development.

The Teréga group publishes an annual ASDR that sets out its mission, ambitions and objectives, along with its projects and key achievements over the previous year. Since 2017, the ASDR has also included the Non-Financial Performance Statement of its subsidiary

Teréga SA. This declaration presents the main risks and the environmental, social and societal challenges of Teréga SA, alongside a description of its policies, actions implemented, objectives and results achieved.

This report has been prepared in tandem between the Communication Department and the Finance, Purchasing and Sustainable Development Department, with contributions from all Teréga departments.

It has been approved by the Executive Committee and the Board of Directors.

Indicators in relation to the Non-Financial Performance Statement are denoted throughout this report by the tag **DPEF**, French initials of "Declaration of extra-financial performance".

Profile

Teréga is a major operator in the transmission and storage of gas in France. For over 75 years, we have provided our customers with a secure, high-performance network, serving the energy needs of the regions. Our infrastructures hold a strategic position, at the crossroads of major gas flows and at the heart of European energy. Established in 15 departments in the South-West of France, our regional network of more than 5000 km of pipelines and our two underground storage sites play a key role in the energy transition of these regions and their communities. As a responsible operator, Teréga provides very close support to the stakeholders and residents of these communities to help them make this transformation, so that together we can put carbon-free energy at the heart of their daily lives, with a circular economy approach that respects the environment.

We rely on a flexible local network to develop the transmission and new uses of gas. With our strong local connection, we support the emergence of local biogas production and promote sustainable mobility. We also work to ensure that our network is able to accommodate new carbon-free gases, such as hydrogen, produced using renewable electricity. Determined to make gas a driver of the energy transition in these regions, Teréga places great value on collective intelligence. Behind our injection stations and NGV stations, more than 600 employees contribute, every day, to designing and constructing the links of the energy system of the future for the benefit of the community. Their expertise in operating the installations and running the research laboratories is combined with listening to what is happening in the field and placing digital technology at the heart of our approach. Let's go and meet these energy drivers, to better understand their vision and their actions.

“Cooperation, resilience sobriety and innovation: These four words symbolise the challenge- and change-filled year experienced by Teréga.”

Cooperation, resilience, sobriety and innovation: Combining these strengths has allowed us to withstand the consequences of the Ukrainian conflict in a world barely clear of the COVID-19 crisis. Being close to home, this war must be used as a type of shock therapy to accelerate our transition to new energies. This is the only solution to an energy-independent and sovereign Europe at the forefront of a carbon-free economy.

Dominique Mockly, Chair of the Board of Directors
and CEO of Teréga SA, Chairman of Teréga Solutions

What types of cooperation have been established to counter the energy crisis?

Dominique Mockly: 2022 was a milestone year for gas interconnections in Europe. Our joint decision with Enagás to increase the capacity of the south-north flows of the *Artère de l'Adour* gas pipeline by 66% will mean more gas can be routed from the Iberian Peninsula, which has excess infrastructure in relation to its needs. With this initiative to build energy solidarity, Teréga is proudly consolidating its European identity and contributing to the vital need to build a flexible and resilient gas network to meet the long-term requirements of the population and industry, using all European infrastructures to their best advantage. This is just one step towards the future of energy. This is why Teréga, alongside the operators of the French, Spanish and Portuguese networks, has committed to the upcoming H2Med project to connect the Iberian Peninsula to France and northern Europe. Its deployment is the first pillar of the European hydrogen backbone, an infrastructure that will accelerate decarbonisation on the continent



and promote the growth of a competitive, liquid and pan-European hydrogen market.

You talked about resilience and sobriety: How did Teréga and the gas system prepare for the winter of 2022–2023?

D. M.: Faced with an unprecedented energy crisis, gas infrastructure operators made a supreme effort to get through the winter as smoothly as possible. We went further than the 90% storage levels required by European regulations to achieve maximum capacity from October onwards. This rate confirms the solidity of the Teréga model, assuring the French population that they will be able to heat their homes and cook their meals,

“More than ever before,
innovation has to be
at the heart of our model
to support decarbonisation
and energy sobriety
in our economy, working
towards European energy
sovereignty.”



despite the tensions in the market. This is provided that we don't relax our efforts on sobriety, as this alone guarantees the capacity of the network to get through the extremely cold periods. These efforts also form the basis for a successful transition and for European energy sovereignty. I'd like to thank the European stakeholders for their solidarity which contributed to this success on a continental scale.

How can Teréga Solutions innovate to decarbonise our economy?

D. M.: To decarbonise society, we need to consume less, but also consume better. And to do that, innovation is key. This is

what we believe at Teréga, and this is why we support the development of new gases. Together with our subsidiary Teréga Solutions, we're at the heart of developing regional links that will ultimately make renewable gas available to everyone. At the same time, we're working on intelligent systems that will make the use of this gas more moderate and efficient. Industrial decarbonisation is an important lever for achieving carbon-neutral objectives in France and Europe. We are supporting industrial customers and regional authorities in this energy transition by offering them turnkey decarbonisation solutions. In this respect, 2022 was particularly good for the development of Teréga Solutions, thanks notably to the signing of major partnerships relating to hydrogen, biomethane and multi-energy systems. Our aim to anchor the energies of the future in the uses of tomorrow places us right at the heart of the decarbonisation challenge facing society. It's an approach deep in the DNA of Teréga Solutions.

How do you envision 2023?

D. M.: More than being just a forward-looking company, Teréga is set to become a driving force in 2023. More than ever before, innovation has to be at the heart of our model to support decarbonisation and energy sobriety in our economy, working towards European energy sovereignty. We also have the talent, skills and assets to be at the forefront of this carbon-free future. ►



Energy: The challenges we face

In an international context that has never been seen before, buffeted by the difficulties of gas supply, energy sobriety and decarbonisation, Teréga is working hard to build a Europe that is energy independent, carbon neutral and sets a good example. We're using the energies of tomorrow and the channels of the future to create multiple opportunities for all our regions.





The supply of gas to Europe and France: The rise of LNG

The energy tensions over recent months, linked in particular to the war in Ukraine, demonstrate once again that issues surrounding energy sovereignty and supply are more pressing than ever for Europe and for France.

Since the start of the war in Ukraine on 24 February 2022, the drastic fall in Russian gas flows has had a substantial effect on the reliability of European gas procurement. This situation led EU Member States to take unprecedented measures, both for the winter of 2021–2022 and especially for the winter of 2022–2023, in order to maintain stock levels and control consumption. In 2022, liquid natural gas (LNG) played a leading role across Europe in offsetting the shortfall in Russian gas. In France, it represented 57% of gas inputs. Due to the high levels of unavailability of nuclear power stations, the production of electricity from gas stations generated a huge demand for gas—61 TWh in total—54% more than in 2021. With regard to gas prices, all markets were affected by sharp increases,

with average prices over the year above €100/MWh and peaks of up to €300/MWh. In addition to these historic levels, the high volatility of the markets created a climate of uncertainty throughout the year, particularly for energy-intensive industrial clients who lowered their consumption substantially.

Tensions in TRF

In the absence of Russian gas, European flows that are typically directed north to south and east to west were modified extensively. In France, Trading Region France (TRF), designed to operate in the north-south direction, experienced tension. The enormous influx of LNG in the south, the contribution of gas from Spain to the Pyrenean border point (known as Pirineos on the Spanish side) and the decline in levels of incoming Norwegian gas created congestion in the middle of the French network, limiting the routing of gas to the north where demand was the highest. Teréga, which operates the TRF

jointly with GRTgaz, worked to manage this new flow configuration as best it could. At the annual Winter Outlook presentation given by the distribution network managers, which covers various scenarios, Teréga confirmed that the infrastructure would be able to ensure a secure supply to the region to cope with an average winter, provided that the consignors could guarantee the necessary LNG and used their gas stocks sensibly throughout the winter. However, a gas deficit was possible in the event of a particularly cold winter or the failure of a supply source, which would have necessitated additional measures to limit consumption. ►



Gilles Doyhamboure

DIRECTOR OF TRADE,
REGULATION
AND MAJOR ACCOUNTS

“Teréga’s network occupies a strategic position to build energy supplies for Europe.”

What levers were used to secure supplies?

Gilles Doyhamboure: The huge supply of LNG was essential in ensuring that stocks were full in preparation for winter 2022–2023. Teréga’s storage played a key role for the French system, ensuring that south-north congestion was managed when levels of Norwegian gas imports dropped at Dunkirk. As part of the government’s energy sobriety plan, Teréga monitored consumption in its area by strengthening its links with industrial customers. In addition, it proved its innovative approach by marketing products that allowed its customers to meet their requirements while making the supply more secure. Contractual constraints on stock levels were eased (flexible gates) and additional storage volume was marketed (offer of 103%) thanks to the performance of the industrial tool.

How important is the Pyrenean interconnection point with Spain?

G. D.: The entry capacity at the border point with Spain increased by 40 GWh/d as of 1 November 2022. For the first time, flows from the Iberian Peninsula exceeded those going into Spain over the whole of 2022. This helped to offset the gas deficit in northern France. The Pyrenean interconnection could thus become a sustainable supply point for France, and Teréga is going to invest in it to develop its interface capacities. Moreover, depending on market conditions, the

Pyrenean point could continue to provide customers with the opportunity for arbitrage between the French and Spanish markets. At the crossroads of the major European gas flows, Teréga’s grid occupies a strategic position to contribute to secure procurement for Europe.

Will biomethane help to promote energy sovereignty?

G. D.: Teréga is highly committed to developing the biomethane produced in its regions. This product contributes a little bit more each day to ensuring secure gas supplies for France and will ultimately play a key role in its energy sovereignty. 2022 was marked by the signing of four new connection agreements for the Teréga grid. ▀

Decarbonisation of consumption: A world of opportunities

The development initiatives put in place under the European strategy to accelerate the decarbonisation of consumption represent opportunities for industrial vigour, economic growth and a sustainable future for Europe and our regions.

As part of its REPowerEU plan, the European Union has decided to stop importing Russian gas as of 2027 and to accelerate its transition to renewable energies. Thanks to their network coverage and integration, the European gas networks are able to support this transition and accelerate the decarbonisation of consumption, replacing natural fossil gas with renewable gases such as biomethane and hydrogen. Their share of the national gas consumption could reach 20% in 2030. These two solutions complement each other.

Biomethane: Local energy

Produced locally, biomethane is a vital lever to making gas infrastructures greener and reducing France's energy dependence, while supporting local economies by giving their waste a purpose. This energy supports the agricultural sector, creates local jobs within the dynamic of the circular economy, improves air quality and increases our energy security.



The advantage of hydrogen

In sectors that are difficult to electrify, such as heavy industry and transport, hydrogen is an essential pillar of national decarbonisation strategies. It's also a flexible tool for offsetting intermittency in renewable electric energies, particularly via storage. This system uses hydrogen basins in industrial and port areas, gradually interconnected to create a national and then a European market. Transmission infrastructures are essential for its large-scale competitive development and will reduce costs by linking major production and consumption areas. The European goal to achieve 20 million tonnes of decarbonised hydrogen consumption within the EU, 50% of which is produced in Europe, relies on infrastructure that is able to transport it

over long distances between European countries. This European hydrogen backbone, currently comprising 31 European operators in 28 countries, will link regions with excess hydrogen to those with high demand. It will extend over a 28,000-km network by 2030 and 53,000 km by 2040, with 60% of existing gas pipelines converted to hydrogen. ►

POINT OF VIEW OF...



Marie-Claire Aoun

DIRECTOR OF PROSPECTIVE
AND INSTITUTIONAL
RELATIONS

What projects is Teréga undertaking to build the European hydrogen backbone?

Marie-Claire Aoun: We are firmly committed to achieving carbon neutrality in France by 2050. As well as the projects undertaken by Teréga Solutions surrounding local hydrogen ecosystems, Teréga is participating in two major hydrogen storage and transmission infrastructure projects between now and 2030: H2Med and HySoW. Teréga has signed a memorandum of understanding with the managers of the REN (Portugal), Enagás (Spain) and GRTgaz (France) transmission networks formalising collaboration on H2Med.

A pillar of the European hydrogen backbone, this energy corridor will link Portugal, Spain and France to the European energy network to convey renewable hydrogen from the Iberian Peninsula to central Europe. With a transport capacity of 2 million tonnes per annum, this accounts for 10% of anticipated consumption in Europe in 2030 according to REPowerEU. At the same time, Teréga has laid out the Hydrogen South West Corridor of France (HySoW) project. This corridor of approximately 600 km of pipework, 40% of which will be converted from natural gas to hydrogen, will route 16 TWh/yr of decarbonised hydrogen through the South West of France. Using salt caverns in Nouvelle-Aquitaine for storage (500 GWh in 2030), HySoW will also offer significant flexibility in terms of supporting a secure European supply.

How will these projects represent an opportunity for local regions?

M.-C. A.: They will reinforce the dynamics of reindustrialisation by interconnecting major transport and industry hubs, facilitating the roll-out of hydrogen strategies in these areas and accelerating decarbonisation. The new production

“Teréga is participating in two major hydrogen storage and transmission infrastructure projects between now and 2030: H2Med and HySoW.”

potential will be linked to consumption ecosystems. HySoW might therefore, for example, connect hydrogen produced using wind energy, as planned at Port-la-Nouvelle, or incorporate future port installations in Bordeaux or Bayonne for importing low-carbon, renewable hydrogen in the form of ammonia.

What will be done at institutional level to move these projects forward?

M.-C. A.: Our discussions with the stakeholders in the hydrogen and renewable gas chain allow us to adapt these projects to suit market and regional needs. We share these findings with institutional stakeholders at the regional, national and European level as part of ongoing dialogue set up between us to best support this energy transition process. Everything now rests on the provision of a legislative and regulatory framework that will give stakeholders and investors sufficient visibility to develop and accelerate the use of renewable gases in the long term. ▀

DPEF

51

Number of debates in connection with energy transition at the national, regional and European level that Teréga has taken part in.

(Objective: 45)



Energy efficiency and sobriety: Two pressing imperatives

Energy sobriety and efficiency are two key levers to drive energy transition and gas supply security.

To be sustainable, the economy must become less dependent on fossil energy. Although the need to move to lower-carbon and renewable energies is well known, the conflict in Ukraine and the resulting energy crisis have made Europeans much more aware of their dependence on both fossil fuels and imported energy. Faced with this situation, the implementation of energy sobriety and efficiency measures can provide rapid solutions to the issue of short-term supply, while embedding more good practices over the long term, such as a reduced environmental impact and the development of renewable energies such as biomethane at the regional level.

Be more economical and remain in control of our energy

In 2022, deliveries of natural gas from Russia practically came to a stop. Combined with the lower availability of French nuclear power stations, this stoppage created an urgent need for action. To reduce the pressure on the energy networks, on 6 October 2022, the government announced a national energy sobriety plan for gas and electricity. Consumers are now encouraged to reduce their usage all year round, particularly if there is a risk of shortage, with the implementation of interruptibility mechanisms, distributed consumption and load shedding. The aim is to reduce energy consumption by 10% compared to 2019 over the next two years. However, there was also an initial major challenge at the end of 2022: to reduce gas consumption to keep stocks as high as possible for as long as possible until the end of the winter, and thus be in a position to meet the heating needs of the French population while keeping pace with industrial production. Storing gas is the ultimate way of being able

to cover French energy consumption in the event of the loss of or significant reduction in a supply source.

Efficiency and sobriety, for sustainable performance without excessive consumption

This joint and proactive effort to achieve sobriety has reduced national gas consumption by around 11.5% compared to 2021, and by up to 23% in French industry, thus avoiding triggering the three gas supply continuity measures planned by the government to reduce industrial consumption. But what will happen next year? Individual efforts are only worthwhile if industrial customers work together with major gas stakeholders such as Teréga over the long term to develop structural energy efficiency and sobriety solutions, or in other words, sustainable performance levers for both their business and society. ►

POINT OF VIEW OF...



Lionel Lalanne

MANAGER OF THE
TERRITORIAL DEVELOPMENT
DEPARTMENT



Philippe Gunst

CUSTOMER
SERVICE MANAGER

How has Teréga prepared to activate the levers for continued supply?

Philippe Gunst: We've given our clients an offer of guaranteed interruptibility, which remunerates industrial customers who voluntarily lower their consumption. We're also ready to proceed with distributed consumption. Finally, we have adapted our systems to deploy large-scale load shedding (which already exists at the local level to cope with incidents) with other operators and through crisis simulations with ministries, other managers, clients and regional authorities. At the end of 2022, Teréga's Business Continuity Plan allowed it to meet administrative requirements as part of studies carried out for a national electric load shedding plan. However, our essential facilities are excluded from its scope.

How have you communicated the sobriety plan to your customers?

Lionel Lalanne: By going to see them to explain face to face how it affects them, but also via two webinars and posts on our customer portal which cover the aims of sobriety in generating short- and medium-term actions, as well as regulatory schemes and how they work in a supply crisis, and government assistance. We explained voluntary sobriety as a structural element within the collective effort, getting the public, industrial sector and energy operators on board.

P. G.: Our discussions have provided our customers with reassurance about the resilience of the gas system, in terms of modifications to supply plans, maximum storage levels and constant monitoring. Our industrial customers appreciated

“Our discussions have given our customers lots of reassurance about the resilience of the gas system, in terms of modifications to supply plans, maximum storage levels and constant monitoring.”

Philippe Gunst

our approach, which helps to build mutual trust. We presented the load shedding scheme in the same way to the regional authorities, the DREAL (*Directions Régionales de l'Environnement, de l'Aménagement et du Logement* – regional departments for the environment, planning and housing) and to representatives of regional industrial bodies. This scheme will be renewed next winter.

How has your service offer changed?

L. L.: On our client portal, an API (application programming interface) allows customers to directly export the data on their supervisory system. We also offer them real-time access to data from the metering station and regular analyses of the balance between their consumption and reserved capacity. Teréga has also helped to develop the Ecogaz barometer which alerts consumers to strain on the network and encourages them to adjust their consumption to avoid industrial load shedding. In addition, Teréga publishes weekly updated consumption figures in comparison to 2018–2019 in order to measure the impact of the sobriety measures. ▀

The financial stakes of the energy transition

The need for a real energy transition is critical. The investments necessary for success are huge. However, their benefits are not confined to decarbonisation. The energy transition will also create jobs and allow French people to reduce what they spend on energy.

The need for an energy transition is becoming a deep-rooted trend, driven by increasing awareness. In 2019, 86% of regional authorities and 57% of companies made this transition a priority, including 71% of companies with over 50 employees.

A huge investment requirement

In 2021, public authorities, companies and households in France invested €84 billion in energy transition, 25% more than in 2020 according to I4CE. According to the Minister for the Economy, Bruno Le Maire, an additional €60–70 billion is needed annually for the transition to be a success. At the European level, the Commission cites an annual investment of €379 billion over the 2020–2030 period, essentially directed towards energy efficiency, renewable energy sources and their infrastructures. According to the European Investment Bank, investments in the various energy sectors should reach 2.5% to 3% of GDP per annum up to 2050.

A key issue and a virtuous circle

Investments in energy transition are of major importance as the cost of failure to act and not making the transition is greater than that of being proactive. Thus, between 2000 and 2019, the development of renewable and recovered energies has



enabled a saving of €40 billion on France's energy bill, according to ADEME (*Agence De l'Environnement et de la Maîtrise de l'Énergie*—French environment and energy management agency). Aside from the cost of inaction, the energy transition gives rise to new opportunities. It creates jobs. A report by the International Labour Organization estimates that two million new jobs could be created in the European energy sector by 2030. The transition will also allow for better energy

autonomy and a reduction in costs for French people. This is particularly the case if investments are directed towards energy-efficient transport and buildings.

Energy retrofitting: A priority area

The need for a real energy transition is critical in terms of thermal insulation of residential buildings. In 2022, 5.2 million main residences in France were leaking heat according to the *Observatoire national de la rénovation énergétique*, the French body for energy retrofitting. Heating these extremely energy-intensive homes leads to avoidable emissions and high costs, often for the households least able to afford them. This is why broad financing schemes have been set up at the French and European levels. In 2021, French households benefited from €5.1 billion in state subsidies (notably *MaPrimeRénov'* and *Habiter Mieux*), as well as assisted loans (zero-rated eco loans), totalling €1.8 billion more than in 2020. Moreover, energy retrofitting is one of the priority sectors for the *France Relance* recovery plan with a budget of €6.2 billion allocated over two years. In addition, the EU has invested €17.5 billion over six years (2021–2027) through its *Fonds pour une transition juste* (fair transition fund) which supports the areas most affected by the transition. ▀



Pascal Lorot,
CHAIR OF THE INSTITUT
CHOISEUL

“Transparency
and traceability
for every
euro invested
is crucial.”

**How can the energy transition
be successfully financed?**

Pascal Lorot: All economic stakeholders have to be on board to ensure that the energy transition is properly funded to meet the challenges. In this context, public authorities need to define a clear framework and course to encourage private long-term investment. One of the major challenges is to redirect the amounts currently earmarked for fossil fuels to low-carbon investments. To do this, transparency and traceability for every euro invested is crucial. This is the first step to growing the share of green investments, according to public and corporate stakeholders, following a survey carried out in 2019 by the Mazars Energy Community and the CSA polling organisation.

**What role do private stakeholders
have?**

P. L.: They have a huge role to play in energy transition. This is why ADEME has created a guide especially for companies. It sets out the solutions needed to promote energy sobriety and efficiency: lighting, digital, heating and air conditioning, but also technical processes and the necessary involvement of employees. In terms of corporate transition, the priority is to optimise the energy efficiency of equipment. Buildings should be renovated and industrial and technological processes improved to obtain the best ratio between the energy consumption necessary for operation and the end product achieved. In addition, fossil fuels should also be replaced with decarbonised energy. Of course, it is in companies' own interests to improve their energy efficiency in terms of making savings, but also in terms of brand image. More than 8 out of 10 French people believe that companies should commit to energy improvements as a matter of priority. Investments that companies make in this area also influence consumer choice, according to a survey by Harris Interactive in 2021-2022. ▀





Act and react

Agile and reactive, Teréga bases its development on an open and adaptive organisation guided by robust governance and an ethical approach, in line with its values of excellence: knowledge, courage, innovation and cooperation. Our mission as a stakeholder in the gas sector rests on a pioneering model and strategy: to accelerate decarbonisation and energy sovereignty to have a positive impact and a better future. These are the pillars of our performance and our longevity.



2022, an impactful year for the collective good

In 2022, while overcoming the disruption caused by the conflict in Ukraine, Teréga continued to roll out its IMPACTS 2025 plan by conducting major industrial operations and commissioning systems to accelerate decarbonisation.

Through the commitment of every one of its employees, Teréga has successfully imposed its personality and its distinctiveness, both as an accelerator for the energy transition and as being doubly committed to the environment and in the territories. This is the DNA behind the five areas of the IMPACTS 2025 plan. Over the coming months, sobriety and the drive to achieve greater energy independence, the transition to green gas and the requirement for a net-zero carbon footprint will remain at the heart of our new corporate plan taking us up to 2035.



Focus area 1

Deploying our business offers and satisfying our customers

As the energy transition unfolds, the gas market is undergoing major changes. Consignors, distributors, consumers or producers, all of Teréga's customers are faced with myriad possibilities for their energy strategy in a highly competitive

environment. This is why Teréga has set itself the target of improving the quality of its relationships with customers and of pre-empting their future energy needs to build long-term business connections with them. In 2023, Teréga's infrastructures should guarantee a secure supply for the region under a new south-north flow scheme that tightens up the French network model. This should also contribute to speeding up the energy transition. The major challenge will be to negotiate a tariff with the French Energy Regulatory Commission which will set the rules for 2024-2027. All the teams will need to be on board to put forward proposals that factor in Teréga's specific aims and requirements as an accelerator of the energy transition.



Focus area 2

Improving efficiency and responsibility

To be confirmed as energies of the future, renewable gases must stay competitive compared to other energy sources. This requires good control of development expenses and costs of operating the infrastructures. Teréga also aims to set an example through good resource management and in terms of their environmental impact. As a key point of the IMPACTS 2025 plan, Teréga's social and environmental responsibility is demonstrated through the roll-out of its "zero accident, zero snagging and zero surprise" policy. This is also embodied by an exemplary level of environmental commitment via the *BE POSITIF* program, which aims to erase its impact on the planet and on biodiversity. In 2023, Teréga will deploy a CSR initiative that sets out new and ambitious ways and goals for reducing greenhouse gas emissions, in line with the Paris Climate Agreement.



Focus area 3

Improving Teréga's recognition

While remaining attached to its area of operation and convinced of the central role of gas in the energy transition, Teréga is consolidating its position on the national and European stage and in the public debate with a view to increasing its influence. In 2023, three structural strategic pillars will further sustain its area of activity: the accelerated phase-out of fossil energies, decarbonisation of industrial consumption and the rise of the concept of energy sovereignty. Teréga will continue its efforts to position itself a multi-energy infrastructure operator and key provider of decarbonisation solutions at the regional, national and European levels by capitalising on the projects launched in 2022.



Focus area 4

Accelerating our development and transforming infrastructure

As a gas infrastructure operator, Teréga is at the heart of changes in the energy system to move towards renewable gases and integrate multi-energy systems. The launch of Teréga Solutions and the stakes acquired in renewable gas companies cement its progress beyond its historic scope. This dynamic should be consolidated and accelerated. In a world driven by technological change, its Research and Innovation activities will therefore take an increasingly crucial place. Following on from 2022, 2023 will be a time for Teréga to consolidate its initiatives and its planning process in particular. This should be perfected to pre-empt changes in the markets, with coherent organisation of the company and a long-term vision.



Focus area 5

Reinventing the company's DNA

Teréga must complete its own transformation and change how it works to be more agile and therefore more capable of facing the future challenges present in the energy landscape. To do this, it will remodel its corporate DNA and renew its management styles and the way in which HR is managed to leave more scope for digital tools and for the individual and collective initiatives that will make it possible to achieve IMPACTS 2025. In 2023, this growing intrapreneurship, coupled with the data approach, must be seamlessly blended with individual and collective goals. However, the trailblazing role that skills will play in Teréga's endeavours will also need to be clarified and integrated in the near future, with 2025 fast approaching. ►

Corporate social responsibility:

Our ambition

To be a company that is recognised for its environmental, social and governance (ESG) practices and as a benchmark in the energy sector, supporting the acceleration of the energy transition to carbon neutrality.



Teréga supports and accelerates the energy transition through a corporate strategy that prioritises responsibility: responsibility to its regions and its stakeholders, responsibility to its employees and responsibility to the planet. Its CSR commitments include ESG criteria and are deployed across three key flagship programs, an endowment fund and robust governance.

Teréga is committed to the environment with one priority – to decarbonise

The BE POSITIF (*Bilan Environnemental POSITIF*) – environmental performance program – aims to erase the environmental footprint caused by Teréga's activities, with the particular goal of treading a path that contributes to carbon neutrality by 2050 in line with the 2015 Paris Agreement. The first milestone is set for 2030, with an undertaking to reduce greenhouse gas (GHG) emissions by 30% (Scopes 1, 2 and 3) compared to 2021. This path will make it possible to achieve the 2030 objectives set by "Fit for 55" (55% reduction in GHG emissions by 2030 compared to 1990) and by the French national low-carbon strategy (33% reduction in GHG emissions between 2015 and 2030).



A PROCESS INTEGRATED THROUGH CERTIFIED MANAGEMENT SYSTEMS

In 2022, Teréga continued its voluntary integration of management systems. Recognised, once again, during follow-up audits on its various certifications by a certifying body, Teréga was assessed and deemed

to be compliant with ISO 9001 requirements: 2015 (Quality management), ISO 14001: 2015 (Environmental management), ISO 50001: 2018 (Energy management) and ISO 45001: 2018 (Management of health and safety in the workplace).

A social commitment that prioritises safety

Ensuring the safety, integrity and security of its employees, partners and facilities is a key issue for Teréga. The aim of the **PARI 2025** plan (*Prévention des Accidents et des Risques Industriels* – prevention of industrial risks and accidents) is “zero accident, zero snagging and zero surprise”.

At Teréga, the strong social basis, the quality of life and working conditions, as well as knowledge and interpersonal skills, allow us to build the energies of tomorrow. The **EnergizMouv** program focuses on commitment, the development of energy transition skills, the inclusion of people with disabilities or those out of the job market, gender diversity and equality, and promoting the involvement and responsibility of employees in a highly diverse environment.

Robust governance

Teréga has set itself a mission to contribute to the economic growth and sustainable development of its regions and that of its clients, partner companies and local communities, notably through its Responsible Supplier Purchasing Charter, Innovation Plan, Customer Satisfaction Survey and Acceptability Policy. Moreover, Teréga endeavours to maintain a solid organisation, to ensure that its rules of governance, compliance and ethics are complied with and to implement its IMPACTS 2025 plan and CSR strategy.

An independent not-for-profit sponsorship system

The **Teréga Accélérateur d'Énergies** endowment fund extends Teréga's societal and environmental commitment in the regions by supporting talent and projects with a common interest in the cultural, scientific, sporting, educational, humanitarian and social domains. ▀

APPROVED, CONTRACTUAL COMMITMENTS

Teréga's Executive Committee and Board of Directors have approved the CSR strategy and associated commitments. In 2022, Teréga introduced a sustainable development objective into its Revolving Credit Facility (RCF) of €250 million, successfully transforming it into a renewable credit line indexed to an ESG criterion. Adjustment of the RCF margin is linked to Teréga's performance in reducing its methane emissions. The short-term incentive plan for managers' remuneration incorporates 40% ESG criteria covering safety, methane emissions and progression of the energy transition. Employees are also vested in CSR goals through dedicated indicators (safety, reduction in GHG emissions, energy transition upskilling) included in Teréga SA's profit-sharing agreement.



Our governance

To achieve its energy transition and decarbonisation goals, Teréga needs a solid organisation behind it with a balanced financial structure and shareholder support. This solid organisation will ensure that our shareholders support our strategy and project funding.

A three-tier organisation certified by the French Energy Regulatory Commission

The organisational structure of the Teréga Group is based on three levels of companies. Teréga Holding SAS wholly owns Teréga SAS, which is both the majority shareholder (99.99%) of Teréga SA and the sole shareholder of Teréga Solutions, dedicated to the non-regulated activities of the Teréga Group.

The capital of Teréga Holding is held by five shareholders: SNAM holds 40.5%, Pacific Mezz Luxembourg SA (GIC) holds 31.5%, Ouestgaz holds 18%, and Predica and Crédit Agricole Assurances Retraite, both subsidiaries of Crédit Agricole Assurances, hold 9% and 1% respectively.

This three-tier structure (Teréga Holding SAS, Teréga SAS and Teréga SA) results from the application of the ownership unbundling rules provided for in Directive 2009/73 EC of 13 July 2009 on the internal market in natural gas. This structure was certified by the French Energy Regulatory Commission in its ruling of 3 July 2014 granting certification to the company TIGF, now Teréga. The certification is valid indefinitely, in accordance with the provisions of Article L.111-4 of the French Energy Code.

Active and committed governance

The rules and conditions of operation of the Boards of Directors of Teréga SA, the operational company of Teréga, of Teréga SAS, active

holding company of the Group, and of Teréga Holding SAS are set by the provisions of the French Commercial Code (Articles L. 225-1 to L. 225-270 for Teréga SA and Articles L. 227-1 to L. 227-20 for Teréga SAS and Teréga Holding SAS), Articles L. 111-8 et seq of the French Energy Code, and by the stipulations of the articles of association of these companies. The composition of the Board of Directors reflects the diversity, the complementarity of the technical skills of the directors and a focus on ensuring equal representation of men and women.

The Board meetings give the directors an accurate and up-to-date view of Teréga's operational and financial performance, as well as the conditions of the energy markets in which the company operates (subject to compliance with regulatory constraints concerning the Board of Directors of Teréga Holding SAS). Each Board meeting must include an up-to-date and adapted review of the application of the Teréga IMPACTS 2025 business plan.

The Board of Directors of Teréga SAS relies on the work of an Audit Committee, and on an Appointments and Remunerations Committee (Remco) for everything to do with recruitment and determination of the remuneration policy for corporate officers and senior executives of the Group. In 2022, an external auditor was assigned to assess the operation of the governance bodies of the Teréga Group, which returned an overall satisfactory result while

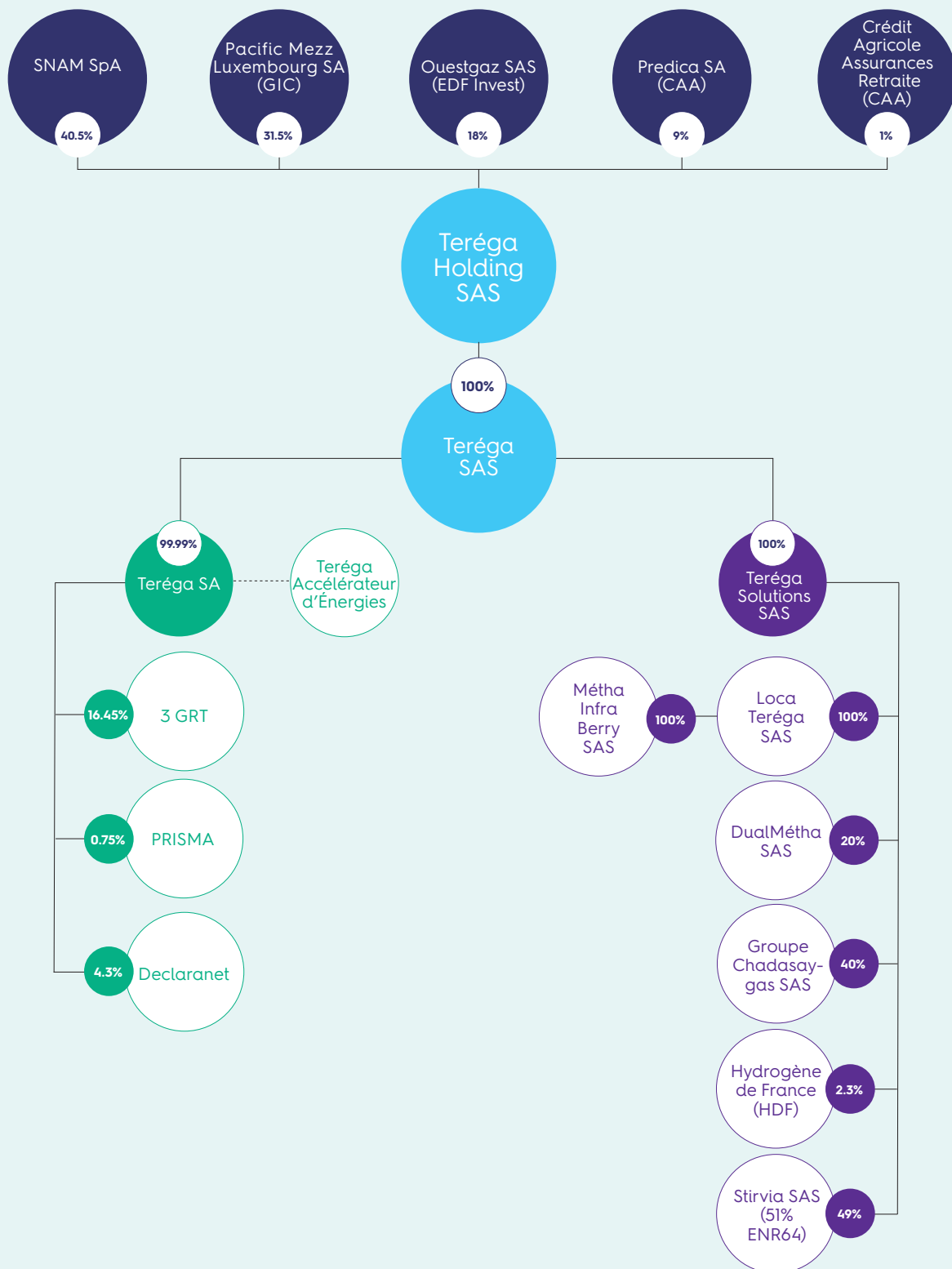
identifying minor areas of improvement which will be considered in 2023.

A Board of Directors strongly committed to CSR

Firmly committed to a sustainable development approach, Teréga has made CSR a strong pillar of its governance and strategy. Its Board of Directors pays particular attention to the social, societal and environmental aspects of the company's projects and strategy in order to conduct operational and commercial activities that have a positive impact on society. In 2021, Teréga defined an indicator which allows the share of CSR matters handled by its Board of Directors to be determined via an evaluation of the CSR character of each matter presented, based on ISO 26000: 2010. In 2021, 24% of the matters submitted to the Board of Directors touched on CSR. In 2022, the 25% fixed objective was reached. ▶



Legal organisation of the Teréga group



Board of Directors of Teréga SA

(as at 31 December 2022)



Dominique MOCKLY
Chair and CEO



Paolo VENTRELLA
SNAM



Nicolas MACHTOU
Pacific Mezz
Luxembourg SA (GIC)

The Board is comprised of four directors and two representatives of the Economic and Social Committee. Among the directors:

- Two represent SNAM;
- One represents Pacific Mezz Luxembourg SA (GIC);
- One seat is assigned to the CEO of the Company.

Dominique Mockly, CEO since 31 July 2016, is also Chair of the Teréga SA Board of Directors.

DPEF

100%

Attendance rate at meetings of the Teréga SA Board of Directors.

(Objective: 100%)



Paola BONANDRINI
SNAM



Hélène SEGUIS
Teréga



Jean-Marie HAGHCHEO
Teréga

Board of Directors of Teréga SAS

(as at 31 December 2022)



Gianluca POI
Chair of the Board of
Directors of Teréga SAS
Member of the Remco*



Lucia AVERSANO
SNAM



Paola BONANDRINI
SNAM
Member of the Remco*



Paolo VENTRELLA
SNAM
Member of the
Audit Committee



Rhys PHILLIP
GIC
Chair of the Remco*



Camille DEPOUTOT
GIC
Member of the Remco*



Nicolas MACHTOU
GIC
Member of the
Audit Committee



Quentin LE CLOAREC
Predica
Member of the
Audit Committee



Adamo SCRENCI
Independent



Stéphanie THOMAZEAU
Independent
Chair of the Audit Committee

* Remco : Appointments and Remunerations Committee.

The Executive Committee



Dominique MOCKLY

Chair and CEO



Agnès BUTTERLIN

Director of Finance,
Purchasing and Sustainable
Development



Antoine CHARBONNIER

Head of the Strategy,
Innovation and Development
Department



Arnaud LATEULADE

Chief Security, Health, Safety
and Environment Officer



Daniel WIDERA

Chief Services and
Transformation Officer



Dominique BOQUILLON

Chief Communication Officer



Gilles DOYHAMBOURE

Director of Trade, Regulation
and Major Accounts



Marie-Claire AOUN

Director of Prospective
and Institutional Relations



Michel BOCHE

Director of Infrastructure
Projects



Olivier BÉATRIX

Corporate Secretary



Patrick HAMOU

Chief Operating Officer



Valérie LE GARS

Chief Human Resources Officer

Teréga SA:

A solid business model

DPEF

RESOURCES

Financial

- Shareholding:
- SNAM **(40.5%)**
- Pacific Mezz Luxembourg SA (GIC) **(31.5%)**
- Ouestgaz **(18%)**
- Predica **(9%)**
- Crédit Agricole Assurances Retraite **(1%)**
- Investments: **€163 million**

Industrial

- **5,100 km** of transmission pipelines
- **6.5 Gm³** of total gas storage capacity

Human

- **644** employees

Customers

- **74** shippers (Transmission)
- **31** shippers (Storage)
- **111** industrial customers
- **152** public distribution systems
- **7** biomethane injection stations

Intellectual

- **60** employees integrated into the R&I network
- Average annual budget for R&I: **€5.5 million**

Environmental

- Certifications: ISO 14001: 2015 (Environmental management); ISO 50001: 2018 (Energy management)

A regulated sector

The French Energy Regulatory Commission oversees the effective functioning of the gas market in France

Energy transition

New uses for gas, new production methods, new networks etc.

Public distribution systems

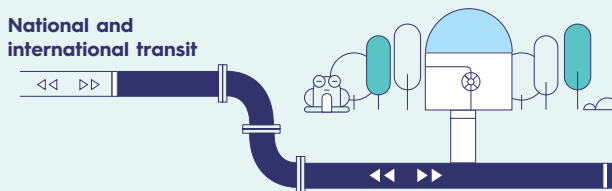


Delivery stations



Biomethane injection

National and international transit



- Teréga network
- ▨ Distribution network
- Transmission network (excluding Teréga)

OUR MISSION: TO MAKE GAS A CATALYST FOR ENERGY TRANSITION



Responsibility



Cooperation

OUR VALUES



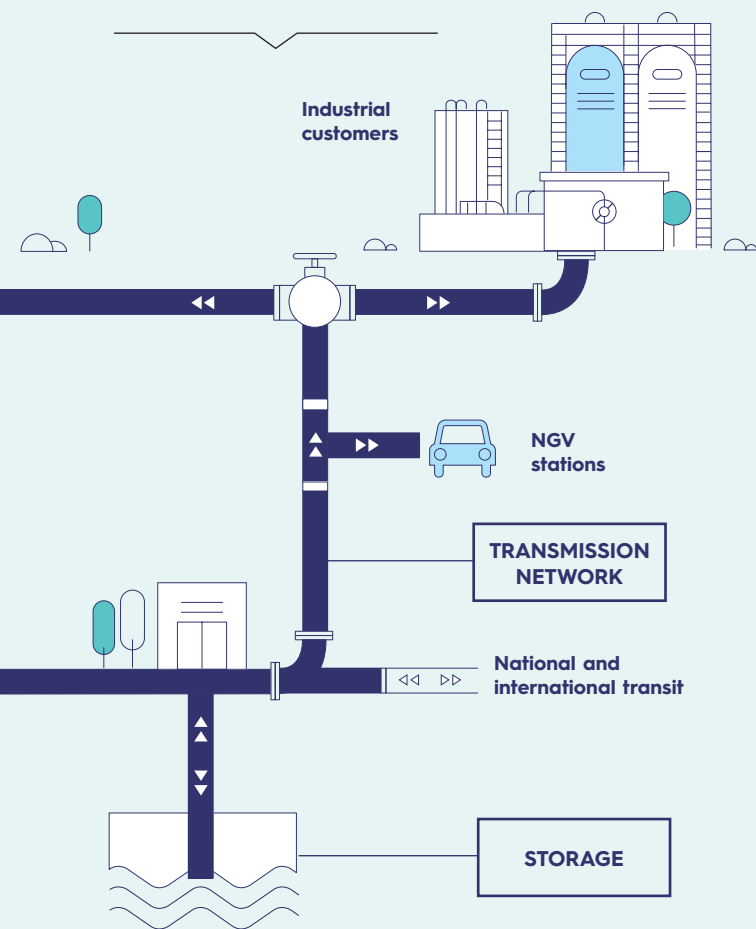
Innovation



Ambition

Public service obligations

In accordance with the provisions of Articles L. 431-3 of the French Energy Code for transport and L. 421-3 of the French Energy Code for storage



RESULTS

Financial

- **€799 million** in turnover

Industrial customers

- **140,841 GWh** of gas transported
- **23,520 GWh** consumed in the Teréga area (industrial customers + public distribution systems)
- **33,100 GWh** of subscribed storage capacity, i.e. 100% of available capacity

Human

- **51** people hired (permanent and temporary contracts)
- **95.19%** of employees trained
- TRIR (Total Recordable Incident Rate) at Teréga: **4**

Intellectual

- Around **60** R&I projects ongoing

Environmental

- **0.60 tCO₂e/GWh** transported*

*Calculated using GWP (global warming potential) for methane = **34**.

IMPACTS
2025

AN AMBITIOUS, STRATEGIC PLAN INVOLVING FIVE PRIORITIES



Deploying our business offers and satisfying our customers



To improve efficiency and responsibility



To increase our visibility



To accelerate our development and transform our infrastructure



Reinventing the company's DNA

OUR REGIONS

15 departments in the South-West



NON-FINANCIAL RISKS

Analysis and priorities for Teréga SA

As a responsible industrial operator, Teréga is convinced that all corporate actions must contribute to the sustainable development of all its activities and its development strategy.

The creation of Teréga's Non-Financial Performance Declaration forms part of the company's overall approach. As the basis for the Non-financial Performance Declaration, the non-financial risks have been identified based on the Teréga Group's Risk Benchmarking Exercise, which is updated annually through

consultation with internal and external stakeholders. With the support of the Risk Manager, Teréga's CSR department has analysed the risks from this Benchmarking Exercise with regard to the information categories set out in Article L. 225-102-1 of the French Commercial Code:

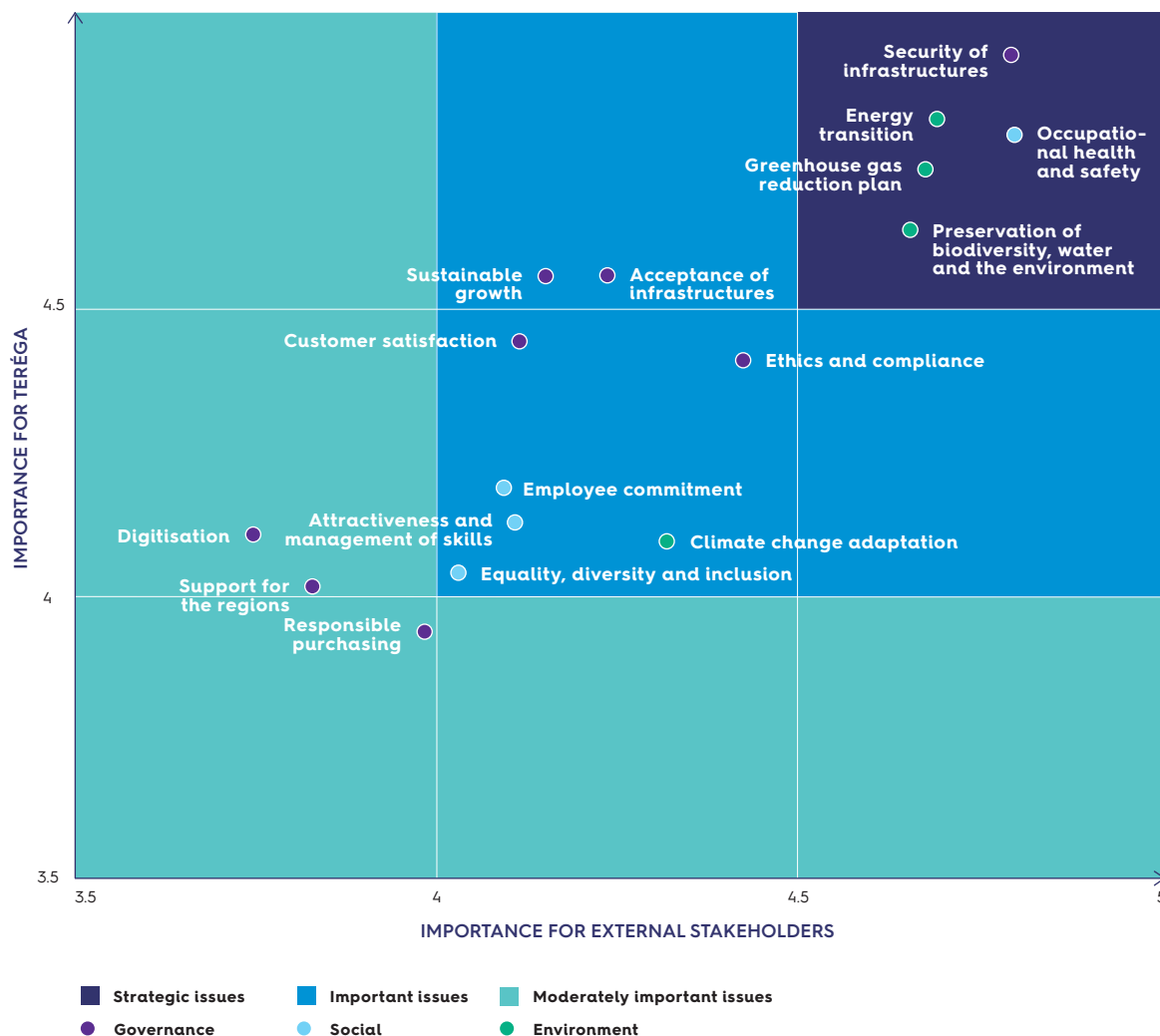
Article L. 225-102-1 of the French Commercial Code	Correspondence in the 2022 Activity and Sustainable Development Report
The impacts that the company's activity and the use of the goods and services it produces have on climate change.	Pages 52-53 - Environment Pages 54-55 - Environmental indicators
Societal commitments to promote: <ul style="list-style-type: none"> • Sustainable development • The circular economy • The fight against food waste • The fight against food insecurity • Respect for animal welfare • Responsible, fair and sustainable eating 	<ul style="list-style-type: none"> • Pages 52-53 - Environment • Pages 54-55 - Environmental indicators • Not relevant to Teréga SA's activity • Not relevant to Teréga SA's activity • Not relevant to Teréga SA's activity • Not relevant to Teréga SA's activity
Collective agreements concluded within the company and their impact on the company's economic performance and employees' working conditions.	Page 72 - Social Pages 76-77 - HR indicators
Actions to combat discrimination and promote diversity. Actions to promote sports and physical activity. Measures to benefit people with disabilities.	Page 74 - Social inclusion Pages 76-77 - HR indicators Page 73 - Quality of life and working conditions Page 74 - Social inclusion

This analysis identified the various non-financial challenges facing Teréga SA. Consultation with internal and external stakeholders then made it possible to identify the most pressing issues.

The materiality matrix thus reflects Teréga's risk analysis and the prioritisation of these issues.

The non-financial issues and the materiality matrix have been approved by the Executive Committee.

All of Teréga SA's non-financial issues and information, its business model, description of the main risks and issues, policies, actions implemented and results obtained are presented throughout this report in accordance with the requirements of Articles L. 225-102-1 and R. 225-105-1 to R. 225-105-3 of the French Commercial Code.



Overview of Teréga SA's non-financial issues

The table below summarises the non-financial issues that are both strategic and important to Teréga SA.

CSR	Issues specific to Teréga SA	Policies	Key actions for 2022
ENERGY TRANSITION	Develop a strategy in line with French and European energy policies and renewable gas requirements	IMPACTS 2025 Innovation Plan - Cement our long-term position as a model operator of gas infrastructure through the continuous improvement of operational performance, the integrity and energy efficiency of our facilities, the safety of people and operations, the digitalisation of activities and the preservation of the environment. - Affirm our role as a driver of the energy transition. - Adapt our infrastructures for the arrival of new gases. - Study the synergies between the various energy vectors and their infrastructures.	- Upgrade existing infrastructures through the integration of renewable gases. - Studies on transporting and storing hydrogen and CO ₂ .
		IMPACTS 2025 Green gases Support biomethane project developers from concept to realisation.	- Commissioning of four production sites. - 14 sites committed with a production capacity of approximately 530 GWh/yr.
		IMPACTS 2025 Institutional relationships Hold discussions with regional, national and European institutional stakeholders, and stakeholders in the renewable gas and hydrogen chain.	- Feed back regional needs to the institutional players. - Participate in projects to create a European hydrogen backbone.
GREENHOUSE GAS REDUCTION PLAN	Continue to roll out the greenhouse gas reduction plan	BE POSITIF Reduce the environmental footprint of our activities - Gradually eliminate our carbon footprint which affects the air. - Contribute to achieving carbon neutrality in France. - Develop energy management—renewable and virtuous—in line with climate challenges and with the aim of a sustainable energy transition.	- Commissioning of recompression systems. - Identification and implementation of two technologies to avoid leaks from compressor seals. - Work to quantify indirect emissions (Scope 3) using a new calculation methodology.
PRESERVATION OF BIODIVERSITY, WATER AND THE ENVIRONMENT	Minimise our environmental footprint and act responsibly towards society (biodiversity, water, waste management, artificialisation of soil etc.)	BE POSITIF Reduce the environmental footprint of our activities - Apply the methodology "Avoid, reduce, offset" to all environmental components, particularly biodiversity. - Waste management procedure.	- Performance of flora-fauna diagnostics and identification of biodiversity issues. - Mechanical maintenance of pipeline easements in the autumn. - Trial solutions for the maintenance of above-ground installations (use of biocontrol products, revegetation of stations etc.).
CLIMATE CHANGE ADAPTATION	Avoid asset damage linked to climate change.	PARI 2025 "Zero accident, zero snagging and zero surprise" plan Industrial safety: protect our infrastructures from incidents, accidents and natural disasters.	- Adaptation of our rules for establishment. - Maintenance and protection of our facilities to limit the risks posed by fire, as well as the risks to the surrounding environment posed by our facilities.
OCCUPATIONAL HEALTH AND SAFETY	Ensuring personnel and third-party safety	PARI 2025 "Zero accident, zero snagging and zero surprise" plan - Occupational safety: Preserve the physical and moral integrity of our employees and external stakeholders. - Industrial safety: Protect our infrastructures from incidents.	- Implementation of a process for pre-selecting sub-contracting companies: 3SE approval. - Use of financial penalties for handling discrepancies. - Establishment of the HSE club.
			- 8720 third-party operations and no snagging on pipelines. - Improvement of above-ground surveillance.

	KPIs	Objectives	2022 results	2021 results	2020 results	Articles
	Share of R&I OPEX budgets dedicated to the energy transition.	70%	70.5%	41.4%	-	page 51 Innovation
	Renewable gas indicator: rate of penetration of biomethane into the Teréga network (including all sites injecting into networks connected to ours for regional consumption – annual average).	-	2.62%	1.62%	-	pages 66-67 Customer relationships
	Teréga's contribution to debates on energy transition at the European, national and regional levels.	45	51	46	-	pages 8-9 A world of opportunities
	Reduction of our direct (Scope 1) and indirect (Scope 2) greenhouse gases linked to energy.	-45% (by 2030) (vs 2017)	-32% 83,950 TCO₂e (vs 2017)	- 26% 91,563 TCO ₂ e (vs 2017)	- 27% 90,746 TCO ₂ e (vs 2017)	pages 52-53 Environment pages 54-55 Environmental indicators
	Hectares of compensation sites managed by Teréga.	-	227 ha	224 ha	224 ha	pages 52-53 Environment
	Progress rate for studies of "natural hazards" (floods and forest fires) that affect our infrastructures, in accordance with the aims set out at the start of 2022	100%	100%	-	-	pages 62-63 Safety
	Total Recordable Incident Rate (TRIR) for Teréga employees, temporary staff and sub-contracting personnel	4 (2022)	4.0	7.0	4.2	pages 62-63 Safety pages 64-65 Safety: Outcome indicators on the rise
	Change in the ratio of undeclared work (UDW)/declaration of intention to begin work (DICT)	< 0.85	0.89	0.64	0.93	

Overview of Teréga SA's non-financial issues (continued)

CSR	Issues specific to Teréga SA	Policies	Key actions for 2022
EMPLOYEE COMMITMENT	Ensure a good level of employee commitment and quality of life at work, within a calm, social environment	EnergizMouv Employee commitment - Keep employees healthy - Develop QWL (quality of working life) - Have a responsible social base	- Establishment of a QWL service offering. - Establishment of a mechanism for preventing social conflicts in 2019.
ATTRACTIVENESS AND MANAGEMENT OF SKILLS	Master and develop the necessary skills to transform the company	EnergizMouv Skills management - Develop skills that help to build the energies of tomorrow across all our regions. - Employer brand.	Creation of a digital journey raising awareness of the energy transition and hydrogen.
SECURITY OF INFRASTRUCTURES	Ensure service continuity from our infrastructures	PARI 2025 Information security and cybersecurity Ensure the integrity of our IT systems, to protect Teréga against malicious acts.	- Reinforcement of infrastructure cybersecurity. - Transformation of IT systems to make them resilient and capable of maintaining normal operation following an incident. - Separation of the industrial and corporate IT systems.
ETHICS AND COMPLIANCE	Respect the rules of ethics and regulatory compliance	Code of ethics/anti-corruption code of conduct - Direct the conduct of Teréga's activities. - Reiterate Teréga's values (respect for human rights, respect for customers and suppliers, respect for tax and accounting regulations and the laws on fair business competition, transparency and fiscal compliance, as well as anti-corruption).	Deployment of the anti-corruption training module.
ACCEPTANCE OF INFRASTRUCTURES	Apply conditions to ensure that our facilities are acceptable within the regions	Acceptability policy - Obtain amicable agreements to lay natural gas pipelines and undertake the various project phases. - Obtain signatures for amicable easement agreements.	- Holding of public information meetings. - Meeting with the relevant parties to obtain amicable agreements.
SUSTAINABLE GROWTH	Have a solid organisation to achieve our objectives, along with a balanced financial structure and shareholder support	Governance Governance of decision-making bodies.	- 25% of matters discussed by the Board of Directors are related to CSR as defined by ISO 26000: 2010. - CSR is a pillar of Teréga's governance and strategy. - Creation of the CSR Committee to monitor and oversee the CSR Policy. - Overall running of the governance bodies entirely satisfactory (as assessed by an external audit firm).
RESPONSIBLE PURCHASING	Working with suppliers in accordance with our CSR commitments	Responsible Supplier Purchasing Charter - Integrate environmental issues. - Create a network of relationships that contribute to its development and that of its region. - Respect financial equity in relation to suppliers (French law for the modernisation of the economy). - Favour collaboration with strategic suppliers. - Reduce the risks of dependence on order givers/suppliers.	- Development of 3SE approval. - Study of Scope 3 to set a reduction goal for 2030. - Business relationships with regional companies and companies from the sheltered sector.

	KPIs	Objectives	2022 results	2021 results	2020 results	Articles
	Score from the occupational commitment and satisfaction survey (average)	Improving compared to the last survey	No survey in 2022	7.7/10	7.3/10 (in 2019)	pages 72-73 Social and QWL
	Number of strike days (excluding national movements)	0	1	0	0	
	Training rate	> 90%	95.19%	95.7%	96%	page 75 and page 77 Training and human resource indicators
	Training rate in connection with the energy transition	25% (2022)	41.14%	-	-	
	Rate of availability of critical applications	98%	99.81%	99.94%	99.55%	page 70 IT system
	Rate of availability of vital applications	99%	99.99%	99.87%	99.8%	
	Rate of new hires (on permanent contracts) who have completed the anti-corruption training	90%	62.50%	89.9%* *Awareness training for all employees	86%* *Awareness training for all employees	page 68 Ethics
	Passage agreement rate for infrastructure projects	> 95%	99%	99%	99%	page 36 Projects
	Rates of CSR matters discussed by the Board of Directors of Teréga SA	25% (2022)	25%	24%	-	page 20 Governance page 22 Teréga SA Board of Directors
	Attendance rate at Teréga SA Board of Director meetings	100%	100%	100%	100%	
	Coverage rate through purchasing (percentage of total expenses where the purchasing department plays a role in the purchasing process)	> 90%	91%	93%	87%	page 69 Suppliers
	Percentage of purchases made with local businesses (volume)	- - 50%	57,6%	61%	60%	

REGULATED ACTIVITIES

An excellent response to supply security issues

Teréga contributes to ensuring secure, continuous supplies in France, in particular by keeping stocks high to guarantee the availability of gas despite the conflict in Ukraine.



As a major operator of gas storage and transmission infrastructures, Teréga is a frontline contributor to energy security in France, as well as to the smooth running of the gas market, providing constant operational excellence with regard to the new challenges surrounding energy, geopolitical and the environment.

Maximum storage

As in previous years, Teréga and GRTgaz identified the summer prospects for the gas system at the Summer Outlook conference. The 2022 financial year confirmed that storage facilities could be filled under certain conditions. The prospects for winter 2022-2023, with the conflict in Ukraine and the anticipated drop in Russian gas imports through Europe, meant that French stocks had to be filled to capacity.

In mid-May, the fill rate exceeded 40%, almost a month in advance compared to 2021. Teréga's rate hovered around 50%. The Group was driven by commercial considerations to stock up ready for winter. By October, stocks were full, beyond obligations and ready to support the entire country. The recent exceptional storage rate of 103% of working volume demonstrates Teréga's



REVERSAL OF GAS FLOWS

Although Teréga's network historically allowed Norwegian gas through to supply Spain and Portugal, the exceptional situation and energy tensions linked to the conflict in Ukraine changed and reinforced the role of its gas infrastructures in 2022 with a reversal of flows from the south to the north of Europe. As of April 2022, Teréga saw record flows of gas entering from Spain. At the Pyrenean interconnection point which it operates, south-to-north flows of more than 200 GWh/d on average were seen, with peaks approaching 220 GWh/d. Thanks to this reversal, the Iberian Peninsula helped to supply France.

ability to adapt to market conditions and increase its contribution to ensuring supply security for the region. At the same time, discussions with Enagás enabled the supply capacity from the cross-border Artère de l'Adour pipeline linking Bilbao to Lussagnet to be increased by 66%, an additional procurement solution to strengthen the European network. Its available capacity changed on 1 November 2022 from 2 to 3.5 billion cubic metres (from 60 GWh to 100 GWh per day), i.e. + 18% of the total flow capacity from Spain to France over the two existing interconnections.

Tensions in TRF: A rapid response to decongest the network

For several months, the significant reduction in Russian gas exports to Europe has almost entirely halted gas inputs to France from Germany and Belgium. At the end of November 2022, when gas consumption started to rise again, gas imports fell, creating tension in Trading Region France (TRF), which is the only gas market in France. There are several reasons for this: operating problems in the Norwegian gas fields leading to a drop in flows entering the French network; arbitrage between different markets, notably in favour of the UK where demand

was very high; or even a lack of gas in northern France that couldn't be offset by flows incoming from the south and west saturating the infrastructures.

This unprecedented situation resulted in a significant gas deficit in the north of France and an excess in the south, which was well supplied with LNG from Spain's methane terminals. The existing network capacities were unable to convey all of the excess gas to the north, leading to congestion in the TRF, a red alert being raised and the rapid activation of market mechanisms to bring about decongestion: stoppage of sales, suspension of interruptible capacities, triggering of localised spreads and even activation of mutual restriction, a last-resort mechanism involving cutting off part of the firm capacity.

A secure winter 2022-2023

The relatively mild winter and sobriety efforts meant France was able to preserve its gas stocks, while still maintaining a high level of gas conveyance to eastern Europe. Given the stock levels, and subject to upholding the collective energy sobriety measures observed since the start of winter, the risk of a volume gas deficit over the remainder of winter 2022-2023 appeared

unlikely, and the threat of a daily deficit practically disappeared. Prudent stock management was still required to guarantee supply security in the event of a cold snap. Faced with a tense global market, Teréga's role was particularly important in maintaining the necessary capacities, guaranteeing gas supply to its regions and ensuring supply to its clients across the territory. ▀

STORAGE

An ongoing, flexible adaptation to suit the market

In 2022, Teréga's gas storage infrastructures proved their ability to adapt, while demonstrating their performance in managing flows. This ensured essential supply security in relation to the war in Ukraine whilst improving the Group's reliability thanks to major work being undertaken.

2022 saw a typical withdrawal period for Izaute and Lussagnet, marked by the choice to focus strongly on the Izaute site, 95% emptied between January and April. This period ended with significant stocks of 30% on both sites, favouring a rapid refill to ensure security of supply in relation to the crisis in Ukraine.

Key projects

In 2022, Teréga continued to roll out major modernisation projects

to improve the operational and environmental performance of its facilities, upgrade the reliability of its storage systems and reduce greenhouse gas emissions:

- Commissioning of the NGV station at Lussagnet.
- Work on the new water treatment plant at Lussagnet, scheduled for commissioning in 2023.
- Continuation of the Securlug Phase A project which will secure gas injection rates and withdrawals in 2024, with replacements of

the C13, C14 and C15 compressors by two electro-compressors.

- Drilling of the IZA-23 production-injection well commissioned in 2022 and major work on the LUG60 and LUG61 wells commissioned before the end of 2022.

- Replacement of the turbine on KY201.

Norbert Jamot

Storage Operation Department Manager



What is the strategic importance of storage?

With 25.4% of the national capacity, our sites play a key role not only in ensuring supply security for the end customer, but also in containing prices in the face of sharp rises, global economic recovery and the tensions in procurement as a result of the conflict in Ukraine, particularly when demand soars in winter.

How have you ensured that stocks are full before the deadline?

Thanks to the preventive maintenance program started by Technical Coordination some years ago, we have been able to depend on the technical reliability of our units. The collaboration of storage with the Gas Movement Department and the Trade, Regulation and Major Accounts Department has also reconciled the operational planning associated with storage with the flexibility of injection operations, based around new commercial offers such as the flexible gates and 103% storage.

100% of regulatory shutdowns and inspections performed

Teréga also continued its program to upgrade its storage infrastructure, with the fitting of insulating seals on the AGU compressor station in Lussagnet, the fitting of flowmeters to measure leaks from compressor seals, a revamp of the power generator at Lussagnet, the modernisation and increased reliability of the gas network (MFRG) and the replacement of fencing classified for the protection of the environment at the storage sites. The preventive maintenance program, inspections and regulatory requalification procedures were conducted within the allotted times. Significant preventive maintenance work was also performed on the C13, KY301 and KY201 compressors. ■

TRANSMISSION

A safe and efficient network built on exceptional knowledge

Teréga operates and develops its gas network with an eye to the future in order to deploy the energy system of tomorrow as close as possible to the field, in close collaboration with its customers and local stakeholders.

In 2022, Teréga continued to invest to improve its gas transmission infrastructures and offer a more secure, efficient, integrated and innovative network in line with the challenges of energy transition.

Operational objectives met

The conflict in Ukraine and the fires in the Gironde department over the summer meant our operational teams worked hard to ensure secure operation and provision of gas supplies. Their commitment resulted in all objectives of the Monitoring and Maintenance Plan being met on time.

The year was marked by an exceptional number of projects, including:

- Completion of works to ensure compliance following the studies on generic transport hazards.
- A campaign to systematically identify leaks and cracks during searches undertaken to prepare for the introduction of hydrogen into our network.

Uttaro Kim

Transmission Operation Department Manager



What biomethane projects have you completed?

2022 was an exceptional year. We successfully commissioned four biomethane injection stations for AgriEnergie (33), Mélusine Énergie (33), Prometer (12) and BioBéarn (64), the most important unit in France. Our teams now have solid experience in designing and commissioning these stations.

And what about hydrogen?

Our operational skills meant we were able to support Teréga Solutions in both hydrogen and digital. This included participation in projects upstream of the operating phase for three Grand Prix for the FIA ETCR electric car championships, design of a hydrogen test bench, participation in the helium sealing tests for systems using hydrogen, and the significant involvement of our operational teams in fitting Indaboxes as part of the PL4.0 project for safe data-sharing.

- Follow-up of 21 audits carried out by the DREAL and the completion of ISO audits.
- Beginning of the RECOMP project at the Barbaira (11) and Sauveterre (33) compressor stations to recover and re-inject gas discharged into atmosphere during decompression operations.
- Commissioning of the Seal Gas Recovery System (SGRS) at the Mont (64) compressor station.
- Participation in projects such

as the Mont-Ogenne (64) initiative, helping them to go smoothly.

- Completion of major overhauls of turbines and compressors as part of the in-service support plan for existing tools, in addition to renovations to address obsolescence, particularly for instrumentation and control systems, on actuators and variable speed controls on the compressors in Mont, Alçay (64) and Lias (32). ■

PROJECTS

An intense year

2022 was marked by numerous projects surrounding Teréga's regulated activities, and by a prominence of projects involving new gases.

The intense construction activity resulted in the commissioning of 35 new structures equating to 35 km of pipeline and including:

- The new effluent treatment plant at the Lussagnet storage centre.
- The Mont-Ogenne project, with the reconstruction of part of the artery linking the Mont compressor station and the interconnection point with Spain at Lacal (64).

In the area of new gases, the major achievements were:

- The commissioning of four biomethane injection stations for the Prometer (12), BioBéarn (64), Mélusine Énergie and AgriEnergie (33) units.
- The end of the program to install NGV stations on the Teréga network with the commissioning of the Lussagnet and Cugnaux stations.
- The installation of around 500 Indaboxes on the Teréga delivery stations (PL4.0 project).

Successful projects

The success of Teréga's infrastructure projects is linked to the positive reception of the parties concerned, such as local residents and farmers. In the context of pipeline projects, the Public Procurement Department is in constant contact with the owners of the land crossed. Its agents have been meeting with local residents from the outset in order to gain amicable consent to lay gas pipelines and to secure agreements for the project implementation phases (route studies, surveys, archaeological studies, rights-of-way negotiations before and after works). Before any work is carried out, public information meetings are held to inform stakeholders of the temporary impacts linked to the project site. Together with the Infrastructure Projects Department, this approach makes it possible to obtain a maximum number of amicable easement agreements. For the Vianne and Mont-Ogenne projects, Teréga obtained fully amicable agreements from the 155 owners concerned. ▀

Michel Boche

Director of Infrastructure Projects



How were projects managed in 2022?

In an uncertain context, with a difficult market having a significant effect on pricing and schedules, we stepped up our exchanges with suppliers, always maintaining full transparency and using a joint, collaborative, agile and attentive approach, in order to find balanced solutions to secure our projects and respect our commitments and objectives.

How are you preparing infrastructures for hydrogen?

The storage, transmission and operations teams have launched a number of studies to ensure that our infrastructures are hydrogen-compatible from a technical point of view. The sales/regulation and project/investment teams are also working to identify which pipelines could be freed up for transport purposes. Finally, we're assessing the economic issues and the impacts that these changes will have on constructing new, hydrogen infrastructures used entirely for hydrogen.

DPEF

99%

Passage agreement rate for infrastructure projects.

(Objective: > 95%)

The Teréga network



TRANSMISSION

5,100 km
of pipelines

STORAGE

6.5 Gm³
of total gas storage capacity

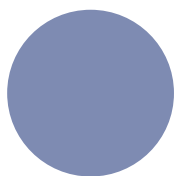
15.6%
of the French gas
transmission pipeline
network

20%
of the volume
of French gas in
the Teréga network

2.9 Gm³
of marketable
volume

25.4%
of the national
storage capacities





ANTICIPATE

Always looking to the future, Teréga deploys innovative and disruptive solutions that meet the key issues of energy efficiency and sobriety, as well as the decarbonisation of consumption. These solutions cover hydrogen, biomethane, NGV and bioNGV, multi-energies and digital, just to name a few. We support our customers from the very beginning of these projects right up until operational implementation.

Teréga Solutions

Innovation to support decarbonisation

Teréga Solutions provides innovative and highly efficient digital and energy solutions that meet the challenges of decarbonisation and energy efficiency, driving towards green and sustainable growth.

As a driver of the energy transition, the Teréga group is committed to designing solutions and building the virtuous, innovative and disruptive ecosystems of tomorrow, backed up by its industrial expertise in gas transmission and storage. Launched in 2021, its subsidiary Teréga Solutions develops tangible decarbonisation technologies and solutions to improve energy efficiency and industrial performance, while promoting a sustainable future.

This diversification into non-regulated activities responds to the climate crisis and the urgent need to take an agile and responsive approach to using the energies and infrastructures of tomorrow within our regions, to favour the emergence of truly local multi-energy ecosystems that are renewable, intelligent and decarbonised. Teréga Solutions' expertise is deployed around complementary pillars: hydrogen, biomethane, low-carbon mobility, multi-energies and digital. Teréga Solutions supports institutional

stakeholders, local communities, manufacturers, companies and farmers for as long as these solutions and structural projects are running, from the initial definition to commissioning and operational control. With its expert knowledge of complex installations, its capacity to industrialise and its experience in the field, Teréga Solutions allows them to effectively anticipate the challenges of a carbon-free world, bringing economic and environmental performance together. ►



TRENDS

LOCAL
ECONOMY

ENERGY
TRANSITION

GLOBAL
WARMING

MISSION

**To accelerate the energy transition,
we need to design innovative energy
solutions and build
the models of tomorrow.**

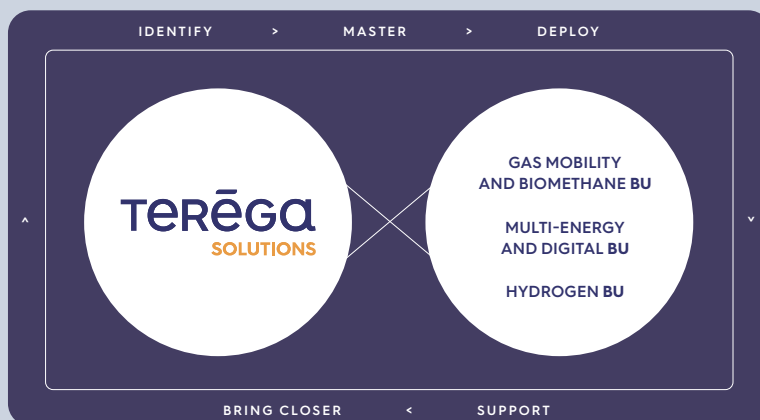
STRATEGY

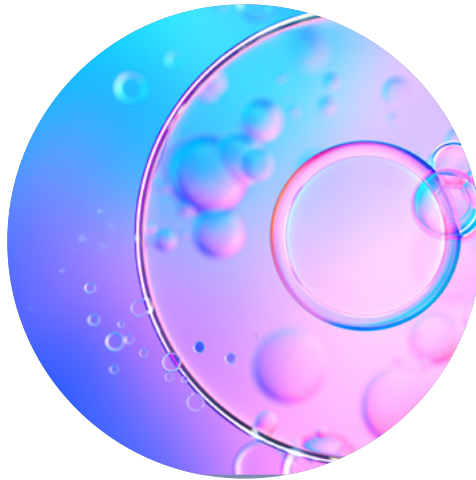
IMPROVE
ENERGY
EFFICIENCY

DEVELOP
RENEWABLE
ENERGIES

WORKING
FOR THE
REGIONS

ORGANISATION AND ACTIVITIES





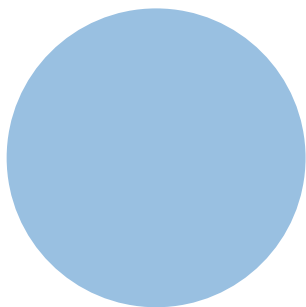
Decarbonised hydrogen, the main lever of the energy transition

Teréga Solutions is driving the deployment of a national decarbonised hydrogen ecosystem by forging innovative strategic partnerships to create high-performance storage, transmission, compression, distribution and mobility solutions and co-construct these infrastructures in areas where they are needed.

A renewable, malleable and adaptable energy source, decarbonised hydrogen is a formidable lever in the energy transition. It can be used to store electricity or produce heat, and has a role to play in decarbonising HGV transport, urban mobility and industry. Decarbonised hydrogen therefore represents a major factor in economic competitiveness and drive for the regions.

Development of local hydrogen projects and ecosystems

As an integrator of energy solutions, Teréga Solutions develops regional hydrogen ecosystems for communities, industrial customers and all local project developers. Its support extends from the initial concept (identification and consolidation of uses, search for strategic partnerships and funding etc.) to completion, in partnership with the best equipment suppliers and manufacturers.



Hydrogen logistics and distribution

Teréga Solutions proposes a global and optimal hydrogen logistics solution which includes processing of the hydrogen, compression, storage, metering, transport by road or pipeline and distribution to the end customer or through hydrogen mobility refuelling stations.

In addition to these technical options, Teréga Solutions provides users with all logistical and distribution services, incorporating digital monitoring solutions to ensure optimal functioning, and traceability solutions that guarantee the origin of the hydrogen.

A strategic partnership with Valorem

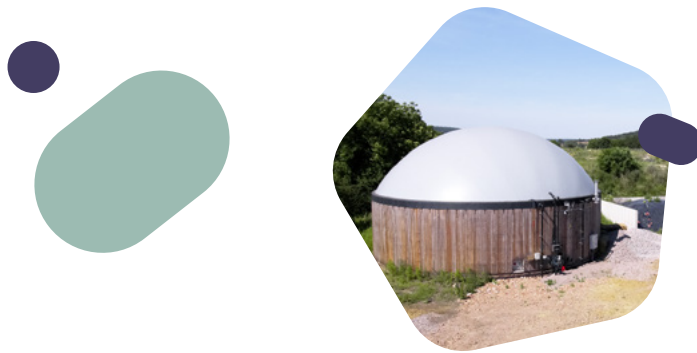
In 2022, Teréga Solutions concluded a partnership with Valorem, an independent French green energy operator, to develop renewable hydrogen value chains by deploying renewable hydrogen ecosystems and decarbonisation solutions to the regions and to industrial customers. This offer has the potential to cover projects to produce and recover renewable hydrogen, to develop H2 ecosystems in France, study technico-economic models for combining renewable energy production and hydrogen storage, and define the legal and financial structuring of joint projects.

A new agreement with Verso Energy

At the end of 2022, during the *Salon des maires et des collectivités locales* (Mayors and local authorities exhibition), Teréga Solutions signed a partnership agreement with Verso Energy, a start-up specialising in the funding, development and operation of green hydrogen and renewable electricity facilities. This agreement covers collaboration on a number of projects to produce and distribute renewable and decarbonised hydrogen in France. This collaboration is based on the respective expertise of each party and includes the development of projects and ecosystems within the region for

Verso Energy, and the design, construction and operation of hydrogen infrastructures for Teréga Solutions, with its extensive experience of packing, transporting and distributing hydrogen, in addition to logistics.

Verso Energy and Teréga Solutions are already working together on large-scale hydrogen projects, for example, within a group of companies aiming to address the challenges of decarbonisation in industrial areas. More generally, they plan to collaborate on projects to meet decarbonisation requirements in key sectors such as mobility and air, river and sea transport, in addition to industries with high CO₂ emissions. ■



Methanisation: Green and virtuous

In partnership with others, Teréga Solutions offers methanisation solutions based on high-performance technologies. It markets competitive offers and supports project developers from end to end.

As a virtuous technology, methanisation contributes to the low-carbon energy and ecological transition while promoting the circular economy and regional growth. Organic waste becomes a renewable energy source, and local production of biogas or biomethane creates jobs and breathes new life into agricultural activities.

Méthajoule: A highly competitive solution

Allied with Chadasaygas via a 40% stake in the group, Teréga Solutions, in collaboration with its subsidiary Méthajoule, is developing, constructing and operating regional methanisation units that use the discontinuous dry process.

This technology can handle a wide range of inputs. It is particularly suited to average-size units of between 250 and 2000 kWh, mainly collective. Extremely economically competitive, this solution performs equally as well as more mature methanisation technologies. Méthajoule is currently growing

and will ultimately be able to deliver four to five methanisation units per year.

DualMéthà, a high-performance technology available to all

The DualMéthà solution is the first to propose a hybrid methanisation system, combining discontinuous dry and continuous liquid processes, the latter involving immersion that allows greater temperature control and a more complete breakdown of the matter. The development of this patented French technology is the subject of an "Investment for the Future" program by ADEME (*Agence de l'Environnement et de la Maîtrise de l'Énergie* – French agency for environment and energy management). It means a new generation of methanisers can be offered

that are easier to use, more reliable and more economical. In fact, the DualMéthà methanisers can process any type of organic matter, bypassing equipment used to prepare the materials.

With a 20% stake in DualMéthà, Teréga Solutions is supporting the roll-out of this exclusive process. The high-performance DualMéthà technology is backed by an economic model that is unique to France, where the methanisers are offered for rental over a 15-year period. This commercial solution reduces the amount of investment necessary to buy these methanisers and thus makes it easier to set up projects.

In 2022, Teréga Solutions launched the construction of the first operational production unit of this type for the company STRAW-Berry, a group of four farmers in Neuville-Pailloux, in the Indre (36) department. The unit combines a central liquid digestion tank with 11 peripheral solid digestion tanks, with a throughput of 135 Nm³/h. ▶

Low-carbon mobility is on the move

Teréga Solutions provides robust, long-term low-carbon mobility solutions that are adapted to each individual project, with bespoke support, advice and project follow-up on the commissioning of refuelling stations. Co-funding is also a factor.

Mobility is a top priority for decarbonisation in France. Thanks to NGV, bioNGV and hydrogen, it is now possible to significantly reduce the greenhouse gas emissions and carbon footprint of vehicle fleets.

Deploying NGV and bioNGV mobility

As a mature technology that has already proved its worth, NGV systems are easy to put in place. BioGNV goes even further towards reducing greenhouse gas emissions. As an industry facilitator in the context of its integrated strategy for new gas mobility, Teréga Solutions participates financially in the deployment of refuelling station projects to promote alternative mobility in collaboration with energy authorities in areas where no stakeholder has yet positioned itself despite a clearly identified local need.

Hydrogen mobility solutions

With a score of zero particles and zero greenhouse gas emissions from the exhausts of fuel cell-driven vehicles, hydrogen mobility offers decarbonisation without compromise. Teréga Solutions provides turnkey hydrogen mobility solutions in its role as an investor, responsible for the design, construction and operation of refuelling stations.

Two refuelling stations in Saint-Brieuc

Teréga Solutions and Valorem, an independent French green energy operator, are currently working in partnership to develop renewable hydrogen production for the 32 districts in the Saint-Brieuc Armor agglomeration community (Côtes-d'Armor), following their acquisition of a fleet of H₂ buses and bin lorries, along with a 4 MW electrolyser and two refuelling stations.

Partner of the FIA ETCR championships

In 2022, Teréga Solutions attended the FIA ETCR (Electric Tourism Car Racing) championships in France (the Pau Grand Prix) and internationally (in Germany and Italy) as a service provider supplying hydrogen to the 100% electric touring cars that were competing. Between each session, drivers were able to charge their car easily at a multi-energy station equipped with hydrogen batteries, boasting a much smaller environmental footprint than traditional internal combustion units. ▶



Multi-energy and digital: Decarbonising through data and sobriety

Teréga Solutions optimises industrial, energy and economic safety and performance by accelerating the use of intelligent multi-energy networks and digital tools for operational control and energy efficiency, following a responsive and pragmatic approach.

As a pillar of the energy world of the future, digital is central to the energy transition. Thanks to digital tools, it is possible to optimise the operation of infrastructures and manage fluctuations in a multi-energy ecosystem. Deploying this industrial digitalisation strategy for new stakeholders aiming for energy sovereignty—and more generally for companies—is a major factor in enhancing operational and energy efficiency, sobriety and a reduction in environmental impact.

In the near future, energy will be managed in a context of local exchanges of different energy sources via the interconnection of networks, particularly smart grids. Digital solutions will thus make it possible to better manage and optimise the functioning of this mix and its ecosystem, the processes deployed and energy consumption.

With the experience acquired for the Group, Teréga Solutions offers safe and efficient digital operational control solutions that

are quick to roll out and combine data control and industrial processes with requirements for extreme resilience. These are developed internally by pooling expert departmental and digital knowledge.

IO-Base, the cornerstone of industrial performance

A unique digital solution for collecting, storing and re-using all the data from an industrial environment, IO-Base displays real-time information from all the production sites, no matter where or when. This platform and its highly secure data collection solution facilitate deployment through the bespoke creation of a digital twin and digital services to optimise industrial performance, energy efficiency and sobriety. This allows users to go even further in using data independently. Easy to use and cloud-native, IO-Base can be rolled out in just one day. In addition, no physical infrastructures are needed, as it uses the best AWS public cloud services — a guarantee of resilience, security, optimisation



of energy resources and the necessary operating costs. In order to gather data from automated systems securely, IO-Base can be coupled with Indabox, an on-site, non-intrusive, plug-and-play collection solution that can be adapted to the majority of “industrial” systems. Several local organisations will soon join this service offering, including companies in the food and beverage industry. IO-BASE will soon be enriched by two pilot projects aiming to prove the feasibility of an intelligent multi-energy and multi-stakeholder system with a view to decarbonising an industrial platform. This demonstrator will create new synergies and maximise interconnections to unify and optimise the various energy networks in a responsive manner, avoiding CO₂ emissions and thus making the most of energy losses and reducing operating costs.

Indabox: security by design

As an extremely secure piece of industrial equipment, the

Indabox from Teréga Solutions collects information directly from automated systems using standard industrial protocols. The Indabox is also a patented product and the only box on the market to offer this physical security system. This physical unit, which is remarkably small given its large capacity, is easy to set up near to existing automated systems. Using standard industrial communication protocols, such as OPC-UA, Modbus TCP, S7 and EthIP, it is compatible with all equipment, with no issues at all.

Teréga Solutions teams up with OMNEGY and MovlAtech to support industrial customers

In 2022, Teréga Solutions linked up with energy consultant OMNEGY to offer industrial customers new solutions to improve their energy efficiency and sobriety – the first steps in a decarbonisation strategy. This common offer is based on an energy audit and includes identifying the levers for energy sobriety and efficiency, in addition to areas for decarbonisation.

Measured data will be collected and shared via the Indabox solution, with the IO-Base solution being used to control and optimise energy consumption and resources. A technico-economic study will then enable appropriate energy efficiency and/or decarbonisation solutions to be established, ahead of deployment by an Engineering, Procurement and Construction service and help to obtain associated funding.

Teréga also agreed a partnership with start-up MovlAtech, during IO-Base Day which took place in Biarritz in September. This collaboration will develop the use of hydrogen in transport and help to promote sustainable mobility. Teréga’s IO-Base solution will allow data to be exchanged between hydrogen refuelling stations and the Mobinow vehicle fleet reservation application deployed by MovlAtech. ►



Commit for the collective good

As a responsible energy stakeholder, Teréga is making a long-term commitment to its French and European partners and regions to ensure that energy transition goes as well as possible. We place people, social well-being, environmental protection and security at the heart of our corporate policy and performance strategy.



REGIONAL COMMITMENT

Guiding the energy transition in the regions

In 2022, along with local stakeholders, Teréga undertook numerous actions in the heart of the regions to establish supply security and the energy transition.



Jointly committed with local, regional and departmental establishments to grow a new energy ecosystem in line with the sovereignty plan laid down by the authorities, Teréga continued its involvement with the *territoire d'industrie* Lacq-Pau-Tarbes. *Territoires d'industrie* are French areas identified as having a particularly strong industrial dimension and are led by a project committee and leadership pairing. This catalyst for discussion between multi-sector stakeholders on their projects and challenges confirmed the Group's dynamic nature in 2022, with initiatives on forecast management for jobs and skills, hydrogen, industry of the future and data, amongst others. It was chosen to organise the Hydrogen Days in June 2023 in the France Hydrogène regions.

Support for energy sobriety and resilience

Energy procurement is a major challenge for the regions and for industrial customers. Starting in June 2022, Teréga was preparing mechanisms to deploy on the infrastructures to ensure that gas could be transported and stored for winter 2022-2023. Alongside public and industrial stakeholders, the Group has activated levers for energy resilience and sobriety, reinforcing its dialogue with the local administrative bodies. This has resulted in the deployment of the Ecogaz scheme via partnership charters with the Regional Energy and Climate Agencies (AREC) of Nouvelle-Aquitaine and Occitanie, and the Pau Béarn Pyrénées agglomeration community.

Committed to renewable gas ecosystems

In 2022, Teréga supported several regional initiatives in relation to the low-carbon energy transition. The Group held a presentation for the local authorities of Comminges (Haute-Garonne), setting out the issues and investment mechanism for installing a reverse flow biomethane system on its transmission network. Its work at Albi and trade exhibitions such as EnerGaïa in Montpellier has highlighted the interest in renewable gases and hydrogen. In addition, Teréga shared its expertise in low-carbon regional industrial projects and concluded a cooperation agreement with

the Occitanie AREC to support hydrogen and biomethane systems and the recovery of CO₂. Teréga's Institutional Relations Manager, Paul de Braquilanges, was awarded a further term of two years as representative of Nouvelle-Aquitaine by France Hydrogène, tasked to support regional and industrial stakeholders in building a hydrogen ecosystem.

Teréga speeds up industrial decarbonisation with its "Je décarbone" (I'm decarbonising) initiative

Teréga plays a governing role in the national "Je décarbone" initiative launched in 2022 by the *Nouveaux Systèmes Énergétiques* (new energy systems) strategic committee. "Je décarbone" aims to bring together decarbonisation and energy efficiency stakeholders to support and facilitate the decarbonisation of industrial sectors and help industrial customers in France and Europe that are striving for decarbonisation to reach their market. The initiative is structured around a digital platform where companies can exchange views and build relationships, facilitated through regional and national workshops. In 2023, Teréga will organise its first regional event at the Teréga Open Pau-Pyrénées, providing those looking for decarbonisation solutions with the solutions they need on a large scale. ■

INNOVATION

Innovation: The key to a sustainable future

For Teréga, innovation is a key issue and a strategic lever for a successful digital and energy transition, providing the ability to respond to disruptions that remodel the energy ecosystem.

Teréga's Research and Innovation (R&I) Department plays a fundamental role in improving operational efficiency in order to best meet the needs of teams in the field, ensuring safety while reducing the carbon impact of activities. It also contributes to decarbonisation and the construction of a virtuous energy system, including the development of renewable gases, transmission and storage of hydrogen and CO₂, storage of surplus electricity via Power-to-Gas and the smart control of multi-energy networks. It is based on three areas: improving knowledge and practices, qualifying new technologies and methodologies and integrating solutions into Teréga's operational environment. R&I is running around 60 projects and is based on a dynamic shared between employees and partners via a scalable road map focused on energy transition, which defines its aims and priorities for transmission and storage by 2025: the IMPACTS 2025 Innovation Plan.

Storage and transmission: Innovating in the field

In 2022, Teréga fitted smart sensors at its Lussagnet storage site to monitor vibrations from its facilities, along with sensors to measure the concentration of molecules likely to generate odour nuisances. Teréga and the *Université de Pau et des Pays de l'Adour* (UPPA) continued their work on the impact of decarbonised gases in aquifer storage via the joint SEnGA

laboratory (*Stockage des Énergies Gaz en Aquifère* – aquifer storage of gas energies) and their RINGS partnership, renewed with Storengy for three years. At the Barbaira (11) compressor station, Teréga commissioned a new nitrogen sealing technology ensuring perfect tightness of the rotating parts of the compressors. This solution complements the pilot Seal Gas Recovery System (SGRS) already in operation at the Mont (64) compressor station. Based on the results, Teréga will plan a generalised roll-out of one of the solutions at its other compressor stations. Teréga has also granted a licence to Wessling France, a regulatory analysis stakeholder, to use its patented high-pressure gas sampling solution. Following the Open Innovation challenge launched with GRTgaz, GRDF and Storengy on the deoxygenation of biomethane for integration into pipelines, Teréga is set to co-fund the development of an AI tool proposed by the MINES Paris Tech CES (centre for energy efficiency of systems) and Voltigital to optimise oxygen injection when processing biogas. Finally, Teréga has completed the construction of SOLIDIA with the Toulouse national institute for applied sciences (INSA). This is a platform for semi-industrial trials on the purification of biogas and the production of synthetic gas by methanation. In addition, Teréga is carrying out major work to integrate hydrogen into its infrastructures. This includes looking at the integrity and

metallurgy of pipelines or welds, the compatibility of gas equipment, the impact on safety, the design of facilities, operating methods, maintenance and repair, the training of operators and so on.

IMPULSE 2025: Decarbonising using the principles of the circular economy

This project, conducted with the *École Polytechnique Fédérale de Lausanne* and UPPA, aims to create new synergies within different-sized energy-consumption ecosystems (local, regional and national) by optimising the control and interconnection of energy networks to then optimise decarbonisation by recovering all energy lost: the waste from one system will be used as fuel for another. In 2022, its application at an energy-intensive third-party industrial site proved its worth and its reliability for decarbonisation. ►

DPEF

70.5%

Share of R&I OPEX budgets
dedicated to the energy transition.
(Objective: 70%)

This indicator replaces the "Innovation dynamism" indicator used in previous years and now considered mature. The new indicator better reflects current and future innovation challenges linked to the energy transition.

ENVIRONMENT

Continue to reduce our environmental footprint even more

In 2022, Teréga pursued its strategy to minimise its environmental footprint as much as possible. The Group is continuing its efforts to reduce its direct and indirect impacts and is particularly committed to achieving carbon neutrality for France by 2050 in line with the goals of the Paris Agreement.

Launched in 2017, the BE POSITIF program overseen by Teréga's Environmental Department strives to reduce the company's environmental footprint by following the "MERCi" ("thank you") methodology. In French, this stands for "*Moniter, Éviter, Réduire, Compenser nos Impacts*", which can be translated as "monitor, avoid, reduce and offset our impacts". The program is centred on reducing impacts and is aimed at stakeholders.

A strong commitment to low emissions

Teréga is tackling its primary impact as a priority: greenhouse gas emissions (GHG). In order to uphold its reduction commitments (see insets), the Group has set out an ambitious plan, adapting its facilities and their control with the involvement of all its employees, but also its suppliers for indirect emissions.

In 2022, Teréga focused its efforts on methane emissions. The Group commissioned recompression systems, known as RECOMP, for its compressor stations at Barbaira, Lussagnet and Sauveterre-de-Guyenne, as well as for its storage centre in Lussagnet. This system recovers gas from the main compressor pipes and injects it back into the network with no discharge into the atmosphere. Teréga also

SUSTAINABLE WATER MANAGEMENT

Teréga stores natural gas in deep aquifers and manages these jointly and responsibly. The Group forms part of the steering committee for the concerted and sustainable management and governance of the deep layers of the Adour basin, operated by the Institution Adour. Finally, in 2022, Teréga replaced the water treatment plant at the Lussagnet site with an upgraded system, designed to address odour nuisance and flows subject to significant draw-off variations.



installed two different technologies, each on one compressor from the existing stock, to prevent leaks from their seals. These solutions will be compared in 2023 with a view to subsequently use them on the rest of the compressors. Adapting operational practices to the new flow management system has highlighted the contribution of these technologies.

32% reduction in greenhouse gases since 2017

These initiatives have had a positive impact on the carbon footprint, with a 32% reduction in Scopes 1 and 2 compared to 2017, and a 21% reduction in methane emissions since 2017, in line with the commitment undertaken with the Oil & Gas Methane Partnership, a United Nations Environment Programme partnership which Teréga is a member of. Teréga plans to make all of its employees

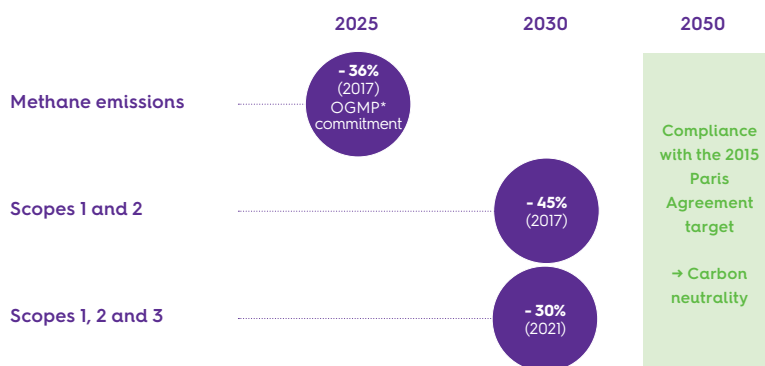
DPEF

-32%

Reduction in our direct (Scope 1) and indirect (Scope 2) energy-related greenhouse gas emissions since 2017.

(Objective: -45% by 2030 vs 2017)

OUR COMMITMENTS TO REDUCE OUR CARBON FOOTPRINT



* Oil & Gas Methane Partnership.

aware of the challenges of climate change by the end of 2023 through a workshop led by internal stakeholders trained by La Fresque du Climat. 180 employees had already completed the training at the end of 2022.

Teréga sets its Scope 3 emissions targets

In addition, Teréga has committed to quantify indirect emissions (Scope 3) using a methodology that covers business rather than monetary factors as far as possible. Discussions will be held during 2023 with its main suppliers to jointly define a low-carbon strategy and common reduction pathways, these emissions being particularly linked to purchases of goods and services.

Priority for local carbon wells and energy sobriety

Teréga has continued its proactive carbon offset strategy by supporting international projects such as Clean Water, which benefits from the Gold Standard label and ensures the supply of drinking water to populations in Ethiopia and Eritrea via 41 wells, avoiding the need to cut down 20,000 trees to boil water. This offset strategy will be redirected to national



projects closer to the regions where Teréga operates, thus contributing, via the Low Carbon label of the Ministry for Energy Transition, to the national GHG reduction objectives. Finally, the Group has drafted a sobriety plan using its energy management system to reduce consumption at its facilities by 10% between 2019 and 2024. In 2023, Teréga will also commission a 12-GWh solar self-consumption unit at its Lussagnet site.

Teréga protects biodiversity

The preservation of ecosystems is a priority for Teréga, given that some

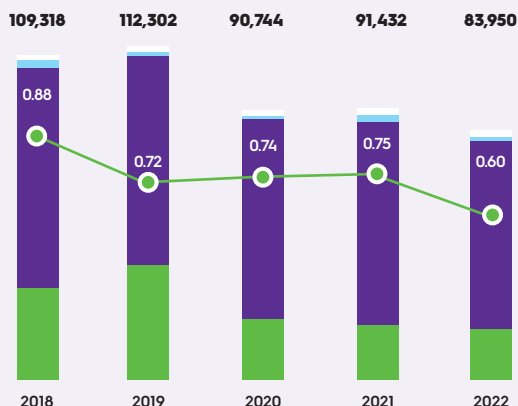
of its installations pass through natural areas. Biodiversity issues are identified, and a flora and fauna pre-diagnostic and diagnostic are carried out systematically at each phase of its new structural projects to determine the best route. In addition, the avoidance, mitigation and even compensation measures to be taken are also determined, in order to avoid a net loss of biodiversity. Pipework easements are maintained mechanically without the use of phytosanitary products, preferably in autumn to limit the impact on flora and fauna. The markers for these easements are gradually being replaced by tags, reducing the frequency at which maintenance needs to be carried out. In 2022, Teréga trialled several solutions for its gas stations—including switching stations—where phytosanitary products are still used, to determine the solutions that will be most effective over the coming years, such as mulch, biocontrol products or revegetation. ►

DPEF
227 ha
of compensation sites managed by Teréga at the end of 2022

Environmental indicators

ENVIRONMENTAL PERFORMANCE

Teréga's environmental performance corresponds to the amount of greenhouse gases (Scopes 1 and 2) emitted by its activities, per GWh of gas transited on its network (in tCO₂e/GWh transported).



000 Total GHG (tCO₂e)
 Scope 2 (tCO₂e)
 Scope 1 other emissions (tCO₂e)
 Scope 1 emissions related to methane (tCO₂e)
 Scope 1 emissions related to combustion (tCO₂e)*
 Environmental performance (tCO₂e/GWh of gas transited)

* GWP (global warming potential) of methane = 34.

The 2022 environmental performance indicator is good, sitting below the set objective of 0.71. The quantity of gas transited is higher than in 2021 and GHG emissions have dropped. Teréga's operational activities incorporate the environmental dimension through:

- Compression by electro-compressors rather than turbo-compressors.
- A substantial reduction in natural gas discharge to the atmosphere during compressor maintenance operations (venting).

In 2022, a number of accidental discharges of natural gas to the atmosphere during maintenance had an adverse effect on the level of GHGs emitted.

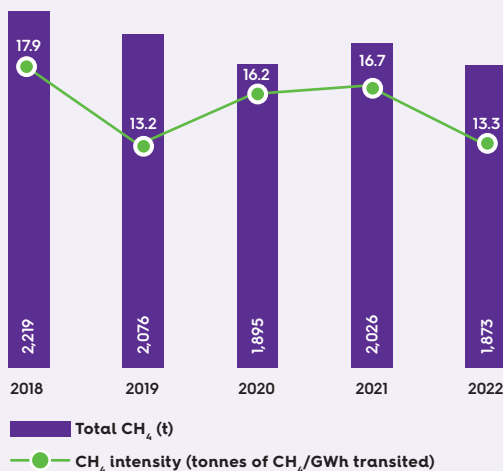
SCOPE 3 CARBON FOOTPRINT

31,905 tCO₂e
 (27,898 tCO₂e in 2021)

In 2022, Teréga developed a Scope 3 calculation methodology which takes account of the indirect emissions of its activities, limiting the use of monetary ratios as much as possible. This Scope 3 calculation intrinsically includes a high level of uncertainty. Purchase volumes, particularly in terms of equipment, were higher than in 2021, which largely explains the discrepancy with 2021. The use of gas downstream is not included as Teréga offers a transmission and storage service.

METHANE INTENSITY

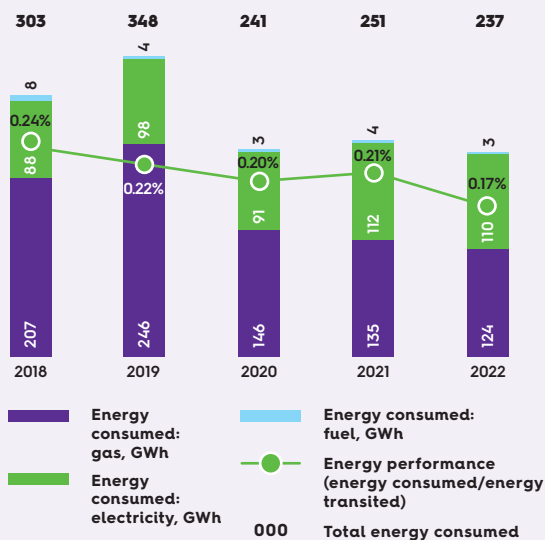
The methane intensity indicator represents the ratio of the quantities of methane emitted by Teréga's activities to the quantities of gas transported through its network (in tonnes of CH₄/GWh).



The commissioning of the RECOMP gas recompression systems at three of Teréga's largest compressor stations (Barbaira, Lussagnet and Sauveterre-de-Guyenne) and at the storage centre has limited the discharge of natural gas during decompression operations and reduced methane emissions.

ENERGY PERFORMANCE

This indicator refers to the quantities of energy consumed in GWh for Teréga's activities per GWh of gas transited on our network.



The 2022 objective was achieved. The priority afforded to the use of electro-compressors, with a yield of $\pm 97\%$, as opposed to turbo-compressors (yield of $\pm 33\%$) was a significant factor in achieving this.

PHOTOVOLTAIC ENERGY PRODUCED

	2018	2019	2020	2021	2022
Lussagnet, Cugnaux and Volta buildings (kWh)	141,500	152,785	137,029	129,525	118,989

100%
Proportion of renewable electrical energy consumed

WATER

	2018	2019	2020	2021	2022
Teréga					
Water consumption from drinking water networks – all sites (m ³)	8,160	8,184	5,843	6,055	6,320
Storage site					
Volume of process water discharged into the natural environment after water treatment at Lussagnet (in m ³)	4,842	5,921	5,581	5,824	1,796

PROVISIONS AND GUARANTEES FOR

ENVIRONMENTAL RISKS

€350,087

Amount set by prefectural decree for the Lussagnet site

WASTE

	2018	2019	2020	2021	2022
Quantity of waste produced by Teréga (t)	1,426	2,649	1,841	1,243	1,677
% re-used	75%	85%	85%	27%*	78%

* The outage of the storage centre's water treatment station meant that water had to be sent for process water treatment, unlike in previous years. The figures for a similar scope are: 434 tonnes and 78% re-use.

EUROPEAN REGULATIONS

Teréga SA's taxonomy

In conformance with Article 8 of Regulation (EU) 2020/852 of 18 June 2020 and its delegated act, Teréga SA discloses the share of its business activity eligible for and aligned with the green taxonomy for the first two objectives of climate change mitigation and adaptation.



The analysis of eligible activities under these first two objectives was segmented based on the framework defined by the European Commission and mainly concerns the replacement and conversion of existing infrastructure to allow the transport of renewable gases and a reduction in methane emissions. The storage of natural gas is not included in the list of economic activities referenced by the taxonomy. However, it constitutes a major lever

in the energy transition. Indeed, storage sites are an essential building block in energy systems and will contribute to the growth of biomethane and hydrogen in the future. This regulation could therefore pose a risk, as it would limit access to financing for investments that

Teréga considers necessary for the energy transition.

As in 2021, the requirements to publish key performance indicators for 2022 concern "eligibility". However, for the first time, "alignment" is also included.

Evaluation and methodology

Teréga has developed calculation methods specific to each performance indicator: investment expenses (CAPEX), operational expenses (OPEX) and turnover for 2022. With regard to the first two climate change objectives, an activity may be eligible under the taxonomy if it has low carbon intensity, contributes to the transition towards a net-zero economy, or helps other businesses to reduce their CO₂ emissions. To be aligned, an activity must be eligible and meet the technical criteria, it must not harm the five other environmental objectives and it must respect the minimum safeguards specified in the Regulation. This initial assessment of the alignment of Teréga SA's activities has been performed based on existing reporting systems and assumptions formulated with management. Note that one alignment level is very similar to the eligibility level on account of a prominent activity classified as per point 4.14 (transmission and distribution networks for renewable and low-carbon gases) of the

taxonomy, for which the eligibility descriptions and technical alignment criteria are almost identical.

Turnover indicator

On account of its business model, Teréga SA retains the percentage of renewable gas injected into French networks throughout 2022 in relation to national consumption, to reflect the rate of eligibility and alignment in terms of turnover. With the development of methanisation projects, this percentage is set to increase over the next few years.

Investment expenses (CAPEX) indicator

The CAPEX employed in the context of "individually sustainable measures" have been identified and analysed based on the eligibility and alignment criteria. These CAPEX mainly cover investments relating to connections of biomethane stations and projects to reduce greenhouse gas emissions resulting from Teréga's business operations. The turnover eligibility/alignment rate has then been applied to the residual CAPEX to take account of the share of maintenance and security

investments linked to renewable gases. The eligible share of the CAPEX is calculated by dividing the amount of the investments relating to eligible/aligned projects by the total amount of the investments. Conservatively, in 2022, Teréga did not include amounts relating to investments in gas pipelines that could be converted to convey renewable hydrogen under certain conditions as part of the eligible CAPEX. Analyses will be continued in the future to assess their eligibility.

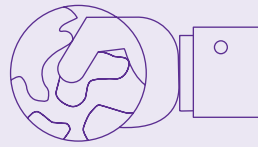
Operational expenses (OPEX) indicator

Eligible/aligned OPEX comprise the costs of research and innovation linked to the energy transition, and the share of OPEX resulting from the ratio of renewable gas injected into the networks in 2022 compared to national consumption. The calculation of the eligible share of OPEX is obtained by dividing the share of eligible/aligned OPEX by the total amount of OPEX registered in 2022. To link to operating expenses in the financial statements, it is necessary to remove the operating allowances for depreciation on fixed assets, the expenses that have been the subject of fixed production and the purchases linked to sales (for example, gas balancing, congestion charges).

Compliance with the minimum safeguards and Do No Significant Harm (DNSH) principles

To be considered sustainable, an activity must make a substantial contribution to one of the environmental objectives, do no significant harm (DNSH) to the five others and respect the minimum safeguards on the topics of human rights, anti-corruption, taxation and business ethics. The minimum safeguards entail ensuring that the procedures undertaken by Teréga SA are in line with the guiding principles of the OECD and United Nations relating to companies, along with human rights and the fundamental principles of the International Labour Organization. These procedures are essential for ensuring that eligible activities can be qualified as aligned. The criteria for respecting the minimum safeguards (human rights, anti-corruption, customs duties and taxes, business ethics) are understood across all disciplines at Teréga SA. These safeguards are mainly addressed in the Group's Code of Ethics, available to all employees and described on page 68 of this report. In order to

manage the risks related to these topics, Teréga SA also has specific policies relating to anti-corruption (see page 68) and responsible purchasing, including organisational procedures, bond issues and control of supplier relations (see page 69). As at 31 December 2022, Teréga SA has not been subject to any sanctions regarding any of the four topics cited above. In light of these analyses, Teréga SA has operated in compliance with the minimum safeguards. The DNSH criteria have been analysed by Teréga SA to confirm that this contribution has been made without significant harm to the four other environmental objectives. The generic DNSH requirement



IN COMPLIANCE

In 2022, Teréga evaluated the share of its activity aligned with European taxonomy for the first time. It emerged that 2% of turnover, 7% of CAPEX and 3% of OPEX are aligned under the first two environmental objectives related to climate change.

for climate change adaptation has been addressed by Teréga SA in all projects linked to gas transmission. Infrastructure operational activities are long-term activities, ongoing for more than ten years. As a result, a granular assessment of the climate-related risks and vulnerabilities needs to be carried out. With regard to the classification of chronic hazards, these are managed under Teréga SA's design specifications. For acute hazards, a number of analyses have already been carried out over the last ten years, mainly regarding floods, cavities (subsidence, earthquakes) and forest fires, based on feedback from past experience. Teréga

Table of KPIs from Annex II of the Taxonomy Regulation

TURNOVER

TURNOVER

Activities	Codes	Turnover	SUBSTANTIAL CONTRIBUTION CRITERIA							
			Percentage of turnover	Climate change mitigation	Climate change adaptation	Marine and water resources	Circular economy	Pollution	Biodiversity and ecosystems	
		€M	%	%	%	%	%	%	%	
A. Taxonomy-eligible activities										
A.1. Taxonomy-aligned activities										
Transmission and distribution networks for renewable and decarbonised gas	4,14	13	2%	100%	0	0	0	0	0	
Turnover for taxonomy-aligned activities (A.1)		13	2%							
A.2. Taxonomy-eligible but non-aligned activities										
Turnover for taxonomy-eligible but non-aligned activities (A.2.)		0								
Total A (A.1. + A.2.)		13	2%							
B. Taxonomy-non-eligible activities										
Turnover for taxonomy-non-eligible activities (B)		786	98%							
Total A + B		799	100%							

Rate of renewable gas transiting through our pipelines: 1.62%.

plans to take its analyses further to confirm that these practices are duly aligned with the scenarios of the IPCC, notably the RCP 8.5 scenario. We will therefore complete a materiality study on these risks to ensure that exposure to climate risks has been mapped correctly. We will then perform vulnerability analyses if needed and prepare actions plans and mitigation measures if appropriate. Concerning the DNSH which relate specifically to activities (water, pollution and biodiversity), the aligned CAPEX studied for this initial alignment exercise relates to the main activity classified as per point 4.14 (transmission and distribution networks for

renewable and low-carbon gases) of the taxonomy. This activity does not harm these DNSH:

- A water management plan is applied to each project in connection with the transmission activity.
- The use of high-energy-performance equipment is systematic.
- For each project, an environmental impact assessment is carried out based on three principles: “avoid, reduce, offset”. The ISO 14001: 2015 certification guarantees that the requirements of the environmental management system are followed. Given the changeable nature of the European regulatory framework and the information currently

available, Teréga will revise the methodology used to calculate indicators on the basis of regulatory change, notably with the publication of delegated acts that extend the list of activities eligible for the four other environmental objectives. This report does not include Teréga Solutions in its scope. This may be reconsidered in light of its future development. ►

DNSH CRITERIA										Category (transitional)
Climate change mitigation	Climate change adaptation	Marine and water resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum guarantees	Percentage of taxonomy-aligned turnover (current year)	Percentage of taxonomy-aligned turnover (previous year)	Category (enabling/transitional)	
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E/T	
N/A	Y	Y	N/A	Y	Y	Y	2%			
							2%			
							2%			

CAPEX

CAPEX

				SUBSTANTIAL CONTRIBUTION CRITERIA					
Activities	Codes	CAPEX	Percentage of CAPEX	Climate change mitigation	Climate change adaptation	Marine and water resources	Circular economy	Pollution	Biodiversity and ecosystems
		€M	%	%	%	%	%	%	%
A. Taxonomy-eligible activities									
A.1. Taxonomy-aligned activities									
Transmission and distribution networks for renewable and decarbonised gas	4.14	10	6%	100%	0	0	0	0	0
Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings	7.4	0.1	0%	100%	0	0	0	0	0
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	7.5	0.4	0.3%	100%	0	0	0	0	0
Installation, maintenance and repair of renewable energy technologies	7.6	0.6	0.4%	100%	0	0	0	0	0
CAPEX of taxonomy-aligned activities (A.1.)		11	7%	100%					
A.2. Taxonomy-eligible but non-aligned activities									
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	0.1	0.1%						
CAPEX of taxonomy-eligible but non-aligned activities (A.2.)		0.1	0.1%						
Total A (A.1. + A.2.)		11	7%						
B. Taxonomy-non-eligible activities									
CAPEX of taxonomy-non-eligible activities (B)		152	93%						
Total A + B		163	100%						

Rate of renewable gas transiting through our pipelines: 1.62%.

OPEX

OPEX

				SUBSTANTIAL CONTRIBUTION CRITERIA						
Activities	Codes	OPEX	OPEX percentage	Climate change mitigation	Climate change adaptation	Marine and water resources	Circular economy	Pollution	Biodiversity and ecosystems	
		€M	%	%	%	%	%	%	%	
A. Taxonomy-eligible activities										
A.1. Taxonomy-aligned activities										
Transmission and distribution networks for renewable and decarbonised gas	4,14	4	3%	100%	0	0	0	0	0	
OPEX of taxonomy-aligned activities (A.1.)		4	3%	100%						
A.2. Taxonomy-eligible but non-aligned activities										
OPEX of taxonomy-eligible but non-aligned activities (A.2.)		0								
Total A (A.1. + A.2.)		4	3%							
B. Taxonomy-non-eligible activities										
OPEX of taxonomy-non-eligible activities (B)		138	97%							
Total A + B		142	100%							

Rate of renewable gas transiting through our pipelines: 1.62%.

DNSH CRITERIA										
Climate change mitigation	Climate change adaptation	Marine and water resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum guarantees	Percentage of taxonomy-aligned CAPEX (current year)	Percentage of taxonomy-aligned CAPEX (previous year)	Category (enabling/transitional)	Category (transitional)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E/T	

N/A	Y	Y	N/A	Y	Y	Y	6%			
N/A	Y	N/A	N/A	N/A	N/A	Y	0%			
N/A	Y	N/A	N/A	N/A	N/A	Y	0.3%			
N/A	Y	N/A	N/A	N/A	N/A	Y	0.4%			
							7%			

							7%			

DNSH CRITERIA										
Climate change mitigation	Climate change adaptation	Marine and water resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum guarantees	Percentage of taxonomy-aligned OPEX (current year)	Percentage of taxonomy-aligned OPEX (previous year)	Category (enabling/transitional)	Category (transitional)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E/T	

N/A	Y	Y	N/A	Y	Y	Y	3%			
							3%			
							3%			

SAFETY

Objective: “Zero accident and zero surprise”

For Teréga, the safety of people and facilities is a key value. As a responsible operator, the Group follows a structured and systematic approach to control all risks associated with its activity and to reach “zero accident, zero snagging and zero surprise” by 2025.

The safety of people and property is Teréga’s foremost responsibility and is overseen by the Occupational Health and Safety Department. Risk control encompasses occupational health and safety, industrial safety, cybersecurity and operational security. Teréga is committed to an ambitious program of accident and industrial risk prevention, PARI 2025, which strengthens risk management and instills an integrated safety culture through concrete measures, actions and objectives. Following an increase in the number of accidents affecting employees from sub-contracting companies in 2021, Teréga focused its efforts on accountability and safety commitments for its suppliers and service providers in 2022.

DPEF

4

Total Recordable Incident Rate (TRIR)*.
(Objective: 4)

* Accidents used to calculate the TRIR are workplace accidents suffered by Teréga employees, temporary staff and sub-contracting personnel (with leave of absence and restructured positions) that could have been avoided if a technical or organisational provision had existed.

Improving safety with sub-contracting companies
3SE approval, the process for pre-selecting sub-contracting companies, has been completely overhauled. Now adapted to the type and level of risk relevant

to each service provision, it meets new requirements in terms of the environment, energy, safety and cybersecurity, in line with the requirements of standards MASE/ISO 45001: 2018, ISO 14001: 2015 and ISO 50001: 2018, all of which guarantee an efficient management system. Moreover, the approval of new suppliers and key service providers is now subject to a field audit. Teréga has also tightened up the conditions for financial penalties for site safety breaches, based on seven essential zero-tolerance situations taken from its golden rules. The launch of a club combining the HSE departments of Teréga and 25 sub-contracting companies consolidates this dynamic. This community discusses feedback, safety issues, 3SE requirements and application methods. This shared vision, taking a neuroscientific approach to human and organisational factors, is reflected in the field in safety measures that aim to improve people’s conduct. In 2022, efforts were made during downtime by training 30 ambassadors and running activities with sub-contracting companies.

Reconciling working conditions, industrial safety and climate hazards

Summer 2022 was marked by extreme temperatures of over 40°C. Several measures were



taken to limit the effects of these temperatures on health, including modified on-site hours, adjustments to PPE, provision of cold drinking water and air-conditioned rest areas, distribution of water sprays and so on. Feedback on the efficiency of these measures was shared with sub-contracting companies with the aim of better preparing for heatwaves in the future. Faced with more numerous and more intense weather events, an improved awareness of these hazards guarantees the safety of people, the environment and facilities. Feedback on the huge fires in Gironde in summer 2022 meant that Teréga's forest-fire program was adjusted and deployed at a faster rate to have as much control as possible over the risks of a fire close to or emanating from its facilities. New rules for establishing, maintaining and protecting its sites were adopted, effective as of 2023. Teréga's Industrial Safety Department also analyses the potential impacts of flash flooding that risk damaging its facilities, in addition to the issues surrounding cavities or nearby land movements, drawing on studies conducted by experts to deploy suitable preventive actions. These internal approaches started several years ago and will be supplemented by materiality studies and, if necessary, vulnerability analyses of the most significant hazards in order to ensure that we have mapped all climate change-related risks.

"Zero surprise" in cybersecurity

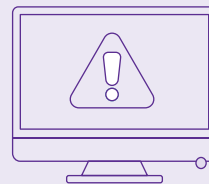
In 2022, cybercriminality and its cost for businesses increased exponentially. Ransomware attacks

DPEF
100%

Progress rate for studies of "natural hazards" (floods and forest fires) affecting our infrastructures according to the goals set at the start of 2022.

(Objective: 100%)

represent a major risk, requiring an increasing amount of resources to fight them. Several service providers have suffered attacks, leading Teréga to undertake defensive measures, such as blocking email exchanges and access to IT systems. Teréga is continually reinforcing the security of its infrastructures by adapting to these evolving threats in line with three key priorities: identifying the risks to better manage them, addressing malicious behaviour and enhancing the safety and cybersecurity culture. This is a major issue because the human factor is key to the "Zero surprise" system and the target of attackers. Teréga's actions are then based on three different aspects: pre-empting to reduce exposure to a potential threat, preventing using organisational, technical and human measures and protecting to limit the impact of malicious acts using cybersecurity by design. To do this, Teréga has concentrated on modernising the systems for controlling and monitoring data flows on its IT systems. Its Security



VAUBAN AND CITADELLE: SAFEGUARDING INFRASTRUCTURES

Faced with growing threats, Teréga is making regulation a key value and is upgrading the security of its infrastructures. The five-year roll-out of its Vauban detection, protection and alert system ensures its most sensitive sites are safeguarded against emerging threats. At the end of 2022, Vauban was already operational at 58 stations considered to be highly vulnerable to attack. In addition, the Citadelle project offers extra security to Teréga's larger tertiary and operational sites; the most vulnerable and strategic for its business activity. Citadelle blends and brings together security and protection systems. Thanks to this project, the Mont and Artix sites have been modernised, upgraded equipment standards have been adopted for the large sites and the new IT security system has been optimised.

Operations Centre includes cutting edge tools to recognise and analyse the source of attacks, with a protective scope widened to include Cloud services and activities. As of 2023, a new system developed in 2022 to manage digital identities will be used to further strengthen the management, traceability and use of rights to access Teréga's IT systems. ■

SAFETY

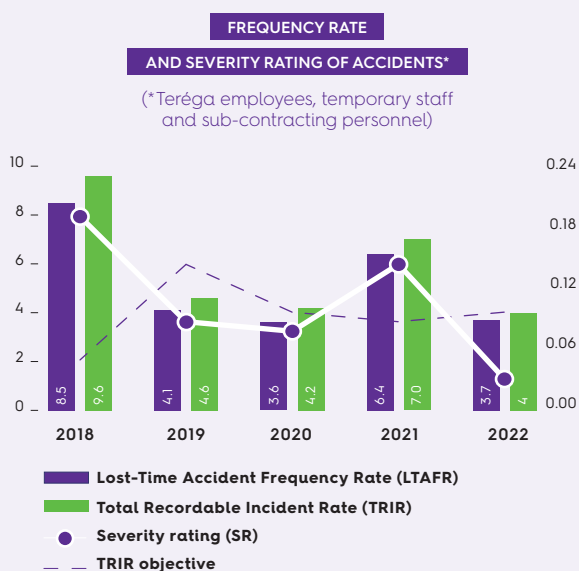
Outcome indicators on the rise

The control of third-party work and the good level of safety monitoring indicators go hand in hand with the significant drop in workplace accidents. In this context, Teréga is maintaining its commitment to ensure that basic safety rules are followed and a culture of zero serious accidents is in play.

Reduction in workplace accidents

In 2022, Teréga recorded a drop in the number of workplace accidents concerning sub-contracting companies only. These results reaffirm the Group's decision to encourage accountability and a commitment to safety among its service providers. Accidents relate mainly to falls (on a single level) on site, with one regrettably serious accident involving a worker and a piece of machinery. In order to build on the existing technical and organisational provisions, Teréga is continuing its work in its R&I program to reduce the exposure of pedestrians.

The number of accidents and incidents with the potential to be serious has fallen significantly: 4 in 2022 as opposed to 13 in 2021. Using the "prevention diamond" model to manage safety means that root cause analysis and handling for these types of event are systematic in order to avoid recurrence. In 2022, these root causes were linked to human and organisational factors (poor change management and underestimation of risk) and to design and procedural faults. Teréga intends to consolidate feedback in its data repository shared with its sub-contracting companies, particularly via the HSE club. The good reporting and handling dynamic of hazardous situations remain a strong point of its organisation.



No work-related illnesses were reported in 2022

Sixty-seven ergonomic studies were conducted on the activities of storage and transmission operations. They have resulted in station and vehicle upgrades.

	2018	2019	2020	2021	2022
Number of work-related illnesses reported to the Social Security authority	1	0	0	0	0

Excellent control of undeclared work (UDW)

For Teréga, third-party site supervision is a major and ongoing concern. The most important industrial risk for the company is the rupture of a gas pipeline during earthworks performed by external workers, followed by a leak and a fire. Regulations require that the parties undertaking work notify the network operators in advance via a DICT (declaration of intention to begin work).

In 2022, 8720 sites were in operation near Teréga facilities, and for the third consecutive year, Teréga has had no pipework snagging incidents relating to third-party work.

	2018	2019	2020	2021	2022
Number of snagging incidents on Teréga infrastructure linked to third-party work	1	1	0	0	0

Despite this performance, 78 instances of undeclared work (UDW) were brought to light thanks to surveillance operations carried out by Teréga from the air, a vehicle or on foot. This increase can be explained by the improved effectiveness of the aerial system. Each instance of illegal work—the majority of which presented a potential danger—resulted in an action plan consisting mainly of raising the awareness of those at fault. This increase in UDW drags the performance of the UDW/DICT ratio down from “very good” to “good”. However, the long-term downward trend is not in question.

TYPOLOGY OF PERSONS

RESPONSIBLE FOR UDW

	2018	2019	2020	2021	2022
Authorities	4	5	2	9	7
Public works	25	30	44	32	46
Local residents	15	17	36	19	25
Total	44	52	82	60	78
UDW/DICT ratio	0.53%	0.59%	0.93%	0.64%	0.89%

DPEF

0.89%

Change in the ratio of undeclared work (UDW)/declaration of intention to begin work (DICT) in 2022.

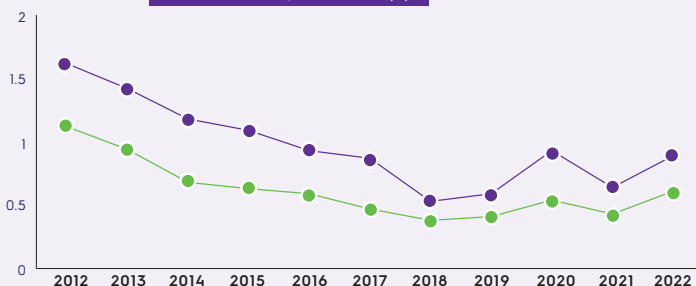
(Objective: < 0.85%)

Continuation of the plan to combat UDW

Targeted mainly at informing and raising awareness among owners of private land crossed by Teréga’s pipelines, the plan to combat undeclared work rolled out in 2022 will continue into 2023 with the addition of new actions:

- Better monitoring of building permits thanks to a new software package interfaced with Teréga’s Geographic Information System (GIS).
- Increased use of the site meeting reminder system implemented in 2022.
- Geolocation of sites flagged from Teréga’s GIS.
- Use of the TERA TND software package which enables a better analysis of the causes behind UDW.

TREND OF UDW/DICT RATIO (%)



- UDW/DICT
- UDW < 5m/DICT

Criteria for the UDW/DICT ratio:

< 0.85: very good
 from 0.86 to 0.95: good
 from 0.96 to 1.05: average
 from 1.06 to 1.15: poor
 > 1.16: very poor

CUSTOMER RELATIONSHIPS

Support that meets customer expectations

In 2022, Teréga launched new services and undertook several large-scale actions to strengthen customer relationships, better adapt to their needs and provide a better service.

In 2022, Teréga upgraded the ergonomics of its customer portal, providing faster access to essential information to better meet their expectations. New application programming interfaces (APIs) allow for the automatic recovery of up-to-date information, whether published or private. The long expected “*conso intraj*” (daily consumption) API lets customers retrieve their consumption figures during the day, almost in real time. New pages also summarise the measures laid out in the government’s energy sobriety plan concerning interruptibility, load shedding and consumption distribution, which have already been explained to customers during webinars and bilateral talks.

Teréga has rapidly adapted its IT system and publications on the south-north gas flow reversal following the conflict in Ukraine, in order to manage this new flow configuration with no interruption to services. The number of requests and claims remained stable in 2022, as did their processing time, despite these highly structural modifications.



“PORTES FLEXIBLES” OR FLEXIBLE GATES IS A NEW, ADDITIONAL SERVICE TO MAXIMISE STORAGE FILLING

In 2022, in a highly volatile situation with rising gas prices and new regulations on supply security, Teréga proactively promoted additional subscription- or auction-based storage to its customers. A new service (the “103% Offer”) and the flexible gates allowed those holding capacity at Lussagnet to inject more, to store more than their subscribed volume and to keep high levels of gas stored for longer. This commercial and operational flexibility has generated high demand among customers, along with additional revenue, proving Teréga’s ability to adapt to unstable and uncertain market conditions.

A meeting with every customer

In 2022, Teréga met with each of its industrial customers to clearly explain the context surrounding the Russian-Ukrainian conflict, the measures of the government’s energy sobriety plan and the major role of the Group as a gas storage and transmission stakeholder. The significant rise in energy prices has emphasised the tension surrounding the supply of raw materials, which was already present at the start of 2022. This customer support has meant that other topics could be discussed, such as the state aid limiting the effects of the price increases or decarbonisation solutions. Teréga also met with its shipping customers at a number of events: the Storage Meeting, where the storage offer and new products were presented; the Ambassadors Club, a space where customers can help to build new portal content and provide feedback; the 2022 Client Convention with a report on 2021 and an overview of offers and customer support; and the E-world energy fair in Essen, Germany.



ADDITIONAL INPUT CAPACITY OF 40 GWH/DAY AT BIRIATOU

Faced with tensions in the energy market and a sharp decline in Russian gas flows, Teréga, in collaboration with Enagás, has increased its input capacity offer by 40 GWh/day at Biriattou.

Less than six months were needed to carry out the technical, network and commercial studies necessary to offer this additional input capacity to the market at the Pyrenean point from 1 November 2022.

New biomethane contracts

In 2022, the biomethane division benefited from budgetary measures that provided greater visibility on the tariff applied—around €100/MWh—and on the 15-year buyback period. At the national level, 514 sites injected 7 TWh, exceeding the 2023 objective of 6 TWh under the Multiannual Energy Plan (MEP). The year was marked by a good technical and commercial dynamic for Teréga, with the signing of four new contracts and the commissioning of four production sites, including BioBéarn, the largest facility in France, located in Mourenx (64).

In total, 14 sites engaged with Teréga to ensure a production capacity of approximately 530 GWh/yr. By the end of 2022, seven of them were already injecting into Teréga's network.

Constant support

Although the injection goals under the MEP for 2028 (fixed between 14 and 22 TWh) are achievable, given that the production capacity of the national register is already around 25 TWh/yr, the recovery and re-use of resources, particularly in Teréga's regions, requires a much more substantial injection. Teréga will soon be supporting potential project developers in order to effectively accelerate the production and injection of biomethane. It will do this via direct prospecting in the field with resource owners, and through targeted partnerships with stakeholders, including consular chambers, industrial

developers and farming cooperatives. This in-depth knowledge of the local fabric will help to direct project developers towards the most effective connection solution. Their installations will then be connected to Teréga's network after a study and construction period of approximately 15 months. The renewable gas indicator reached 2.62% for 2022 in the regions served by Teréga, which is one point higher than the national rate of 1.6%. A level of 10% of green gas was even attained over a few days in August under the combined effect of a sustained injection and low consumption linked to seasonal gas use. ▀

DPEF

2.62%

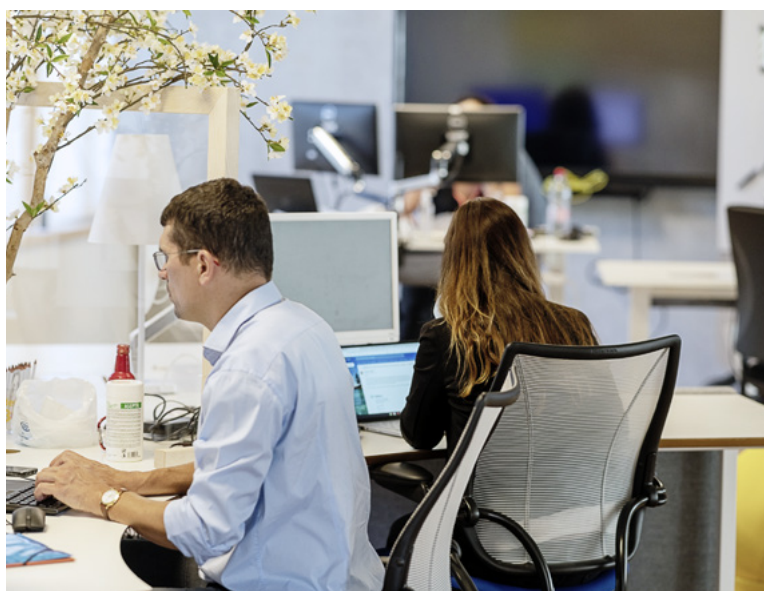
**Renewable gas indicator:
rate of penetration of biomethane
into the Teréga network.**

(Including all sites injecting into the networks connected to ours for regional consumption — annual average).

ETHICS

Committed to fully respecting the rules of ethics

The ethical behaviour of a company is a condition of its continued existence and its industrial and commercial success. In 2015, Teréga therefore adopted a Code of Ethics.



responsibility of the General Secretariat. This Code meets the legal obligation to set up an anti-corruption mechanism and is fully in line with the Group's ethical culture. An anti-corruption training module allows every employee to familiarise themselves with the anti-corruption rules, to test their knowledge, to learn how to respond to typical situations and to ensure best practice and a good response in this area. The whistle-blowing system deployed at Teréga in 2020 allows its employees to report breaches of the Code of Ethics and the Anti-Corruption Code of Conduct in complete confidentiality. ■

This Code reflects the Group's ethical culture, guides the conduct of its activities and reiterates Teréga's values, including respect for human rights, respect for customers and suppliers, compliance with tax and accounting regulations and combating corruption. To promote the principles and content of the Code of Ethics to Teréga's employees and stakeholders, an internal Ethics Committee has been set up. This Committee produces an annual report detailing its activity over the previous year. It enables all employees to see

the type of alerts and ethical questions submitted to the Committee. The Ethics Committee met twice in 2022. Its main activity was to devise a program raising employee awareness of ethics and anti-corruption in order to provide optimum support in this matter.

Anti-corruption

In accordance with its Code of Ethics and its values, Teréga undertakes to carry out its activities transparently and responsibly. Teréga has therefore implemented its Anti-Corruption Code of Conduct under the

DPEF

62.5%

of new permanent employees at Teréga SA have undertaken an anti-corruption training session.

(In 2022, Teréga set itself a target of ensuring that at least 90% of new permanent employees* would follow an anti-corruption training session.)

(Objective: 90%)

*The calculation includes employees who started before September 2022 (date of the last anti-corruption training session of the year) and those who started after the last session of 2021.

SUPPLIERS

A local, responsible and inclusive commitment

As a responsible order giver, as detailed in its purchasing policy overseen by the Purchasing Department, Teréga values local partnerships that comply with CSR principles. It also places value on the resources in the area of operation, as well as innovation and sustainable alliances, with the aim of developing a high-performance network.

As a signatory to the Responsible Supplier Purchasing Charter, Teréga places the development of a responsible, balanced and sustainable relationship with its suppliers at the heart of its concerns and its purchasing policy.

Teréga's annual forum emphasises this approach aimed at strengthening a bond of trust and proximity. Organised in February 2022 to coincide with Teréga's Open Pau-Pyrénées sporting event, this forum set out the Group's CSR objectives in terms of safety and reduction of its carbon impact, encouraging our suppliers to help reduce our purchase-related emissions. CSR considerations radically alter Teréga's purchasing practices and procedures. Suppliers are essential to its success. The Group thus intends to strengthen relationships with those who uphold the highest standards.

Extension of the 3SE approval system

In 2022, Teréga extended its 3SE approval system to areas other than safety. It is now able to reference suppliers who adopt best practices in terms of the environment, energy, safety and cybersecurity. This flexible approval system adapts to the risks and issues specific to each company. Teréga has also strengthened partnerships with its suppliers via workshops

set up to share good practices in terms of 3SE and provide feedback on accidents and incidents.

Committed to reducing its direct greenhouse gas emissions for a number of years, Teréga widened its field of action in 2022 to include indirect emissions (Scope 3), initiating a process of reflection with a dozen trial suppliers. As a result of this work, a recognition method was defined, with 2021 set as the benchmark year and reduction goals put in place for 2030. ►

DPEF

91%

Coverage rate through Purchasing.

(Percentage of total expenses for which the Purchasing Department plays a part in the purchasing process).

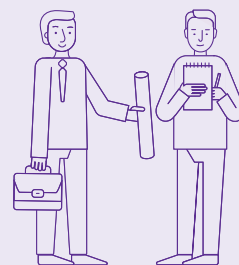
(Objective: > 90%)

DPEF

57.6%

Percentage of purchases with local companies (volume).

(Objective: = 50%)



58% OF PURCHASES MADE WITH LOCAL BUSINESSES

Teréga consolidated its role as a responsible order giver by continuing to develop business relationships with local suppliers, including companies in the sheltered sector, which represents a key commitment in the current context of a global crisis. In 2022, 58% of Teréga's purchasing volume was achieved with local companies, which represent 48% of its suppliers. Teréga's purchasing policy also aims to secure contractual relationships with its suppliers. In this respect, the Purchasing Department is tasked with overseeing supplier relations. Faithful to this approach, Teréga recorded a Purchasing coverage rate of 91% in 2022.

IT SYSTEMS

Guaranteeing flexibility, resilience, performance and service continuity

Teréga is equipped with IT systems that allow it to adapt to changes in the gas and energy sectors, to respond to the flexibility requirements of its customers and to incorporate sobriety factors, all while ensuring an optimal level of performance to guarantee continuity of service.

Ongoing since 2018, the transformation of Teréga's IT systems, overseen by the DTDP (transformation, digital and performance department, known as DST since 1 February 2023) follows four areas of focus: the cloud strategy; standardisation and simplification of operational processes and applications; high levels of service availability; and enhanced capacity to control and exploit data. The technical basis facilitates the integration of new IT applications and makes the data that they contain and produce available. It also makes access to IT services more secure thanks to improved management of digital identities.

More resilient and better protected systems

This transformation also fulfils the desire for an information system that is resilient and capable of continuing to operate normally or of recovering its initial operating level as quickly as possible and with minimal adverse effects, following an incident as a result of a failure, a peak in activity, a To do this, Teréga deployed monitoring tools on its vital

A NEW SCADA FOR THE TRANSMISSION NETWORK

In 2023, a new SCADA will be put into production to control Teréga's transmission network, making it completely secure against external cyber threats. This SCADA will feed back data collected from the automated systems, which will then be available to develop new uses. This innovative approach will drive the creation of Teréga's digital twin. Users and teams responsible for in-service support of the new tool will receive training to upgrade their skills and support this deployment. This system will enable Teréga to its gas network independently, with any anomaly being resolved internally. In this context of transformation and security, Teréga's 2023 objective is to keep the availability rate of its vital and critical applications as high as possible and to guarantee service continuity for the company.

and critical processes, but also on certain operational processes that it deemed should be made visible to employees responsible for in-service support of industrial assets.

The security of the industrial IT system is a major factor in this transformation. Physical, electrical and logical isolation mechanisms have been put in place on industrial control systems (SCADA) to separate them from the corporate information system. ■

DPEF

99.81%

Rate of availability
of critical applications
(Objective: 98%)

DPEF

99.99%

Rate of availability
of vital applications
(Objective: 99%)

SPONSORING

Teréga contributes to local life

In 2022, Teréga stepped up its commitment to the sporting and social world by supporting several local initiatives in line with its aim to make best use of the energies of the French Great South-West.

The fourth edition of the Teréga Open Pau-Pyrénées took place between 21 and 27 February 2022 at the Pau Palais des Sports. This men's tennis tournament, part of the ATP Challenger Tour 100 of which Teréga is the title partner, contributes to the influence of the French Great South-West. It promotes the region's economic growth by developing a dialogue between the worlds of business and sport via meetings between local stakeholders (elected representatives, small- and medium-sized business and industries, large groups). The take place at events such as the Meet your Start-up run by French Tech Pau Béarn, where 10 start-ups displayed their offer, or through discussions on Teréga's supplier forum with key partners on issues such as corporate and low-carbon strategy or integrated security.

Partner of the CIC Tour Féminin International des Pyrénées and the Pau Motors Festival

In 2022, Teréga supported the first edition of the *CIC Tour Féminin International des Pyrénées* women's cycling event, held in August and organised by the *Association Française des Coureuses Cyclistes* (French professional women's cycling association) and the Pau Béarn Pyrénées agglomeration community. It also supported the Pau Motors Festival which, between 6 and 8 May, highlighted

hydrogen solutions, new fuels and electric drives. This showcase of innovation and sustainable mobility, and of fine cars and exceptional drivers, included in its program a number of low-carbon races, including the FIA ETCR Championship with logistics from the Teréga Hydrogen Business Unit. Dominique Mockly, Chair and CEO of Teréga, was part of the round table entitled "The energy transition for mobility". Teréga was also present at the new mobilities village.

The energy transition Big Tour

For the fourth consecutive year, Teréga took part in Bpifrance's Big Tour along the coasts of France, promoting French entrepreneurship in the fields of industry, technology and innovation. The Tour visited

13 regions, including that of Teréga, in a new winter and summer format. The initiative allowed Teréga to explain its role as a gas stakeholder and what the energy transition is all about, through its 3D animation "2050, a world of renewable energy", which received a Top Com award.

Alongside the Béarn rugby players

An official partner since 2016, the Group supports the Section Paloise rugby club based on common values, with the same attachment to the region and its collective strength. The Teréga brand is displayed on the players' shirts and on social networks. The company also has the naming rights for the East stand of the Hameau stadium in Pau, named the Teréga East Stand. ▶



SOCIAL

A year of negotiations for a New Deal

Teréga's 2022 social agenda was marked by negotiations for a New Deal between Teréga's management and social partners to adapt and modernise social mechanisms and group agreements in line with Teréga's development, legal and regulatory changes and factors linked to the energy transition.



The New Deal project aims to harmonise the Group's social contract with the new realities of the company and society:

- Changes in national social and environmental mechanisms
- Capacity to provide employees with fair and balanced support in making life decisions
- Mix of regulated and non-regulated activities within the Group

As a driving force in securing career paths, the New Deal sets out to combine the company and energies of tomorrow with

the human resources of today, allowing employees to develop professionally in line with the energy transition and follow the Group seamlessly into the future. To achieve this, Teréga proposes to maintain a high-quality social base within the framework of a stable but optimised budget in order to best meet the identified needs of its employees. Some structural agreements have been approved, ensuring that the year ends in a calm social climate.

Discussions with the social partners are still ongoing and negotiations will continue in 2023 on matters affected by the retirement reform project in particular, such as the management of jobs and career paths.

The parties are keen to pre-empt and prevent any social conflicts. As a result, several years ago, they instituted a social alert process designed to generate upstream discussions to prevent any conflict, the exception being when a planned movement stems from strike action from outside the company. ▶

DPEF

1

Number of strike days (excluding national movements).

(Objective: 0)

16

Number of favourable opinions from Teréga's Social and Economic Committee.

(94% of all opinions expressed). (Assesses the quality of social dialogue within the company).

QUALITY OF WORKING LIFE

The working environment: A commitment factor

True to its values of responsibility and cooperation, Teréga supports its employees by promoting their development and well-being. In 2022, they were offered teleworking and four different solutions from the Quality of Working Life Division (QWL).

2022: A year for trialling hybrid teleworking

In 2022, Teréga employees had the option to trial hybrid teleworking, offered under a pilot scheme agreed by Management and all the trade union organisations on 23 December 2021. This scheme gave eligible employees the option to work remotely for up to ten days a month. In October 2022, a survey was conducted among employees eligible for teleworking to gauge their satisfaction with this hybrid working method and gather information to negotiate a new agreement in 2023.

This survey returned a satisfaction score of 8.2/10. The arrangement was made permanent based on this feedback.

Four offers rolled out for employee well-being

Teréga supports its employees by promoting their well-being and development. In 2022, its Quality of Working Life Division (QWL) released four service offerings to strengthen quality of working life, a source of commitment, performance and innovation.

Teréga's QWL actions contribute to the construction and promotion of an organisation and a work environment that nurtures the sustainable performance of the company and the overall quality of life of its employees. They concern the protection of employees' physical and mental health, support for the company's

transformations and the improvement of working conditions and the working environment. Their effectiveness is measured by the trends in the annual rates of absenteeism and occupational illness and through the results of the commitment and job satisfaction surveys that are conducted every two years. The Human Resources Department manages the deployment of this policy by ensuring that the measures put in place enable these commitments to be met. In 2022, the QWL Division released four service offerings:

1. Regulate workloads.

Five collective support programs were launched within the entities, including the creation of a workload diagnostic, organisation of work, establishment of a plan of action and support.

2. Support change. The QWL teams carried out two change projects in 2022, identifying the human impacts of changes made and defining the actions to be taken to eliminate or mitigate the effects of these impacts.

3. Benefit from ergonomic support.

36 individual studies and 4 collective studies were conducted in 2022 to improve physical well-being at work.

4. Develop well-being with the Capital Forme program.

Nine individual and six group

workshops were held in 2022.

Created in 2019, the program has been enhanced thanks to its online platform, which brings together information on physical, mental and social well-being and offers various activities to be completed remotely, along with new courses, such as physical activity, a "Do-In" self-message discovery workshop and so on. In addition, four comfy chairs have been provided for employees at four Teréga sites. Three new conferences on mental well-being, combined with workshops, supported 52 employees in developing their personal resources, including 9 on an individual basis. Finally, a number of activities served to strengthen social ties, including participation in the QWL inter-company challenge at the national level, events such as quizzes and photo exhibitions donating points to a women's farmers association in Côte d'Ivoire, running races, the Ekiden long-distance relay race, the Tour du Béarn and more. ■

DPEF

7.7/10

Score for the satisfaction and commitment at work survey (average).

(Objective: Improving compared to the last survey)

(Figure for 2021. No survey in 2022)

SOCIAL INCLUSION

For the benefit of all, with fairness at the forefront

Teréga boasts a culture of inclusivity to ensure that every individual has the same opportunities to grow and develop within the company and its regions.

In 2022, Teréga stepped up its actions to promote inclusion with its local partners right across its territory, attaining its objectives in three fixed areas: the return to work of those out of the job market, the employment of people with disabilities and improving the number of women in energy transition jobs.

Close collaboration with integration associations

Teréga worked with the association *La Cravate Solidaire*, regional groups of partner companies promoting workplace integration (CREPI), the *Job social club* and others. The Group received a trophy from CREPI for its actions to reintegrate those out of the job market and forged a partnership with CREPI in Toulouse. In addition, Teréga ran a workshop on writing CVs and attending job interviews in conjunction with back-to-work associations, took on 10 students from these initiatives in summer jobs and hired 7 people with disabilities either as normal staff or interns. Teréga also sponsored and participated in *Temps de Poses*, a work integration program run by CREPI Pyrénées, to support 10 single mothers from priority neighbourhoods in Pau and Mont-de-Marsan who were out of the job market. Six of them have since found a job. Finally, Teréga upheld its commitment to establishments and services providing assistance for

ANOTHER LOOK AT DISABILITY

In 2022, Teréga launched *Automne du handicap*, a five-week disability event based on five clips that helped employees to understand disability and the challenges of workplace integration. Each correct answer in the questionnaire that followed resulted in one euro being donated to *Autisme France* (Autism France). Three employees then took part in DuoDay, a key point in the European Week for the Employment of People with Disabilities. Teréga also played a part in Breast Cancer Awareness Month, hosting a stand with the *Ligue contre le cancer* (National League Against Cancer) at the Volta auditorium.

employment, and to a company offering temporary work.

Taking action to get women into energy transition jobs

In 2022, Teréga undertook numerous actions in collaboration with *Elles Bougent*, a voluntary association created to attract women into the industrial and technology sector to improve the gender mix, including job dating, orientation, Elles Bougent digital and industrial events and so on. ►

7 and 11

Respectively, the number of people with a disability and the number of people out of the job market taken on by Teréga in 2022 as interns or staff.

8

Number of activities undertaken with work integration associations.

18.5%

Percentage of women in technical and technological jobs related to the energy transition.

(Target: > 18%)

23%

Parity rate in the recruitment of interns and work-study students

(Target: 45%)

11

Number of female sponsors and ambassadors working to boost the number of women.

(Target: > 8)

TRAINING

Upskilling for the energy transition

In 2022, Teréga enhanced the energy transition skillsets of its employees and local stakeholders to ensure better professional development, make energy-related jobs more attractive and contribute to regional growth. Its skills development plan was drawn up by the Human Development and Management section of the HR Department.

Teréga has designed a digital pathway to raise awareness of the energy transition and the use of hydrogen for all its employees. This program also offers a global view of its activities. The Group's hydrogen specialists were also able to give 36 members of staff an insight—via the H2 Live event—into the impact of hydrogen on pipelines, aquifer storage and the performance of surface facilities, amongst others. Internal trainers have raised awareness among technicians and operators about the risks of hydrogen and their particularities. External training on hydrogen, the capture/storage of CO₂, new energies and biomethane also raised local awareness and skill levels in relation to the Prometer and BioBéarn biogas facilities.

Skills development in our regions

In 2022, Teréga supported the energy transition in the regions via a number of initiatives: a skills and energy transition hub; contribution to the regional *Génération Hydrogène Occitanie* (Occitanie hydrogen generation) project, drafting of information for the call for expressions of interest for the bachelor's degree in energy transition at the Tarbes national engineering school, work with the Université de Pau et des Pays de l'Adour (UPPA) on the importance of cross-

disciplinary skills in initial training, and participation in the provisional management of jobs and skills with the Lacq-Pau-Tarbes group. Teréga has also contributed to funding hydrogen training for 12 students at the Nogaro vocational college.

At the national level, Teréga has taken part in the commitment initiative to develop jobs and skills (EDEC) run by the gas and heating solutions sector. It has also participated in the hydrogen working group on jobs and skills of the strategic committee for new energy systems, and has worked alongside the national education department to design a serious game on biogas. ▶

DPEF

95.19%

Training rate for permanent and temporary employees.

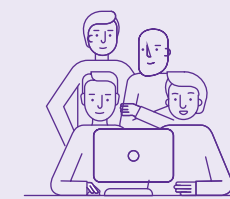
(Objective: > 90%)

DPEF

41.14%

Energy transition training rate for permanent employees.

(Objective: 25%)



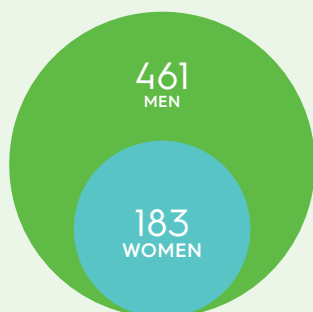
PROMOTING OUR PROFESSIONS

Over the year, a number of Teréga employees have addressed various audiences to highlight the attractiveness of energy transition jobs and their appeal to women. This has been achieved through various communication channels, including social networks, posters, films, business/college forums, the Big Tour and talking to female students at *Elles Bougent* events, thanks to female sponsors and ambassadors of Teréga. The first time it participated, Teréga was awarded 9th place by the Happy Trainees label (Staff category), which recognises quality of working life for interns and work-study students.

Human resource indicators

as at 31 December 2022

WORKFORCE



644
employees

GENDER EQUALITY

94

Professional equality index
(78 for the previous year)

The change in the gender equality index stems from the vigilant approach applied in 2022 to guarantee equal treatment for men and women when reviewing salaries, and from a number of corrective actions intended to reduce discrepancies in pay.

PROFESSIONALISATION

30

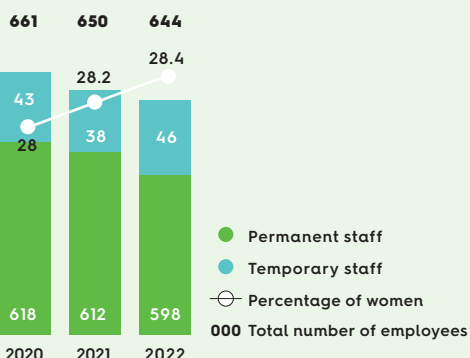
work-study employees
(apprenticeship contracts
and professionalisation contracts)

29

interns
(internships longer
than one week)

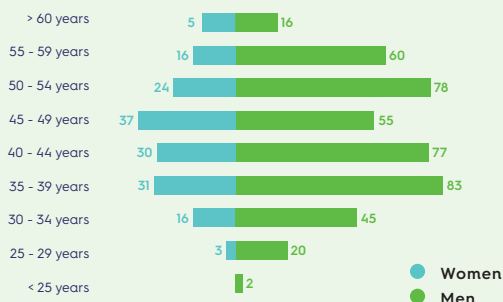
NUMBER OF EMPLOYEES BY TYPE

OF CONTRACT AND PROPORTION OF WOMEN

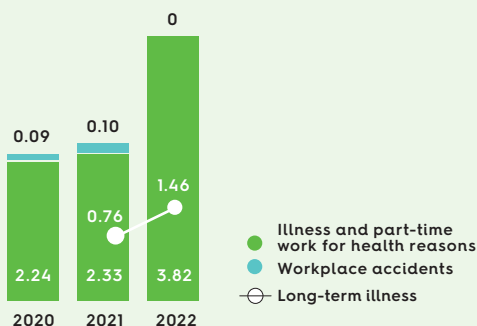


Fewer employees have been hired on a permanent contract than in previous years. The increase in fixed-term contracts reflects the prominence of work-study contracts. The proportion of women employed at Teréga is increasing.

AGE PYRAMID



ABSENTEEISM (%)



The change in absenteeism is linked to the increase in time off work for long-term illness (over 6 months), which affected 11 employees in 2022 as opposed to 4 in 2021. It is also a result of the increase in average work stoppages (between 4 and 30 days) which rose from 85 to 294.

EMPLOYEE TURNOVER



ECONOMIC AND SOCIAL COMMITTEE

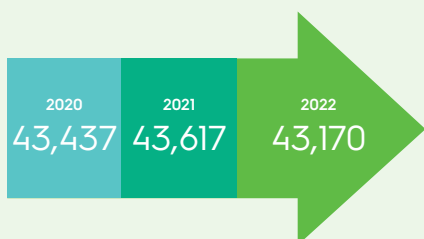
26
elected members
(14 office holders + 12 deputies)

13
meetings

13
collective
agreements signed
(4 company agreements
+ 9 Group agreements)

1
rider to a group
agreement
(related to teleworking
terms and conditions
under the hybrid system)

PAYROLL (IN THOUSANDS OF €)



ORGANISATION DU TEMPS DE TRAVAIL

	2020	2021	2022
Annual working time*	1,009,625	984,382	937,937
Number of part-time employees on permanent contracts	23	22	19
Percentage of teleworking employees (0.5 day)	N/A	61%	62.5%

* Numbers of hours worked including fixed-term, permanent and temporary employees.

Since 2022, following the implementation of hybrid working at Teréga, 81.5% of employees have been identified as eligible for teleworking. During December 2022, 62.5% of them worked from home for at least a half day.

TRAINING

25,853 hours

(i.e. 3693 days)

Costs
5.48%
of the wage bill.

Rate of energy transition training

41.14%
(statutory employees on permanent contracts)

As no agreement was concluded following these negotiations, management sent the trade unions, in compliance with Article L. 2242-5 of the French Labour Code, a disagreement report recording the most recent respective proposals of the parties and the measures that management intended to apply unilaterally. The representative trade unions refused to sign it. In the context of inflation, the annual mandatory negotiations began again in December 2022 and resulted in an agreement signed by all the trade unions and covering the measures applicable in 2022 and 2023.

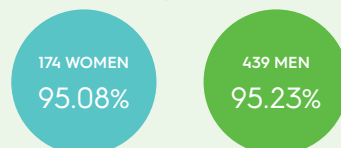
DISTRIBUTION OF STAFF BY GEOGRAPHICAL LOCATION

Head Office – Pau Volta	416
Storage (Lussagnet)	62
Billère	51
Toulouse area (Cugnaux)	30
Bordeaux area (Cadaujac)	23
Pau area (Artix)	19
Carcassonne area (Barbaira)	11
Tarbes area (Ibos)	11
Agen area (Castelculier)	9
Rodez area (Olemps)	9
Paris (Neuilly-sur-Seine)	3

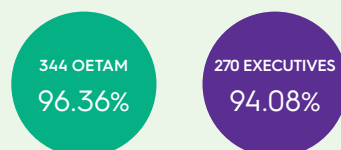
Rate of access to training

95.19%
613 employees have benefited

By gender



By socioprofessional category



ENDOWMENT FUNDS

Driving collective energy forwards

Teréga promotes the talents and assets of its regions. Created in August 2020, the Teréga Accélérateur d'Énergies endowment fund supports philanthropic projects that reinforce the Group's societal and environmental commitment.

As an independent, not-for-profit patronage arrangement, the Teréga Accélérateur d'Énergies endowment fund develops and supports projects with a common interest, either independently or via dedicated structures. It has four key priorities: to support the economic and social development of regions in close proximity to where Teréga Group facilities are located; to protect the environment and biodiversity within these regions; to encourage social inclusion through innovative schemes; and to promote French scientific and cultural heritage.

Strong governance

As an independent entity, the endowment fund has a Steering Committee, a Board of Directors that oversees the structure and approves projects, and a committee that analyses patronage projects in an advisory capacity, made up of 10 Teréga employees. The projects and structures selected provide sustainable assistance and/or support to meet the four challenges that develop the regions.

Promoting talents for the benefit of the regions

Teréga Accélérateur d'Énergies has pursued its commitment alongside the 60 000 rebonds association in Nouvelle-Aquitaine and Occitanie. This association supports business people who are

out of work, helping them to "bounce back" (*rebond*) to a new professional project. This cooperation aims to pool values and talent to promote professional integration to contribute to life in these regions and their growth. The fund has also extended its *Lignes Essentielles* editorial collection by creating a third collective work which portrays ten exceptional women in the south west of France. Whether they are businesswomen, artists or athletes, they unite a tireless

determination with a far-reaching and citizen-focused vision. This work has been available in the library since the end of 2022.

Working for the environment and biodiversity within our regions

In 2022, Teréga Accélérateur d'Énergies renewed its support for The SeaCleaners. This NGO, founded by navigator Yvan Bourgnon, is reversing plastic pollution in the oceans by collecting waste, raising awareness and conducting





scientific research. It is developing *Le Manta*, a boat capable of collecting and processing floating ocean waste. The process of selecting the naval site to build Le Manta at the end of 2023 is underway.

The endowment fund is supporting the *Relais Utile 2024* organised by the Trail Runner Foundation. This annual relay event started in Hendaye in 2019 and will reach Paris in 2024 after crossing the whole of France on a new route each year. The participants have one goal: to pick up as much rubbish as possible from the route. The fund has also given its support to the nature preservation projects of the French waterways authority, the *Voies Navigables de France*, which involve replanting along the Canal du Midi, as well as to the *Génération Énergie* initiative of the *Éveil* association which raises awareness surrounding energy-saving issues among secondary school and college students.

Driving social inclusion forwards

For Teréga Accélérateur d'Énergies, well-being and social inclusion are essential. In 2022, the fund renewed its ties with La Cravate Solidaire. This association helps people who are out of the job market, through workshops on physical appearance during job interviews.

In addition, it continued its support for the *Hand Ensemble* section of the Billère Handball club which welcomes mentally handicapped people aged between 26 and 50 and runs activities in disadvantaged areas, while also providing educational support and training for young sportspeople. Teréga Accélérateur d'Énergies has also helped the association *En passant par la montagne* and its project *La montagne dans tous ses états* (the mountain in all its states) with three educational stays in the Pyrenees, enabling 20 vulnerable young people—supported by specialist prevention services or under legal and youth protection—to awaken their senses and regain their self-confidence.

Promotion and sharing of scientific and cultural heritage

Teréga Accélérateur d'Énergies has continued the dialogue started in 2018 with the artistic world, involving teams and public from the Pompidou Centre. At the end of 2022, the fourth season of the Centre Pompidou Accélération endowment fund was launched, on the theme of “presence”, welcoming resident artist Chloé Quenum. A delegation from the Pompidou Centre is set to discuss their activities with Teréga employees in early 2023. The aim of this collaboration is to develop interactions between art and industry.

The endowment fund has also supported *Science Odyssee*, the centre for scientific, technical and industrial culture in the Pyrénées-Atlantiques and Landes, to develop an extensive program to raise awareness of energy issues among the younger generation. This program takes the form of four workshops on production methods, consumption and reduced use of all types of energy. It is aimed at 8- to 12-year-olds and will be rolled out firstly in the regions of Nouvelle-Aquitaine and Occitanie, before opening up to the whole of France.

The OAQADI cultural association which immerses troubled young people in the *Opéra Orchestre National Montpellier* opera house via radio programs, has also received support from the endowment fund.

Finally, Teréga Accélérateur d'Énergies continues to support the Polar POD project. The Polar POD is an environmentally friendly oceanographic platform that will collect scientific data of major interest, particularly on the Antarctic Circumpolar Current and its role in climate regulation. ▀

Financial indicators

TOTAL TURNOVER

€799M

TURNOVER (EXCLUDING BALANCING AND CONGESTION)

€492M

The war in Ukraine has led to changes in gas flows in Europe, with a decreased supply from the north of Europe resulting in congestion of the French network. Teréga has been obliged to buy and sell large amounts of gas to decongest its system. The total turnover thus shows sales of gas linked to congestion for €187 million, which are offset by purchases of gas linked to congestion for €191 million. The €4 million difference will be returned to Teréga via the CRCP (expense and revenue clawback account). Moreover, the gas sales conducted for balancing purposes represented €119 million in 2022 compared to €29 million in 2021, with the increase primarily explained by the increase in gas prices. They are cancelled out by a gas purchasing account and therefore have no bearing on the result. The turnover of the Transmission business was €329 million in 2022, an increase of 6% compared to 2021. This increase is linked directly to the increase in capacity subscriptions in a gas flow situation that is globally unstable due to the conflict in Ukraine. The turnover of the Storage business was €163 million in 2022, up 10% compared to 2021, mainly owing to new storage offers marketed in 2022.

€329M

TRANSMISSION
(EXCLUDING BALANCING
AND CONGESTION)

€163M

STORAGE
(EXCLUDING BALANCING
AND CONGESTION)

NET INCOME

€95M

The net result for 2022 shows a significant increase compared to 2021. This progress is the direct result of increasing the level of subscriptions for capacity and storage offers, in a context of stable expenditure and a decline in financial costs. In fact, the financial result reached - €29 million in 2022 as opposed to - €41 million in 2021. This improvement is essentially explained by the impact, over an entire year, of the refinancing of a €500 million bond loan taken in 2021 with an interest rate of 0.875% as opposed to 4.339% for the previous one.

AMOUNT OF INVESTMENT

€163M

Total investment in 2022 amounted to €163 million. For the Transmission business (€107 million) this is mainly investments related to the security and maintenance of the network. Investments for the Storage business rose to €56 million, a sharp increase compared to 2021 (+€21 million) due to a large-scale program. For the most part, they also correlate to investments in the security and maintenance of infrastructures.

€107M
TRANSMISSION

€56M
STORAGE

Annex

Report by the independent third party, on the consolidated Non-Financial Statement included in the management report

TERÉGA

40, avenue de l'Europe, 64000 Pau
For the financial year ended December 31, 2022

To the shareholders,

As an independent third party and certified by COFRAC under number 3-1860 (locations list and information available on www.cofrac.fr), we hereby report to you on the non-financial statement for the year ended December 31, 2022, included in the management report pursuant to the legal and regulatory provisions of articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

The entity's responsibility

Pursuant to legal and regulatory requirements, the Management Board is responsible for preparing the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines").

Independence and quality control

Our independence is defined by the provisions of article L. 822-11-3 of the French Commercial Code, in addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ISO 17029 requirements and applicable legal and regulatory requirements.

Responsibility of the independent third-party verifier

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the provisions

of article R. 225-105 of the French Commercial Code;

- the fairness of the information provided in accordance with article R. 225-105 I, 2° and 3° of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

However, it is not our responsibility to comment on the entity's compliance with other applicable legal and regulatory provisions, in particular the French duty of care law and anti-corruption and tax evasion legislation and the compliance of products and services with the applicable regulations.

Nature and scope of our work

The work described below was performed in accordance with article A. 225-1 and following articles of the French Commercial Code:

- we carried out a projected planning of the mission, an internal launching meeting and a launching meeting with the client to obtain an understanding of the declaration, the scope, the risks of inaccuracies and adjust the planning;
- we made a critical review to assess the overall consistency of the report;
- we checked the report compliance: we checked that the Statement includes each category of information listed in III of Article L. 225-102-1 about social and environmental matters as well as respect for human rights and fight against corruption and tax evasion, we have verified that the Statement presents the information listed in I of Article R. 225-105 and the information listed in II of Article R. 225-105 when relevant with regard to the main risks and include, where applicable, an explanation of the reasons justifying the absence of the information required by

- the 2nd paragraph of III of Article L.225-102-1;
 - we presented our intermediate conclusions and checked the corrections made;
 - we have verified that the Statement covers the consolidated scope, i.e. all the companies included in the scope of consolidation in accordance with Article L. 233-16 ;
 - we have identified the people in charge of the collection process and verified the collection, compilation, processing and control procedures aiming the completeness and fairness of the Information;
 - we conducted a consistency review of the results and KPI variation;
 - we have identified the substantive tests to be carried out and listed the documentary sources to be collected;
 - we consulted documentary sources and conducted interviews to corroborate the qualitative information that we considered most important.
-
- We verified the fairness of a selection of key performance indicators and quantitative results (historical data) that we considered the most important via substantive tests (verification of the correct application of definitions and procedures, verification of consolidation, concordance of data with supporting documents). This work was carried out with a selection of contributing entities and covers between 19 and 100% of the data selected for these tests;

Means and resources

Our work was carried out by a team of 3 people between November 2022 and March 2023 and took place over a period of 6 months.

We conducted 9 interviews with people contributing to the Statement.

Conclusion

Based on our work, nothing has come to our attention that causes us to believe that the non-financial statement is not in accordance with the applicable

regulatory provisions and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

Comments

Without calling into question the conclusion expressed above and in accordance with the provisions of Article A. 225-3 of the French Commercial Code, we make the following comments:

- We want to draw the reader's attention on the fact that the CSR report of TERÉGA SA is integrated in the sustainable development activity report of the group TERÉGA who contains TERÉGA SOLUTIONS activity as indicated in the section "A propos de ce rapport"
- We highlight the use of the CSR report in the relation with the stakeholders
- We highlight the societal responsibility approach used in the undertaking strategy

Written in Toulouse, April 24, 2023

THE INDEPENDENT THIRD-PARTY ORGANIZATION
SAS CABINET DE SAINT FRONT
Candice Lourdin
Director General



This is a free translation into English of the independent third party's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with and construed in accordance with French law and professional standards applicable in France.



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