



wintershall dea

Kassel/Hamburg, February 2023

Information on questions related to economic sanctions

Dear Suppliers, Customers and Partners,

The ongoing, unjustifiable Russian war of aggression against Ukraine continues to make millions of people in Ukraine endure a humanitarian crisis. Our thoughts remain with them.

The dynamically developing framework of restrictive measures including unprecedented economic sanctions imposed by the European Union and its allies against Russia as well as Russian countersanctions continue to make questions arise in our business relationships, which we would like to address with this information letter.

We would like to emphasise that Wintershall Dea AG and its affiliates are not sanctioned, neither directly nor by operation of law. Wintershall Dea AG and its affiliates comply with all applicable laws and all sanctions imposed. We are constantly monitoring the sanctions developments and will continue to comply with such as required. This means in particular:

1. We do not make any payments to sanctioned persons or entities

Wintershall Dea AG has established a comprehensive Compliance Management System and strictly adheres to all applicable laws and sanctions imposed. This includes that the company will not make any payments to sanctioned persons or to entities which are sanctioned or controlled by sanctioned persons. If we do not have sufficient certainty of the sanctions' status at the time a payment will become due, we will either make the payment to an escrow account or withhold it.

2. There is no control by sanctioned persons or entities on Wintershall Dea AG

Shareholders of Wintershall Dea AG are BASF Handels- und Exportgesellschaft mbH, a wholly owned subsidiary of BASF SE (72.7 per cent. of the ordinary shares) and L1 Energy Capital Management Services S. à r. l., a wholly owned subsidiary of Letterone Holdings S. A. (27.3 per cent. of the ordinary shares). Each share grants one vote in the General Meeting (one-share-one-vote-principle). Resolutions are passed with simple majority, unless a higher majority is required by law (such as e. g. for amendments to the articles of association or capital measures).

Shareholders of Letterone Holdings S. A. are *i. a.* Mikhail Fridman and Petr Aven, who are currently sanctioned by virtue of Regulation (EU) 269/2014. None of the sanctioned shareholders of Letterone Holdings S. A., neither individually nor cumulatively, can be said to own or control, neither directly nor indirectly through Letterone, the activities or assets of Wintershall Dea AG according to the EU and UK sanctions regime. The sanctioned shareholders of Letterone do not hold any rights—through Letterone or

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Board of Executive Directors:
Mario Mehren (Chairman)
Dawn Summers
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wintershall dea

Kassel/Hamburg, February 2023
Page 2 of 4

otherwise—in connection with Wintershall Dea AG. Moreover, Letterone has established and demonstrated measures and controls to effectively prevent violations of applicable sanctions laws such as *i. a.* payments to sanctioned persons. Under these circumstances, there are no restrictions under sanctions law for business relations with L1 Energy Capital Management Services S. ä r. l.; in particular, the company is not covered by the prohibition of making funds available under sanctions law. In general, this legal opinion was also confirmed to us by *Deutsche Bundesbank*.

On 15 March 2022, German Khan and Alexey Kuzmichev, who are also sanctioned by virtue of Regulation (EU) 269/2014, have sold their shares in Letterone Holdings S. A. Furthermore, German Khan resigned from the Supervisory Board of Wintershall Dea AG on 15 March 2022 (*cf.* the list of Supervisory Board members published on our [website](#)) so that there is no sanctioned person active in any of Wintershall Dea's governing bodies.

3. Wintershall Dea will exit Russia

Wintershall Dea AG still holds shares in three Russian gas production projects based on respective agreements entered into before 24 February 2022. Since the very start of the war, Wintershall Dea AG has committed to stop investments into these projects. In January 2023, Wintershall Dea Supervisory Board approved a principle decision by the Management Board to exit Russia. As a consequence, Wintershall Dea intends to fully exit Russia in an orderly manner complying with all applicable laws and regulations. Continuing to operate in Russia is not tenable. Russia's war of aggression in Ukraine is incompatible with our values and has destroyed co-operation between Russia and Europe.

4. Our European Joint Ventures with Gazprom are not affected by EU sanctions

In Europe, Wintershall Dea AG is partner in two joint ventures with entities of PJSC Gazprom: Wintershall Noordzee B. V. and Wintershall AG. None of these joint ventures are affected by European sanctions.

Wintershall Noordzee B. V. is our joint venture with International Limited Liability Company Gazprom International Limited (an affiliate of PJSC Gazprom) active in the southern North Sea; both shareholders hold 50 per cent. each of the shares. Wintershall AG is our joint venture with International Limited Liability Company Gazprom International Limited (an affiliate of PJSC Gazprom) active onshore in Libya. Wintershall Dea AG holds 51 per cent. of the shares.



wintershall dea

Kassel/Hamburg, February 2023
Page 3 of 4

5. Wintershall Dea remains a stable and reliable partner

In 2022, Wintershall Dea AG delivered stable financial results underpinned by continued good operational performance and macro tailwinds. The strong credit profile was reflected by Moody's confirmation of Baa2 rating with stable outlook as well as by Fitch confirmation of BBB rating as well with stable outlook. For more information, please visit our [website](#).

Also, the 9th EU sanctions package, which recently came into force, by no means prohibits contracting parties from concluding contracts with Wintershall Dea AG or any of its subsidiaries.

We recognize the value our partners, customers, suppliers and contractors bring to our company and we cherish these relationships. Looking forward to continue the trustful business relationship with you. We remain at your disposal for any inquires you may have.

Yours sincerely,

Wintershall Dea AG



Mehren



Smith



wintershall dea

Kassel/Hamburg, February 2023

Page 4 of 4

About Wintershall Dea

Wintershall Dea is Europe's leading independent natural gas and oil company with more than 120 years of experience as an operator and project partner along the entire E&P value chain. The company with German roots and headquarters in Kassel and Hamburg explores for and produces gas and oil in 12 countries worldwide in an efficient and responsible manner. With activities in Europe, Latin America, the MENA region (Middle East & North Africa) and Russia, Wintershall Dea has a global upstream portfolio and, with its participation in natural gas transport, is also active in the midstream business. The company intends to fully exit Russia. More in our [Annual Report](#).

As a European gas and oil company, we support the EU's 2050 carbon neutrality target. As our contribution we have set ourselves ambitious targets: We want to be net zero across our entire upstream operations – both operated and non-operated – by 2030. This includes Scope 1 (direct) and Scope 2 (indirect) greenhouse gas emissions on an equity share basis. Wintershall Dea will also bring its methane emissions intensity below 0.1 per cent by 2025 and maintain zero routine flaring of associated gas in its operations. In addition, we plan to reduce emissions resulting from the use of hydrocarbons by applying CCS and low-carbon hydrogen technologies, potentially building up a business abating 20-30 million tonnes of CO₂ per annum by 2040. You can find more about this in our [Sustainability Report](#).

Wintershall Dea was formed from the merger of Wintershall Holding GmbH and DEA Deutsche Erdoel AG, in 2019. Today, the company employs around 2,500 people worldwide from almost 60 nations.