

## Climate Policy

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*"We want to move forward where others stop, innovate and lead for the better. We want to make a difference.*

*This does not stop with our products and our technologies; it includes working toward a net zero society"*

Strohm is committed to its core values for a sustainable future: reducing the CO<sub>2</sub> footprint of pipelines around the globe, and providing solutions for hydrogen and carbon capture applications.

## Sustainability policy



### Climate Neutral Organization

Strohm is proud to be a Climate Neutral Certified organisation, as certified according to the Climate Neutral Certification Standard from the Climate Neutral Group (CNG).

We achieved compliance to the CNG standard to become a recognised Climate Neutral Organisation in 2020 by implementing an ESG strategy featuring key CO<sub>2</sub> reduction initiatives, including an accredited offsetting programme.

Through these efforts, we are making significant progress towards achieving our next goal, to reduce our products CO<sub>2</sub> footprint from a product life cycle point of view and invest in product development to support the energy transition.

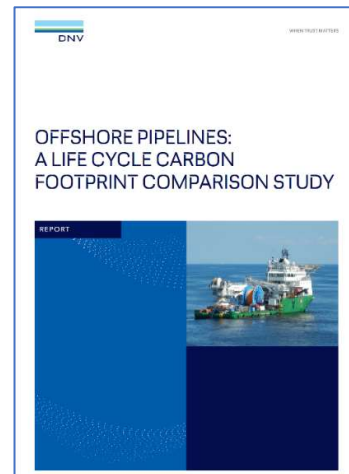
# Climate Policy

## Reduction ambition

### Reducing CO2 footprint of global pipeline infrastructures through TCP

As the global energy sector shifts its focus from fossil fuels to greener energy production, the industry is working hard to reduce its CO<sub>2</sub> footprint. Many of the major operators, especially International Oil Companies, are investing to reduce their footprint. Where some operators limit their focus to the scope that covers their own organization, some other leading operators are taking a step further to include the CO<sub>2</sub> footprint of their products' full life cycle, thereby targeting "net zero" carbon emissions. To support them realizing their ambitions, and contribute to a net zero future, we are reducing the CO<sub>2</sub> footprint relating to the life cycle of our TCP products: the first part of our Sustainability commitment.

We are doing this through their scope 3 of the greenhouse gas protocol, considering the full life cycle of TCP in the context of our product moving through the different stages involved: Ex-Works footprint, As-Installed footprint, and Life Cycle footprint. Results from a Joint Industry Project led by DNV has shown that, by moving away from using steel pipe towards using TCP, operators can reduce the Life Cycle footprint of a pipeline system by more than 50%. Where this study was based on one particular product, we will develop this work further to include all products and applications.



### Enabling the transition from fossil fuel to green energy

The second part of our Sustainability commitment, is that we see opportunities for TCP in the green hydrogen and CCUS (carbon capture, utilisation & storage) markets, where TCP has a perfect technological fit and a compelling business case.



We invest in product development for these applications, to enable our clients to develop their CCUS and H<sub>2</sub> projects quicker, at larger scale, and at lower cost and footprint. We believe that 2023 could be the first year where we deliver our first TCP solution for hydrogen and/or CCUS.

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### Moving upstream into our supply chain

The third part of our journey is to continue working on our supply chain in earnest. As most integrators, Strohm has a large variety of suppliers, large and small, that provide us with their products that we integrate into our products, or that we use elsewhere in our operations. Here in 2024 we will continue informing all of our suppliers that we will be asking them to provide us with insight into the CO2 footprint embedded in the products that they deliver to us (including transportation). In the course of the year 2024 we aim to have full insight into the CO2 footprint of the materials and products delivered to us; priority is with those materials that we use in our products for our customers.

Once we have developed the insight into the footprint embedded in our materials, we will work with and ask our suppliers to develop their plans on how they intend to reduce their footprint and implement the Paris accords. In order to achieve results quickly we will focus on the largest suppliers from a CO2 perspective.

## Internal GHG emissions reduction plan

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*In 2021, Strohm's CEO made the pledge to reduce our CO2 emissions by 55% by 2030\*.*

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Today the company is in a scale-up phase with expansions planned in the short and medium term. We have implemented measures to reduce the footprint associated with the organization's activities as outlined below. Our next step is to further engage with our suppliers as well to map out the full scope of the footprint related to the product and their supply chains, and to start reducing that footprint as well.

### Annual reduction target

#### Short term:

Offsetting projects - completed ✓

Reduction of Scope 3 emissions by approx. 60% – completed ✓

#### Medium term:

Switching to 100% green electricity and sustainable gas (certified) in 2021 – completed ✓

Switching to 100% green electricity and sustainable gas (certified) in 2022 – completed ✓

-40% of the company emissions by 2022 – completed ✓

#### Long term:

-55% CO2eq (compared to original baseline) by 2030 – **on track**

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GHG Reduction Plan	
SUMMARY	REDUCTION TARGET
<b>Short-term (&lt;1 yr)</b> - Become climate neutral as organization; Offsetting program started - Inventarize CO2 emission reduction potentials - Reduction of travel km's induced by COVID-19 restrictions	0 - 10%
<b>Medium-term (1-3 yr)</b> - Execute 'quick-wins' in reduction measures and 'easy' preventive actions - Change to sustainable energy supply of electricity and gas	40 - 70 %
<b>Long-term (&gt; 4 yr)</b> - Execute long-term reduction actions and initiatives	0 - 20%

Martin van Onna  
 CEO Strohm



\* Interim reduction target is increased from 49% to 55%. Originally the Dutch "Klimaatakkoord" prescribed an interim reduction target of 49% which shall be achieved in 2030, compared to original baseline of the organization. In July 2023 Dutch Government has adopted a new climate law which prescribes a stricter reduction target for 2030 of 55%. In period 2030-2050 a further reduction of 45% shall be achieved.