



# Vision 2025

Extraordinary General Meeting  
December 10th, 2021



**HELLENIC  
PETROLEUM**

- Implementation of our **corporate transformation plan (Vision 2025)** driven by **rapid changes in the energy environment**:
  - **Increase Group value** through upgrading our traditional activities and **growing in RES and clean energy**
  
- Significant **progress across all pillars of Vision 2025**, with the **next step** being the **implementation of the hivedown** on January 2022
  
- Key priorities for the near future:
  - **Complete the demerger of HELPE S.A**
  - **Introduce the new corporate identity**
  
- Agenda of the Extraordinary General Meeting
  - 1) **Demerger** of HELPE S.A
  - 2) **Draft Demerger Deed**
  - 3) **Articles of Association of the beneficiary new company**
  - 4) **Amended Articles of Association of the demerged company**

- I Transformation plan Vision 2025
- II Progress highlights
- III Hivedown timeline
- IV Items for approval by EGM:
  - Demerger of the company via Hivedown
  - Draft demerger deed
  - Articles of Association of the Beneficiary New Company (OpCo) and granting of authorizations
  - Amendment of the Articles of Association of the Demerged Company (HoldCo) and granting of authorizations

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# ① Transformation plan Vision 2025



# Significant changes in the energy landscape



## REGULATORY FRAMEWORK

Social and regulatory intent to address climate change is rising...

- Ever-tightening **regulatory requirements** push decarbonization
- **CO2 cost increasing** and EU ETS allowances reducing with negative outlook (e.g. carbon border adjustment), US return to Paris agreement, China's adoption of climate goals
- **Greek government banned internal combustion engines**
- **Sustainable development** becoming a top priority (permitting, taxonomy, etc.)



## BUSINESS MODEL

...Energy transition is accelerating faster than ever before...

- **Fossil fuel demand** dropping in the next decade
- **Electricity** demand rapidly growing
- **Within electricity RES** dominates future investments
- **New energy sources and technologies** emerging
- **Convergence in energy** markets between Oil & gas players, power & gas utilities and RES players



## CAPITAL MARKETS

..ESG focus is becoming an imperative for investors...

- **ESG under investor scrutiny**
- **Capital markets** shifting towards ESG investments
- Global ESG assets **on track to exceed \$53tn by 2025**, >1/3 of total AuM
- Supra-national finance houses **do not invest in oil** (and increasingly gas) value chain



## SPEED OF CHANGE

...our peers are acting fast and seeing results...

- **O&G majors and peers** committing to **challenging de-carbonization targets and adoption of energy convergence**
- **Re-branding campaigns** from most oil & gas affects both capital markets and consumers
- **Capital markets rewarding with higher multiples** players with bold sustainability moves
- Increased focus from **Greek companies** on ESG matters

COVID-19 has accelerated shifts across all fronts

# Transformation involves re-setting the agenda in 5 key areas

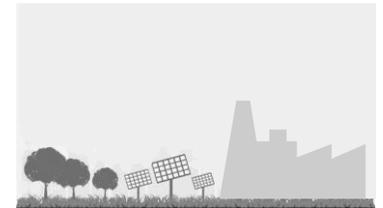
From old  
HelPe...



- I. **Redefine ESG strategy and GHG targets as core pillars of the Group**
- II. **Update business strategy and capital allocation**

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- III. **Upgrade corporate governance**
- IV. **Establish a fit-for-purpose corporate structure**
- IV. **Relaunch corporate identity**

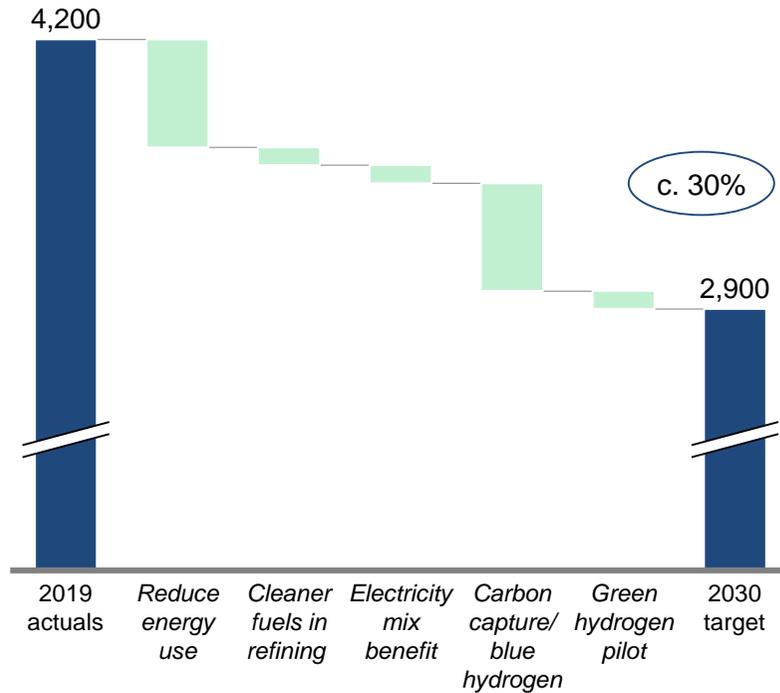


...to new Group

# I 50% improvement in scope 1,2 emissions by 2030 and develop options for scope 3 improvement

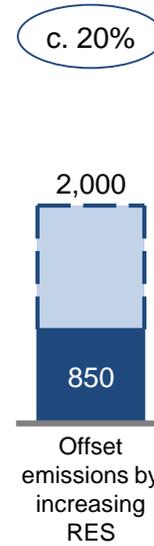
## Reduce scope 1,2 emissions by c. 30%

Scope 1,2 emissions - ktCO2



## & Offset an additional c. 20% of emissions via RES

Offsets - ktCO2, 2030



% Of current (2019) emissions abated

## & Improve our indirect environmental impact

Scope 3 initiatives

Reduce the environmental impact of our **end-products**, and contribute to the **circular economy** via:

- Short & medium term:
  - EV charging** infrastructure development
  - Sustainable feedstock adoption** for our refining units
- Longer term:
  - Plastics recycling** in our refineries and our petrochemical products

## II Grow Group value and achieve ESG goals, hedge during a transitional period with both oil portfolio and clean energy



### Improve and protect core business

#### Future-proof core business

- Improve competitiveness
- License to operate through decarbonization
- Consider strategic options for our E&P portfolio

### Grow in New Energy

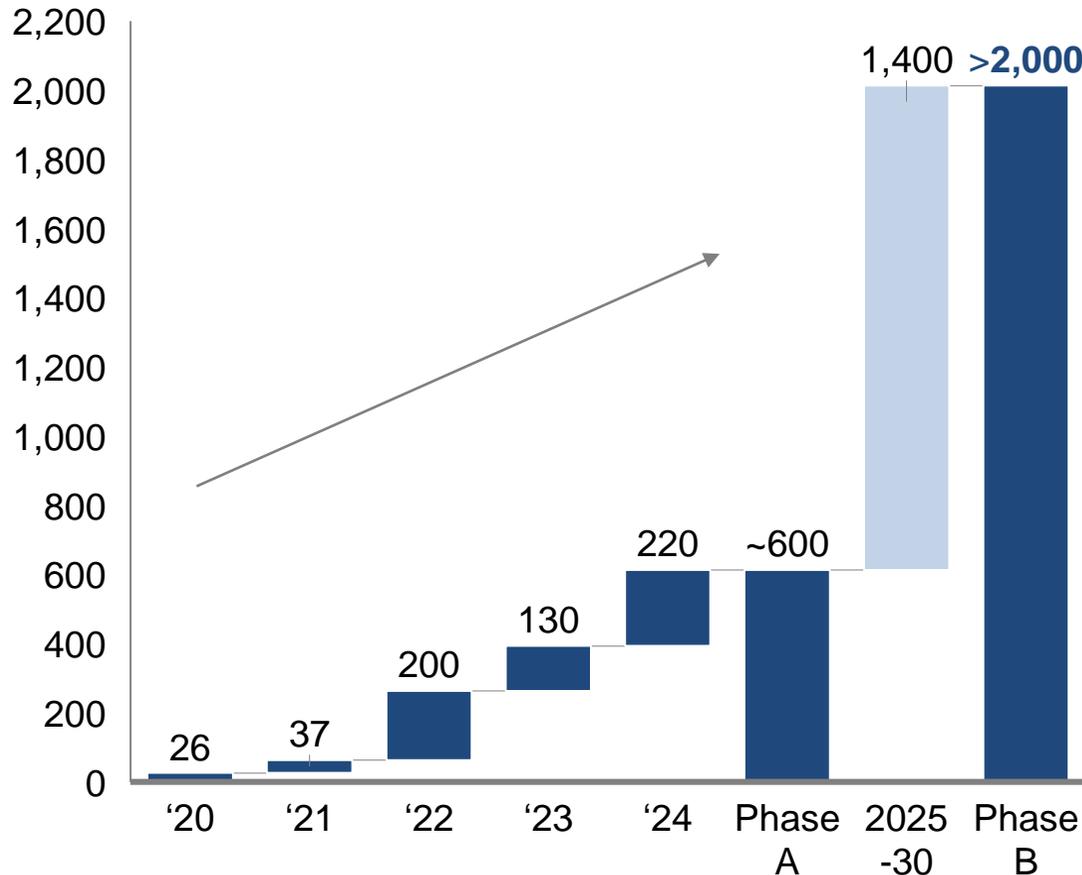
#### Grow in RES and New Energy

- Establish material footprint in RES
- Follow technology frontier in New Energy
- Integrate energy products & services

## Development of material second pillar in RES with the goal of >2 GW as an independent activity, whilst exploring synergies with existing asset base

### RES Renewables

RES operating capacity, *MW*



### How we will achieve it

- Multiple **types of assets**:
  - Initial focus on PV, onshore wind
  - Subsequent focus on offshore wind, energy storage, hydrogen
- Different levels of **maturity**: Focus on own development, acquisitions to accelerate growth
- Diversified **geographic** footprint, taking into account regulation, maturity of each market, returns, and impact on our portfolio
- Alternative to 100% asset controlling options** to be considered to achieve faster growth and market entry (e.g. JV's)

## Changes to corporate governance approved by EGM on 28/5

### Articles of Association

Amended AoA according to L.4706/2020 in regards to composition and election process of the Board

- 11-member BoD
- Majority elected by AGM
- Increased number of independent members as required
- Introduced minimum quota by gender

### Fit & Proper policies for BoD members

- Adoption of fit & proper policy at both individual and collective level
- Establishment of BoD nominations committee

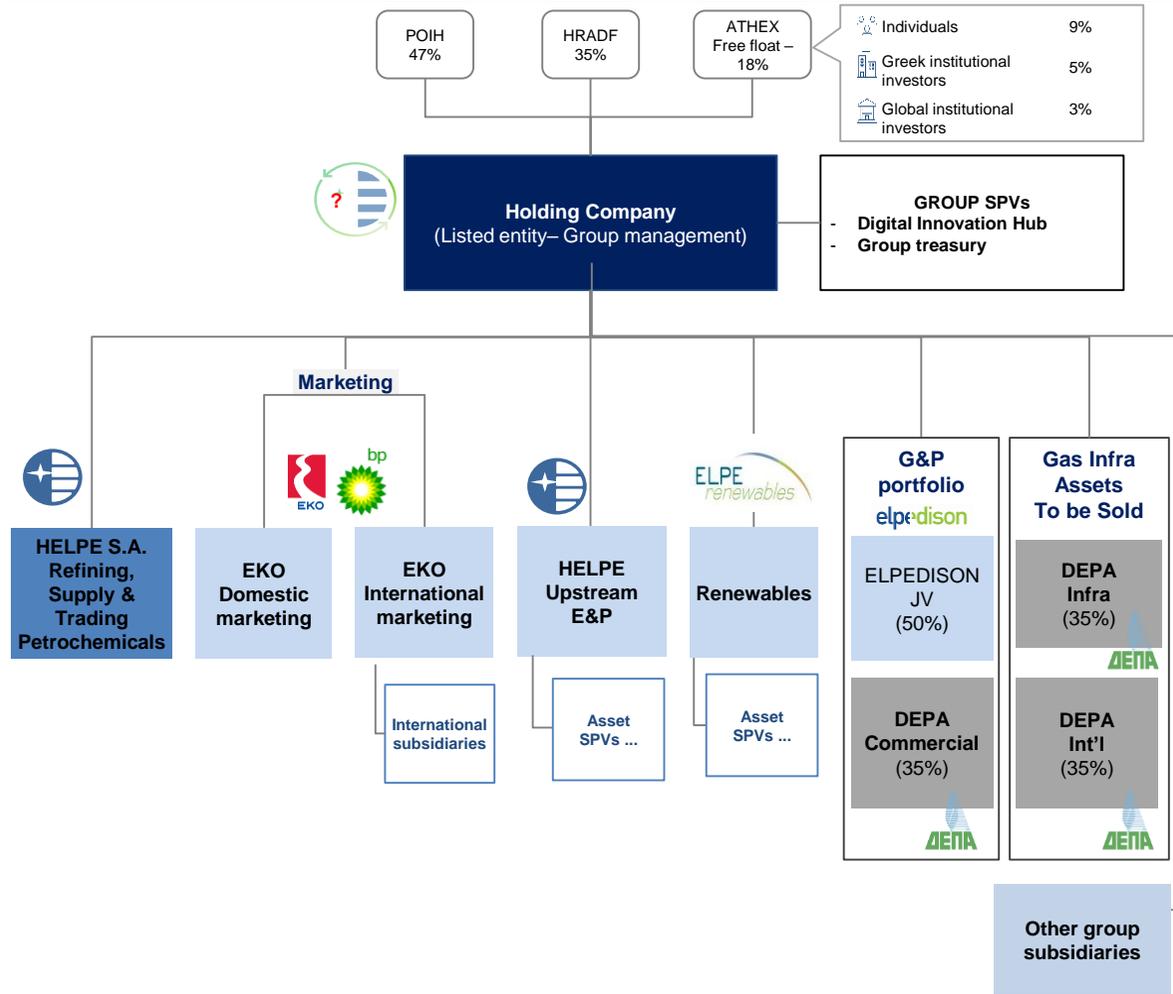
## Other improvements to corporate governance

Modifications to existing policies and adoption of new policies and procedures, namely:

- Update of operating regulation (κανονισμός λειτουργίας)
- Adoption of operating regulation (κανονισμός λειτουργίας) of significant subsidiaries
- Adoption of new policies/procedures of corporate governance
- Substantial upgrade of policies concerning conflicts of interest
- Update of internal control, risk management and compliance functions at Group level

# IV Evaluation and proposal on new Group Structure; fit-for-purpose for the new strategy

## New Group structure after the Hivedown



## Key benefits

- Increase portfolio value transparency
- Improve flexibility for growth
- Improve risk management through separated business units
- Allow tailored financing strategies for different businesses
- Optimize dividend capacity

# V Relaunch corporate identity and ESG agenda and improve public image of subsidiaries such as HELPE and EKO.

## What is our aim



- Create a **new** name, corporate identity and **image aligned with our new Vision**
- Create a **new sub-group brand in RES** asset play
- Maintain and update **the HelPe and EKO** trade names in their respective **existing business**
- Create **maximum transparency** in regards to our new direction and value proposition for all our Stakeholders

## What our New Identity will communicate



- An organization that retains and builds on its **strong legacy**
- A company that provides **low carbon emission** energy solutions
- A committed **integrated energy company** with strong customer focus
- A **flexible organization** with a clear value proposition

## What our Rebranding will include



- Launch of a **new company Logo and Name**
- Approach and **educate markets** and key stakeholders
- **Transformation of our corporate image** and effective communication to public at large

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## II Progress highlights



# Significant progress achieved across all pillars of Vision 2025

		Milestones
<b>I</b>	<b>GHG Emissions</b>	<ul style="list-style-type: none"> <li>Comprehensive approach embedded in our strategy ( e.g. RES offset, CCS projects, hydrogen) along specific action plan</li> </ul>
<b>II</b>	<b>New Energy</b>	<ul style="list-style-type: none"> <li>Completion of 204MW PV park in Kozani</li> <li>Acquisition of two new operational wind farms of 37MW</li> <li>0.3GW operational already by early 2022</li> <li>Consistent flow of projects/opportunities through additional pipeline of &gt;1.5GW in advanced stages</li> </ul>
	<b>Refining efficiencies</b>	<ul style="list-style-type: none"> <li>Ongoing digitalization of main refining operations</li> <li>Planning of large scale decarbonization plan at Elefsina refinery</li> <li>Energy efficiency upgrade projects</li> <li>Promotion of circular economy activities (new HVO unit, plastics recycling etc.)</li> </ul>
	<b>Portfolio</b>	<ul style="list-style-type: none"> <li>Onshore blocks returned to Greek state</li> <li>Exit from W. Patraikos block underway</li> <li>Monetized DEPA Infra position while DEPA Commercial under review</li> <li>Progressed investment planning for new CCGT (826MW) unit</li> </ul>
<b>III</b>	<b>Corporate governance</b>	<ul style="list-style-type: none"> <li>Updated appointment process for BoD members</li> <li>Overall upgrade of corporate governance across Group companies</li> </ul>
<b>IV</b>	<b>Fit-for-purpose corporate structure (via hive-down)</b>	<ul style="list-style-type: none"> <li>Hive-down to be completed by early 2022</li> <li>Communication with markets &amp; creditors (Banks, DCM) complete with approvals in place</li> </ul>
<b>V</b>	<b>Rebranding</b>	<ul style="list-style-type: none"> <li>New name, logo and corporate identity in line with Vision 2025</li> <li>Maintaining Helpe and EKO brands</li> </ul>

Note:

1. Refining, Supply, Trading & Petrochemicals

### III Hivedown timeline



# Hive-down timeline with target January 2022



29 Jul. '21

30 Sept. '21

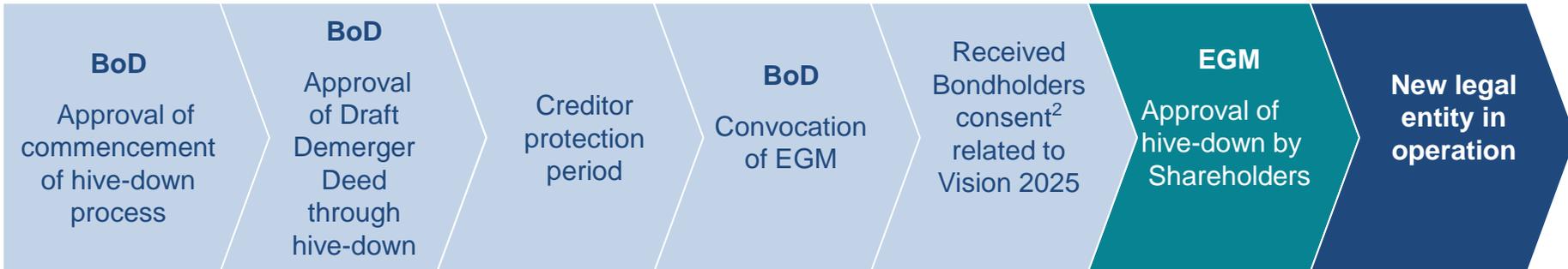
Oct. '21<sup>1</sup>

17 Nov. '21

24 Nov. '21

10 Dec. '21

Jan. '22



1 30 day period starting October 12th  
2. With overwhelming majority (99,6%)

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III Items for approval  
by EGM



# Four key topics related to the Hivedown for approval by today's EGM

It is proposed that the General Meeting of shareholders of the Company decides **on the approval of the following:**

- ① **Demerger of HELPE S.A.** via hive-down of the refining, supply & trading of petroleum products and of petrochemicals sectors through the **establishment of a new company**<sup>1</sup>
- ② **Draft Demerger Deed** of 30.9.2021, including the balance sheet of the hived-down sector as of 30.06.2021
- ③ **Articles of Association of the Beneficiary Company (OpCo)**, including the appointment of its first Board of Directors and of its statutory auditor
- ④ Amended **Articles of Association of the Demerged Company (HoldCo)** as a result of the hive-down of the refining, supply & trading of petroleum products and of petrochemicals sectors as well as the granting of authorizations to the company's management for the execution of necessary actions until the completion of the hivedown

<sup>1</sup> According the provisions of articles 57 and 59-74 of L.. 4601/2019 and article 52 of L. 4172/2013

# Key points of Articles of Association of the beneficiary (OpCo) and of the demerged (HoldCo) companies

Drafting of the **beneficiary's** (OpCo) **articles of association** in accordance with the provisions of L. 4548/2018, with the required adjustments for operational and governance considerations:

- **The BoD** of the Beneficiary (OpCo) will comprise of **7-13 members**, **2** of which will be elected **by the employees** and subsequently being proposed by the representative primary employees union for election by the GM, in accordance with the corresponding provisions of other Group companies

Necessary adjustments to the **Articles of Association of the demerged company (HoldCo)**:

- **Modification of name to «Hellenic Petroleum Holdings S.A.<sup>1</sup>»**
- **Modification of scope of business**, in order to align with the **new company's activities**, i.e. provision of administrative and support services
- Provision of ability to **delegate power and responsibilities of the BoD to employees** of Group companies, in order to provide the necessary flexibility for decision making purposes

<sup>1</sup> Interim name