ENEXIS
HOLDING N.V.

Annual Report 2024

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Foreword by the Executive Board

In 2024 Enexis expanded grid capacity significantly, maintained high reliability, signed numerous flexible contracts with large business customers, and welcomed many new colleagues to our team. These are great achievements – but they are not enough. The energy transition continues to place growing demands on us, and our customers still are not seeing the full effect of our efforts.

Once again, demand for electricity from businesses and households is growing faster than we can build. The same was true in 2023. Our waiting lists are getting longer, not shorter. That is why we have refined our strategy to accelerate the expansion and upgrading of our electricity grid. The energy transition also calls for a broader role: moving from a grid operator with a limited remit to an organisation that actively collaborates with partners to design and build a future-proof energy system.

As a grid operator, we advise partners – such as the Ministry of Climate Policy and Green Growth, provinces, municipalities and the Netherlands Authority for Consumers and Markets (ACM) – on building a future-proof energy system. We help them understand the impact of their decisions. We also bring important issues to the table, such as how, in addition to green energy, sustainable molecules and collective heating are also crucial to the energy transition. Working with these different stakeholders is improving all the time. Our focus remains on achieving a CO_2-free and independent energy system by 2050. Naturally, interests sometimes clash – shaping the energy transition is a complex process. But Enexis, the municipalities and the provinces all benefit from this partnership, which is informed in part by the insights of neighbouring regions and provinces.

PERSISTENT BOTTLENECKS

Our biggest challenge in 2024 and the years to come is to build, build, build. In 2024, as planned we invested €1.5 billion in our largest-ever work package to strengthen and expand our grid. To speed things up, we are pushing ourselves to the limit to tackle persistent bottlenecks, such as the shortage of technical employees. Although we recruited more technical staff than expected last year, we still face a shortage. That is why we are doing everything possible to attract and retain talent, for example with good working conditions, development opportunities and a pleasant working environment..

The acquisition of the land and permits needed to expand and strengthen our network is also moving too slowly. We will need significantly more land in the coming years, but zoning and permit procedures continue to cause delays. To address this problem, we are working closely with municipalities and provinces. We have also raised these concerns with the government in The Hague.

REAPING THE REWARDS

We are excited about the seeds we planted earlier that bore fruit in 2024. One example is the neighbourhood approach. After the first experiences with the neighbourhood approach in 2023, we also expanded the Proactive Investments in Low-Voltage (PILV) project, in which we upgraded the low-voltage grids in a neighbourhood all at once. We are working closely with municipalities and contractors, to whom we are outsourcing more and more of the work. Together, we are building neighbourhood substations to meet the growing demand for electricity.

In 2025, we will execute the neighbourhood approach more widely, implementing more ideas for outsourcing large work packages and a wider range of flexible solutions. We are constantly exploring and developing new solutions to existing problems. For example, we are enthusiastic about the development of the bending tool that allows us to bend increasingly thicker cables more easily: good for the ergonomics and well-being of the technicians and it can speed up the work. Another example is the new contract forms for companies to facilitate flexible energy consumption.

The use of Artificial Intelligence enables us to do our work more effectively and efficiently. For example, with AI we detect unsafe situations in the grid and we have a better understanding of what the condition of our assets is. We educate Enexis employees as best we can about the opportunities and responsible use of AI.

SOCIALLY SIGNIFICANT REQUESTS

How much do our customers notice of all the work we do? Sadly, not enough. The reality is that we cannot resolve the grid shortage in the short term. Our work takes time, and TenneT also needs to expand the high-voltage grid. For now, we do not have enough grid capacity to eliminate the waiting lists. In the near future, households may also feel this impact – for example, when upgrading their connection for a heat pump or charging station. We understand how frustrating this can be. Transparency is a top priority for us, as it is for other grid operators. That is why we provide insight into local grid congestion through the capacity map.

We are therefore pleased that, since 2024, two key tools have been helping us prioritise socially relevant organisations on the waiting list. The ACM prioritisation framework will allow us to prioritise schools, hospitals and other social projects. We will use the pMIEK (Provincial Multi-Year Program for Infrastructure, Energy and Climate) and the provincial energy strategies to clarify which significant projects should come first. These priorities are determined in collaboration with the provinces.

DATA USE AND BEHAVIOURAL CHANGE

Expanding the electricity grid is a massive undertaking and one of the most extensive upgrades the Netherlands has seen in decades. But more is needed. Businesses and households must also use energy more efficiently to help ease grid shortages. We are installing sensors that provide real-time insights into grid capacity. This data makes it possible to manage energy consumption better and use the grid more efficiently: we want to help our customers get started and give them control over their energy bills. Think of the matrix signs on the motorway that prevent traffic jams, or the *Van A naar Beter* ('From A to Better') app that helps travelers navigate obstacles. While data-driven solutions hold great promise, they also come with cybersecurity risks, which we address with utmost care.

Another way to optimise grid capacity is through flexible contracts. To make better use of the grid, we urgently need the cooperation of high-volume electricity consumers. In 2024, we gained valuable experience with BlokStroom, the Capacity Limitation Contract and the Group Transmission Agreement. Until now, these 'flex' contracts have been tailored to individual cases, but we are now standardising them to streamline the process. By clarifying the benefits of flex contracts, we aim to encourage more large consumers to adopt them in 2025 – helping both themselves and other customers by making the most of the available grid capacity. In 2025, we will also prepare our IT systems to handle a growing number of flex contracts.

SAFETY AND OUTAGES

To maximise capacity, we are pushing our network to its limits. This allows us to help as many customers as possible to get a (stronger) connection, but it also puts increasing strain on our assets. Unfortunately, this means more outages are inevitable. Our network is reliable 99.99% of the time. However, in 2024 we saw the number of downtime minutes increase to 22,5 minutes, compared to 17.9 minutes in 2023, partly due to the higher load on our grids. Despite this, reliability remains exceptionally high. We know that reliability is crucial to the day-to-day running of our society, and maintaining a high level of reliability is a top priority.

Safety is our highest priority – not just for our employees but also for bystanders and residents. Every accident is one too many. By the end of 2024, we reached level 4 on the safety culture ladder for our business unit Operations, a milestone we are proud of. At the same time, we are concerned. Serious incidents increased in 2024, and our LTIF safety score declined to 1.1, compared to 0.6 in 2023. While Enexis' score remains close to target, contractor safety performance exceeded the target. So we cannot rest on our laurels but continue to improve safety, for ourselves and our contractors: we want to offer everyone a safe working environment. Not only physically but also socially and in the field of cybersecurity.

FINANCING AND AFFORDABILITY

Enexis is financially healthy, but is structurally cash flow negative due to the growing investment task. Last year we spent approximately €1.5 million more per day on the energy transition than we received through the rates. Just as in recent years and expected in the coming years. This puts pressure on our financial position. In order to continue investing, we successfully issued our fourth green bond last year. This has once again enabled us to attract a broad group of sustainable investors. We monitor our financial stability and creditworthiness as best as possible. We appreciate the support we receive from our shareholders. This is important to be able to continue to borrow sufficient money for our investments.

In 2024 we achieved a net profit of €254 million. Compared to 2023, this means an increase in profit of €182 million. This increase is mainly the result of increased turnover due to rate increases. In 2024, the rates that Enexis charges its customers are better in balance with costs than in 2023.

We are committed to promoting socially optimal choices, such as the use of green gas, to avoid unnecessary investment in our electricity network. We are also keeping our own costs as low as possible, for example through digitalisation. We are also in discussions with ACM about the regulatory framework that determines how much we can invest to fulfil our role correctly. Rising energy tariffs could put public support for the energy transition at risk. Tariffs increased in 2024 and will rise again in 2025. The affordability of the energy transition is a major concern for us. That is why, as a sector, we have submitted a proposal to ACM for a new tariff model that encourages customers to use the grid as much as possible when capacity is most available.

SUSTAINABILITY STATEMENT

In this annual report, Enexis has included Sustainability Statements in accordance with the CSRD guidelines for the first time. The realization was an intensive and organization-wide project with which we anticipate the implementation of the CSRD in Dutch legislation and regulations. We consciously chose that. The Sustainability Statement helps the organization to gain insight into its sustainable impact and to improve it in the future. It also helps Enexis to define its sustainability goals more clearly and to report transparently on their realization in the future. We also expect the statements to support our stakeholders in making well-considered decisions. This year we are taking a first big step, and we want to further improve the quality and content in the coming years.

KEEP BUILDING

Finally, an optimistic look ahead. We know that major steps are still needed, and we are continuously looking for ways to do it better, smarter and faster. A constructive relationship with our shareholders and participation is of great value, as is cooperation with other grid operators and Netbeheer Nederland. Only by working together can we realize a future-proof energy system.

We want to take this opportunity to express our gratitude to all our colleagues and partners who bring so much energy and passion to their work every day. Their efforts make a real difference. If you see our vans on the road or our teams at work, know that we are building toward a future-proof, affordable and reliable energy system for everyone.

Executive Board Enexis Holding N.V.

Rutger van der Leeuw

Mariëlle Vogt

Han Slootweg

Jeroen Sanders

2024 in figures

Key figures

Gas grid

2,269,000 connections

46,100 km | 4,229 Mm³

Electricity grid

2,997,000 connections

147,700 km | 33 TWh

Outage time electricity[1]
In minutes

22.5 +13%

2024	22.5
2023	20.0

Outage time gas
In seconds

56 -59%

2024	56
2023	137

Work package
In millions of euros

1,486 +22%

2024	1,486
2023	1,214

Revenue
In millions of euros

2,596 +29%

2024	2,596
2023	2,014

Profit for the year
In millions of euros

254 +253%

2024	254
2023	72

Cash flow from operational activities and investments in (in)tangible fixed assets
In millions of euros

-567 -10%

2024	-567
2023	-516

Balance sheet total
In millions of euros

11,487 +10%

2024	11,487
2023	10,460

Installed renewable energy capacity
In megawatt

14,200 +10%

2024	14,200
2023	12,900

Number of connections feeding energy back into the grid
In numbers

1,185,807 +10%

2024	1,185,807
2023	1,078,675

Workforce Enexis
In numbers

5,981 +9%

2024	5,981
2023	5,490

LTIF Enexis
Accident frequency per one million hours worked

1.1 +83%

2024	1.1
2023	0.6

LTIF contractors
Accident frequency per one million hours worked

2.2 +29%

2024	2.2
2023	1.7

1 The reliability of our electricity grid was 99.996%.

2024 at a glance

BOOSTING GREEN GAS FOR A SUSTAINABLE FUTURE

Green gas plays a vital role in a future-proof energy system. In September in Wijster, Enexis commissioned the first of 20 green gas boosters. Thanks to this booster in Eursinge, we transmit an additional two million cubic metres of green gas every year to approximately 1,600 households. After this first booster in our gas network, more will follow, including between our and Gasunie's networks.

ACQUISITION OF 76,000 KILOMETRES OF CABLE

Over the next 12 years, Enexis will lay more than 76,000 kilometres of thick power cables to expand the electricity grid in the provinces of Groningen, Drenthe, Overijssel, Noord-Brabant and Limburg. This will involve more than 40,000 kilometres of medium-voltage cables and more than 36,000 kilometres of low-voltage cables, which will be needed to strengthen and expand the power grids in neighbourhoods. Enexis is increasing the number of cable suppliers from three to eight to enable the expansion. This is the result of a €2.3 billion tender. By pricing CO_2 in the tender, we have concluded contracts with suppliers that deliver more circular products.

CABLE ROUTE EXPLORER SELECTS THE FASTEST AND SHORTEST ROUTE

Last year, Enexis introduced the Cable Route Explorer. This innovative software tool helps our engineers determine the optimal underground route for medium-voltage cables. Much like Google Maps, this tool takes into account complex conditions above and below ground, such as existing cables, type of road surface, trees or public/private land. The tool speeds up the design phase by at least 50%. Over the next few years, 260 km^2 to 330 km^2 of underground space in the Netherlands will be used to strengthen our infrastructure. Currently, engineers mainly map the risks for cable routes manually, which is time-consuming. The Cable Route Explorer will make this a thing of the past. Its recommendations prioritise the fastest, shortest and least risky routes.

STANDARD DESIGN FOR ELECTRICITY SUBSTATIONS

The construction of the new HV/MV substation in Musselkanaal marks an important step in our new approach: Enexis and TenneT are adopting a modular approach and using standardised designs for electricity substations. This allows us to strengthen and expand our energy grid more sustainably, quickly and efficiently. The new substation will add 360 MW of capacity and is specifically designed to serve large generators in the region, such as solar farms. It is expected to be operational by 2027. By 2030, we will build similar substations at five other locations.

A BIGGER ROLE FOR CONTRACTORS

To speed up the energy transition and executing more work, Enexis has set up proactive investment projects for low-voltage and medium-voltage production lines (PILV and PIMV) alongside its regular operations. The aim of the method is to achieve greater uniformity and efficiency in cooperation with contractors, whereby the capacity of the contractor is used to the maximum and thus contribute to maximum production growth. One example of a PIMV project is the collaboration between Enexis, the municipality of Oss and contractors. In Oss, we are working hard to expand the medium-voltage network. We are laying 50 kilometres of medium-voltage cables and building three new distribution substations. This will provide residents and businesses with a future-proof infrastructure.

Contractors play a key role in this process. Indeed, we are making them real partners in this joint effort. For the contractor, this means a bigger role and responsibility in terms of preparation, engineering, execution and drafting. Enexis will have more of a coordinating role.

EXPANDING OUR LOW-VOLTAGE PRODUCTION LINES

How can we significantly expand our low-voltage grids in a proactive and neighbourhood-focused way? That was the aim of the PILV project: Proactive Investments in Low-Voltage production lines. As part of the project, we created a new low-voltage production line to implement the comprehensive PILV work package in practice. Since the summer of 2024, the work package has been scaled up and officially transitioned to our North and South Low-Voltage Production Lines. Contractors play a key role in this process: Enexis will coordinate, while the contractors will do most of the physical work.

THE ‘MY POWER GRID, YOUR POWER GRID’ AND ‘FULL OF ENERGY’ CAMPAIGNS

What is Enexis doing to tackle grid congestion? What can companies do themselves, and what can we do together? That is the focus of our ‘My power grid, your power grid’ campaign. Research shows that many of our business customers are not fully aware of the substantial impact that grid congestion has – or will have – on their business or organisation. Many business owners are still too optimistic and are taking a wait-and-see approach. But tackling congestion requires everyone’s effort, including our customers. They also have a role to play by adjusting their behaviour, using capacity more flexibly and being mindful of their energy consumption. It starts by recognising that we need to look at our grid differently. After all, it belongs to all of us!

We also want to raise consumer awareness about the energy transition. In early January, we launched our largest-ever consumer campaign: ‘Full of energy’. It shows, through the eyes of our engineers, what is happening in the energy transition, what our role is as grid operators and what consumers can do to make the most of the grid.

REDUCING PEAK LOADS AT SAPPI

Maastricht paper producer Sappi and Enexis entered into a unique flexible contract last year. During periods of peak demand on the grid, Sappi reduces the factory’s peak load. This helps the company avoid overloading the Limburg electricity grid and creates space on the grid for other customers. In total, Sappi is providing 24 MW of flexible power. This is by far the largest flex contract by an industrial customer in the Netherlands and a great example of our ambition to make the market more flexible.

FLEXIBLE CONTRACT FOR SOLAR PARK IN GRONINGEN...

Novar, a Groningen-based developer of large-scale renewable energy projects, signed a first Mandatory Bidding Contract with Enexis for its solar park in the north-east of Groningen. This means that starting 2024 Novar will temporarily adjust its energy supply if there is a risk that the electricity grid will be overloaded. In return, the company receives financial compensation. This is the first contract with firm agreements to provide flexible energy on the dedicated GOPACS platform. This approach helps to solve the capacity bottleneck in our Groningen grid.

...AND IN NOORD-BRABANT

Last year, we also signed a flexible contract with Starkraft and Scholt Energy for the Wilbertoor solar park in the Land van Cuijk. The solar park in the province of Noord-Brabant provides almost 6 MW of flexible power and helps Enexis ease the strain on the electricity grid. At peak times, the two companies feed less electricity back into the grid, allowing us to make better use of the scarce capacity.

ENERGY HUB AT THE KEMPEN BUSINESS PARK

Eighteen companies at Kempen Business Park in Bladel set up an energy hub in 2024: they will share their sustainably produced energy via a local energy system that regulates distribution and payment. To this end, the companies have signed an agreement with Enexis, the municipality of Bladel and the province of Noord-Brabant. Enexis supports the pilot project by providing data and introducing a new type of contract.

MIJNWATER HEERLEN IN OPERATION

On 4 July, MijnWater officially opened a new geothermal heat source and an extension to the main pipeline network in Heerlen. This is MijnWater's third heat source in the city, which extracts hot groundwater from the former mine galleries at a depth of 690 metres. The extracted water is used to heat buildings and homes connected to the MijnWater network. The new pipeline network extends over 3,700 metres, increasing the system's capacity. MijnWater is a model project for heat transfer in the Netherlands. With this new source and network backbone, we are taking another important step towards a more sustainable regional energy supply. As a network company, we take an integrated approach to the energy system, and a heat grid like MijnWater helps to relieve pressure on the electricity grid.

FASTNED EASES PRESSURE ON THE GRID

Fastned and Enexis entered into a partnership last year to reduce the pressure on the electricity grid. During peak times on the electricity grid – which are not the busiest times at Fastned's fast charging stations – Fastned reduces its peak load by an average of 25%. This helps to avoid overloading the electricity grid in the areas concerned. Fastned's customers will hardly notice this at the fast-charging stations – they can continue to charge at the same speed. For now, the cooperation only applies to the fast charging stations in Holten, Veldhoven and Rosmalen. If the trial proves successful, the possibility of extending the partnership will be considered.

SOCIETAL PRIORITISATION BEGINS

Our electricity grids are full for large business customers in almost our entire service area. Companies requesting additional contracted capacity must be placed on a waiting list. However, as of 1 October, businesses and institutions with a societal function are eligible for a higher position on the waiting list for transmission capacity. This is the state on which the Authority for Consumers and Markets' (ACM) prioritisation framework came into force.

ACM has determined which sectors are eligible for priority. These applications free up capacity on the grid for other customers (so-called congestion relievers) or customers with an important societal function – such as the police, water authorities, acute health care or education. Of course, this priority is only relevant when transmission capacity becomes available again.

LEARNING FROM WATERSTOFWIJK WAGENBORGEN

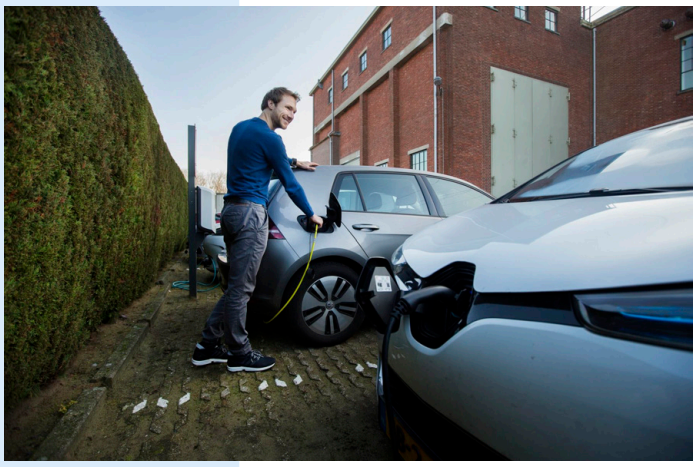
In the hydrogen neighbourhood pilot project, WaterstofWijk Wagenborgen, 33 houses have been heated with hydrogen since April 2024. Enexis is learning a lot from the project, particularly about engaging residents, building a sustainable hydrogen chain and achieving goals in a complex stakeholder landscape. This experience provides Enexis with a clear direction for the future and helps other projects get off the ground more quickly and effectively. Our vision is to prioritise the use of available green hydrogen in industry. Through this pilot project, we are also gaining valuable experience in hydrogen distribution to businesses.

MEGABATTERIES IN WANNEPERVEEN

Grid operators face a significant challenge: how do we connect large batteries to an already full grid in a way that prevents congestion and actually helps alleviate it? Last year, we connected a PowerField battery installation to the grid, despite no available capacity. In fact, this 52 MWh battery system allowed PowerField to 'give back' grid capacity. Enexis made that available to other customers. The batteries are next to a large solar park owned by PowerField. Excess solar energy is stored in the batteries when pressure on the local grid is high. Later, when sunlight is weaker, the stored electricity can still be fed into the grid. PowerField and Enexis have agreed on when and how the battery can be used in a time-limited transmission contract.

GRID-AWARE HOME-CHARGING PILOT PROJECT

In the autumn, Enexis, Liander and charging providers ANWB, Vattenfall and Eneco eMobility launched the 'Grid-aware home-charging' pilot project. The aim is to encourage consumers to align their home charging with the available capacity in the local electricity grid. By optimising grid usage, we can stay within capacity limits. Consumers also benefit by adapting their charging behaviour. Through this pilot, the participating organisations are working together to understand what is needed to encourage customers to charge their cars outside peak hours in a customer-friendly way.



A GARDEN FOR HANDS-ON TRAINING

In September, Enexis opened the new Measurement Garden. This is a simulated neighbourhood at our site in Zwolle. The Measurement Garden is the initiative of a colleague and was built over eight months as a training facility for our measurement technicians. Here, they can practice troubleshooting in medium-voltage, low-voltage and public lighting networks. The Measurement Garden provides a safe and dynamic learning environment where technicians can expand their knowledge and develop their measurement skills. We can simulate all types of outages, making this the perfect place to gain hands-on experience with different measurement methods and types of outages. A unique aspect of this initiative is that employees in different roles can train here, such as mechanics, as well as new and experienced technicians.

PREMIERE: TALENT RECRUITMENT FILM

Our brand-new recruitment film, 'With energy, anything is possible', premiered in October. The film shows how we make a difference together and why Enexis is the place to be for technicians, IT professionals and other talented individuals. The film highlights Enexis' societal role and the vital importance of energy in our customers' lives and the economy, from keeping hospitals running to powering your child's bedside lamp. The film also gives potential colleagues an idea of who we are as a company. It covers topics such as diversity, innovation, the freedom to experiment and making a societal impact.

ELECTRIC TRUCK PILOT PROJECT

We are running a pilot project with electric trucks (e-trucks) with our supplier Oegema Transport to better prepare for making our logistics operations more sustainable. Over the course of a year, we will gain experience with electric transport in our logistics operations. Key questions include: what is the range in relation to the weight being transported? How does a trailer loaded with full reels compare to one carrying plastic pipes? Should we factor in charging breaks along our routes? What are the costs? Reducing CO_2 emissions with electric trucks is obviously a positive step, but it must also be practical and align with increasing production and demand for materials.

EXPANDING INTO PROTECTED AREAS

We are rapidly expanding our grids, including near vulnerable nature reserves such as Natura 2000 sites. In Lemele (Overijssel), Enexis, the water company Vitens and BAM Energie & Water have launched a pilot project using only electrical equipment to achieve zero emissions. Vitens is replacing a drinking water pipeline, and we are upgrading several medium-voltage cables and connections. The work is taking place at the foot of the Lemelerberg, near a Natura 2000 site. As a result, we have to adhere to strict nitrogen regulations.

MORE INVESTMENT THANKS TO FOURTH GREEN BOND

Enexis has successfully issued its fourth green bond, raising €500 million and securing the commitment of a new group of investors. The bond, which issued on 30 May 2024, has a 12-year term and a 3.50% coupon. As with our previous green bonds, we will invest the proceeds in projects that support a more sustainable energy grid. These include grid expansions for wind and solar parks, distribution automation and smart meters.

We are Enexis

With nearly 6,000 internal colleagues and over 1,500 external employees, we work day and night to keep energy flowing safely and reliably through our grids. An increasing share of the energy we deliver – and that our customers feed back into the grid – is renewable.

Enexis is a regional grid operator. Our most important task is to ensure that electricity and gas reach the right places safely and reliably: three million homes and businesses in the provinces of Groningen, Drenthe, Overijssel, Limburg and Noord-Brabant.

Building on this core responsibility, we work with governments, businesses and households to drive the energy transition in our service area. We believe it is important to work together to build a sustainable energy system. Everyone contributes in their own way – whether by making homes more sustainable, developing wind and solar parks, or investing in electric transport and sustainable industry. Our energy grids are the backbone of this transition, laying the foundations for a CO_2-neutral society by 2050.

What is the energy system of the future?

An energy system is a network that connects the production, storage, transmission and consumption of energy. The energy system of the future must do this in a sustainable, reliable, affordable and universally accessible way. The Dutch energy system must be CO_2-neutral by 2050 at the latest, at which point it must no longer have a negative impact on the climate. This goal was agreed upon by the government, businesses and civil society organisations in the Dutch Climate Agreement. Achieving this requires a shift to renewable energy sources such as green gas, hydrogen, heat grids, and electricity from the sun and wind, as well as a more flexible coordination of energy supply and demand. Stopping reliance on natural gas and increasing local energy production will also make the Netherlands less dependent on other countries for our energy supply.

A lot of preparation is needed now to ensure that the energy system is CO_2-neutral by 2050 and that CO_2 emissions in 2030 are 55% lower than in 1990, as stipulated in the Climate Act. Enexis, for example, must decide how and when to upgrade or expand our grids. This is challenging, as we cannot predict precisely what decisions governments, businesses and households will make in the coming years – or how the energy system will evolve. Timely decisions on where and when to build new electricity, gas and heat infrastructure are critical. That is why we want national, regional and local governments to make socially optimal decisions. It is essential that the future system is reliable, affordable and accessible to our customers.

SAFETY IS OUR TOP PRIORITY

Transmitting electricity and gas and working on our grids comes with inherent risks for both the environment and our employees. That is why safety is at the core of everything we do. To prevent incidents, we closely monitor activity in our grids. We also adhere to strict safety standards and take precautionary measures to minimise risks to our employees and the environment. We do this not only for physical security, but also socially and in the field of cybersecurity.

OUR ORGANISATION

Enexis Holding N.V. consists of various business units, each with its own area of focus. The organisation is led by the Executive Board. Our shareholders are the provinces and municipalities in our service area.

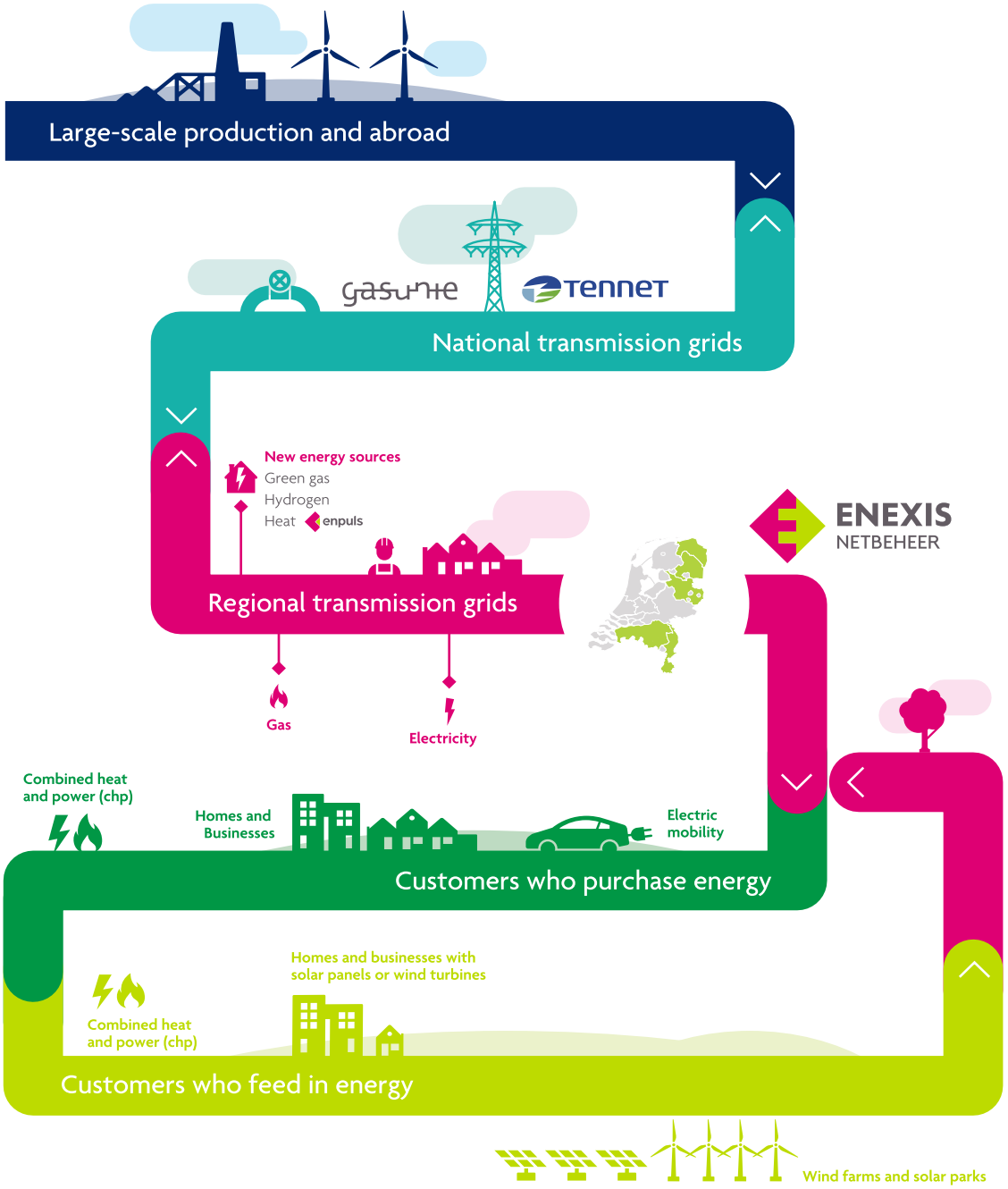
We focus on the efficient execution of our core tasks, which include:

- Connecting customers in our service area to our energy grids as quickly as possible.
- Maintaining, upgrading and replacing these grids and resolving outrages.
- Expanding the transmission capacity of the grids.
- Working with provinces, municipalities, businesses and other stakeholders to make socially responsible energy choices that balance reliability, affordability, feasibility and support. We help shape and design the energy system of the future.
- Ensuring that switching energy suppliers and managing energy flows run smoothly for customers and market players.

Our business unit, Enpuls Warmte Infra, focuses on developing, constructing and managing district heating systems. We believe that heat, like hydrogen and green gas, is an essential part of the energy system of the future.

OUR ROLE IN THE ENERGY SUPPLY CHAIN

Enexis plays a vital role in the energy supply chain. We develop, build, manage and maintain this network. This includes low-voltage and medium-voltage electricity grids as well as regional gas networks.



Our goal is to keep energy flowing safely and reliably through the grid – day and night, all year round. Most of this energy comes from large power plants, wind farms and solar parks in the Netherlands and abroad. TenneT and Gasunie transmit this energy via their national grids to our regional networks. Some of the electricity also comes from our customers. More and more households and businesses are generating their own electricity from wind, sun, waste and combined heat and power systems, feeding it back into our grid. In fact, more than a million customers in our service area now have solar panels.

We are constantly working to make our energy supply more efficient and sustainable while maximising the capacity of our networks. This includes exploring technical solutions, alternative contract models and the role of energy hubs. We are also looking at how the digitalisation of our grids and data analytics can help. This will allow us to expand grid capacity more efficiently, gain better insight into customer energy consumption and encourage off-peak consumption.

CO_2-eq-footprint (market-based; in tonnes of CO_2-equivalent)

1 Scope 1: Direct emissions

2024: 105,574 (2023: 105,179) **-0.4%**

		tCO_2-eq
• Leakages gas grid	3.5 mln kg methane	96,788
• Leased cars and company cars	3.5 mln litres fuel	8,180
• Natural gas consumption and buildings	0,6 mln m^3 biogas 0.05 mln m^3 natural gas	81
• Leakages SF from switch gear installations	9.7 kg SF_6	228
• Leakages refrigerants	34 kg F-gasses	50
• Aggregates	0.8 mln litres fuel	247

Carbon neutral (after offsetting)[1]:
2024: 0
2023: 0

2 Scope 2: Indirect emissions electricity and heat

2024: 1,427 (2023: 1,987) **-28.2%**

		tCO_2-eq
• Grid losses electricity transmission *100% green procurement via GoOs[2]*	1,236 GWh	0
• Electricity consumption buildings *100% green procurement via GoOs*	0.7 GWh	0
• Leased cars and company cars	5.3 GWh	1,427

Carbon neutral (after offsetting)[1]:
2024: 0
2023: 0

3 Scope 3: Other indirect emissions

2024: 615,444 (2023: 550,799) **+11.7%**

	tCO_2-eq
• Purchased goods and services	161,810
• Capital goods	369,758
• Fuel and energy-related activities	66,490
• Upstream transportation and distribution	3,267
• Waste generated in operations	4,628
• Business traveling	1,491
• Employee commuting	2,084
• Investments	5,916

1 2 3 Total

2024: 722,445 (2023: 657,965) **+9.8%**

Total CO_2-eq scopes 1+2+3:
722,445 tCO_2-eq

Offsetting with Gold Standard Certificates (GSC):
110,430 tCO_2-eq

After offsetting with GSC[1]:
2024: 612,015
2023: 591,271

[1]GSC Offsetting through Gold Standard certificates
[2]GoO Guarantee of Origin

In the visual above, we present Enexis's CO_2-eq footprint in 2024. Compared to 2023, emissions in scope 1 and 2 have slightly decreased. However, the CO_2-eq emissions in scope 3 have increased. We reduce our impact in scope 1 and 2 through the purchase of GoOs and offsetting through Gold Standard Certificates for our buildings' electricity consumption and our grid and gas leakage losses e.g.. The emissions in scope 3 have increased due to the intensification of our activities on the grid and the growth of the workforce. A more detailed explanation of the reported components and the development of the CO_2-eq footprint compared to the previous year can be found in the sustainability statements. The data presented in the visual is equal to the data presented in the sustainability statement, with the exception of the application of offsetting through Gold Standard Certificates.

Trends and developments

Trends and developments affect our work. We monitor change closely so we can anticipate and respond in a timely manner. How we do this is described in our **strategy**.

THE ENERGY TRANSITION IS EXPERIENCING GROWING PAINS

Geopolitical developments, government policies to reduce CO_2 emissions and gas price trends have accelerated the energy transition in recent years. Renewable energy production is growing rapidly, and households, businesses and the transport sector are becoming increasingly sustainable. As a result, the electricity grid is becoming increasingly congested. As it takes a long time to expand the grid, waiting lists have formed for more transmission capacity. Uncertainty about support measures is slowing the growth of solar panels, heat pumps and electric transport, although this growth is expected to continue in the long term. The development of district heating networks and hydrogen projects has yet to gain significant momentum. Despite these challenges, climate targets remain firmly in place.

THE GROWING IMPORTANCE OF ENERGY INDEPENDENCE

Climate goals, security of supply and affordability remain key priorities in energy policy and measures. However, energy and raw material independence have become increasingly important in the current geopolitical landscape and amid growing uncertainties. Strengthening domestic renewable energy production and reserves, diversifying energy sources, and spreading and imports to reliable countries will help in this regard.

RISING ENERGY COSTS

The energy transition requires significant investments by governments, businesses and consumers – such as insulation, heat pumps, solar panels and energy infrastructure. Energy bills are rising and subject to great uncertainty due to the limited availability of gas, global developments and the volatility of renewable energy production. As a result, energy justice and livelihood security are high on the political agenda. The financing and distribution of costs are now at the centre of public and political debate.

SCARCITY IS COMPLICATING THE ENERGY TRANSITION

The energy transition requires skilled technical personnel, materials and space. An ageing population and growing demand for raw materials, among other factors, are making it increasingly difficult to meet these needs. At the same time, sectors such as housing, nature conservation, defence and water management are also competing for space. In addition, environmental legislation (e.g. on nitrogen) imposes requirements and limits. This has a dampening effect on the pace of the various tasks, including that of making the Netherlands more sustainable.

CITIZENS GAIN INFLUENCE

Governments face complex societal issues, including energy transition. They are increasingly involving citizens in decision-making to build legitimacy and public support. At the same time, resistance is growing, and more people are taking action against changes that affect their environment. As a result, governments are facing more legal challenges in the courts.

DATA AND TECHNOLOGY OFFER OPPORTUNITIES, BUT THEY ALSO BRING MORE RISKS

The Internet of Things, virtual and augmented reality, artificial intelligence: these **innovations** can lead to greater insight, better decision-making, and more efficient and effective services. At the same time, we are becoming increasingly dependent on complex, interconnected data and systems, and the threat of digital attacks is growing worldwide.

Our strategy in the energy transition

Climate change is one of the biggest challenges of our time. The government wants to transform the energy system as a crucial condition for achieving a CO_2-neutral society by 2050. This is a huge task for the Netherlands and Enexis, but we see it as an essential and challenging task to help the Netherlands move forward in a sustainable way.

We are doing everything we can to keep our energy infrastructure reliable, safe and accessible to everyone. This is essential for a sustainable Netherlands and also of vital economic and social importance.

AT THE HEART OF SOCIETY

Energy networks are the lifeblood of our society. Both visible and invisible, the components of these complex but vital networks are everywhere: for example, the cables and pipes that supply us with the energy we use to heat our homes, charge our cars and keep the economy moving. Increasingly, this energy comes from sustainable sources.

As a network company, Enexis is at the heart of society. Our mission is to provide people with increasingly sustainable energy by investing strategically in a reliable energy infrastructure. This enables us to keep the energy transition feasible and affordable. Fulfilling this mission requires our full attention. That is why we are sharpening the focus of our activities to ensure a safe and reliable energy supply, connect customers on time and deliver the energy system of the future. By concentrating on what we do best, we make a difference.

MAKING A SUSTAINABLE IMPACT

Our core activities are also where we make our most significant societal and sustainable impact. Our vital infrastructure is essential for a well-functioning economy and society. We also enable sustainable power generation and the electrification of industry and mobility. This transformation of the energy system puts great demands on our organisation, employees and partners. Therefore, we aim to provide a safe, attractive work environment and conduct business fairly.

At the same time, we recognise that our core activities have a downside. Our work has an impact on the climate and consumes raw materials. We feel responsible for this. That is why we make sustainable choices in the way we do business. We focus on areas where we can make a real difference without compromising our mission.

In the chapters under Our results we describe our activities and results on the strategic themes in 2024.

Enexis innovates and digitalises

The energy transition is a significant challenge. To achieve a climate-neutral society by 2050, we must radically transform the energy system. For Enexis, innovation and digitalisation are essential – whether through the development of new products or improved ways of working.

INNOVATION

Every day, we work on solutions to the challenges of the energy transition and we provide new opportunities for our colleagues and customers through practical and scalable innovations. We discover opportunities and ideas with our customers and partners and turn them into new solutions. Our innovation strategy focuses on three key challenges to ensure reliable, sustainable and affordable energy for all.

CHALLENGE 1: WHAT DOES A FUTURE-PROOF ENERGY SYSTEM LOOK LIKE?

Sustainable molecules

We are focusing on new energy carriers – such as green hydrogen, heat and gas – that are essential to a sustainable energy system and provide an alternative to the electricity grid. As a network operator, we facilitate and implement the increasing role of these energy carriers within the energy system. Specifically, we are helping to increase the share of green gas and preparing for the distribution of hydrogen. For example, we are developing a hydrogen supply for businesses and integrating more green gas into our existing gas network. Last year, we opened a green gas booster station in Wijster and connected 33 households to hydrogen in Wagenborgen, Groningen.

CHALLENGE 2: HOW CAN WE MAKE SMARTER USE OF EXISTING ENERGY INFRASTRUCTURE TO REDUCE GRID CONGESTION?

Sustainable businesses

We are exploring solutions to meet the growing demand for grid capacity from businesses, driven in part by their transition to more sustainable energy sources. The main challenge is grid congestion. To address this, we are developing solutions that smooth or reduce peak demand, ensuring a better grid load distribution and a closer alignment between supply and demand on local grids. We are also examining the role of alternative energy sources, such as renewable gases, in meeting businesses' energy needs. At the same time, we are working on innovations to enhance the flexibility of our business customers. These include facilitating energy hubs, deploying battery storage, and introducing flexible contracts, such as group transmission agreements. We have gained valuable insights from our energy hub pilots in Zwolle, Almelo, and Hapert. Moreover, through pilot projects at our HV/MV substation in 's-Hertogenbosch Noord and at Efteling, we have demonstrated that mobile batteries can help alleviate grid congestion.

Climate-neutral residential areas

How can we make residential areas more sustainable and use scarce grid capacity more efficiently? Our vision for the future is for residential areas to become more decentralised, supply-driven and more self-sufficient. This means encouraging the use of locally generated energy in neighbourhoods as much as possible. Examples of innovation in this area include promoting grid-conscious energy consumption and integrating conversion and storage solutions at the neighbourhood level. We are also working with market players on more grid-aware management of assets such as charging stations, heat pumps and other household devices with high peak power demand.

In 2024, we experimented with the Buurtnet app to encourage grid-aware behaviour in residential areas. The app provides information on the best times of day to use electricity. We have also started research into seasonal energy storage as part of Joule4Joule, an innovation programme in which we are working with various partners to create a decentralised, supply-driven, self-sufficient residential area, where long-term storage plays an important role.

CHALLENGE 3: HOW CAN WE RADICALLY ACCELERATE GRID EXPANSION?

Operation of the future

Enexis lays many kilometres of cables and pipes every year. How can we do this smarter, faster and safer? Together with colleagues and contractors, we are constantly looking for new solutions. Last year, we found a solution to make it easier to bend increasingly thick cables. We are investing in ergonomics and the well-being of our mechanics. After a competitive selection process, we partnered with a company to produce the bending tool. We also collaborated with our engineers to create a cable route explorer. To drive further innovation, we are running a market challenge to develop solutions that accelerate the construction of an MS station – aiming to make the process up to five times faster.

INNOVATING WITH OTHERS

We see that the best solutions come from active collaboration. In 2024, we launched a study with Stedin, Alliander and TU Delft, among others, to explore the potential for robotic work on the low-voltage grid, focusing on a neighbourhood-based approach. Together with the start-up ConXys, our network operators and contractors, we are developing a technology for trenchless de-coring and weighting of cables. We have also partnered with Eneco, Vattenfall, ANWB and Alliander on a pilot project to encourage households with private charging points to charge their vehicles grid-consciously. Market participants Iwell and CGI, in collaboration with Enexis, are investigating whether a shared network of connected (home) batteries can be managed to increase the capacity and flexibility of the local electricity grid. This research is being carried out by Hanzehogeschool Groningen and TU Eindhoven. We expect to be able to reduce the peak load on the medium voltage grid by 5%-10%.

DIGITALISATION

Digitalisation and the intelligent use of data and digital technologies will play a crucial role in addressing our challenges. It enables us to do more work at a lower cost and with less risk. But digitalisation is not just about collecting data. It is about using that information effectively to make informed decisions, optimise business processes and better serve our customers. Sharing data with customers, governments and partners in the energy transition is also becoming increasingly important.

TECHNOLOGIES

At Enexis, digitalisation includes all kinds of different techniques and technologies. Following are several examples:

Artificial intelligence (AI)

The use of complex algorithms enables us to do things that were previously impossible. It provides new insights that enhance decision-making. It makes our work more effective and efficient, although there are also cases that do not get off the ground due to poorer data quality and availability. Here are some of the ways in which AI adds value to our operations:

- We know more about the condition of our assets. We can tailor our maintenance accordingly. For example, this year, we avoided the unnecessary replacement of 77,000 smart meters.
- We can predict peak demand at busy points on the grid, enabling us to anticipate and control congestion better.
- We can detect unsafe situations on the grid.
- We are automating recurring processes, such as bill processing, and using AI to verify whether requests, such as those related to social prioritisation, are complete and ready for processing.

Enexis uses AI responsibly and safely. That is why we have developed our own version of ChatGPT and organise workshops and webinars to help every Enexis employee understand both the potential and the responsible use of AI. We have now trained a thousand colleagues in the use of AI. The experiences are positive and AI is increasingly being used by especially office colleagues in their work. Our new GenAI team focuses on applying the latest algorithms in our processes. An AI Centre of Expertise has also been set up to facilitate AI within the organisation and ensure that we use AI legally and ethically. We have established a roadmap to achieve timely compliance with the AI Act.

Extended reality (XR)

For Enexis, extended reality is a powerful tool for bridging the digital and physical worlds. XR includes technologies such as virtual reality (VR), augmented reality (AR) and mixed reality (MR), enabling users to interact with digital information in real-world environments. These technologies create significant opportunities for both our employees and our customers.

With detailed 3D models of assets such as meter boxes and transformer houses, XR glasses enable us in the future to work smarter, safer and more efficiently in the field. Our first experiences are positive. XR is also becoming an essential tool in training mechanics and engineers at our training centre. It allows trainees to practice complex procedures and simulate hazardous situations in a completely safe environment.

In the coming period, we will continue to invest in XR technologies to expand their application even further.

WE ARE NOT DOING IT ALONE

Sharing data and information is crucial to collaborating on the energy transition. Together with the other regional grid operators and TenneT, we will continue to develop joint data products in the coming years. One example is the national capacity maps, which were updated in November. In the coming years, we will expand these to include transmission capacity, queue information, requested capacity and grid expansion plans.

Ensuring digital security

The global threat of cyberattacks has been growing for years. Digital security is therefore a top priority for Enexis. Taking a holistic and proactive approach, we focus on technology, people and processes. Read more about data security at Enexis here.

The dilemmas of 2024

Enexis regularly encounters dilemmas, both in our daily operations and in the development of new policies. We believe it is important to share some of the dilemmas we faced last year. This enables us to provide our stakeholders with insight into the considerations that shaped our decisions in 2024.

WAIT FOR HEAT GRID LEGISLATION OR CONTINUE PREPARATIONS?

Enexis has a vision for the sustainable energy system of the future. We see opportunities for sustainable molecules and heat grids. We are working hard to make our vision a reality, but we also depend on others. This can get in the way of a forward-looking approach. Take district heating grids: construction has barely got off the ground. One of the main reasons for this delay is the postponed introduction of the Collective Heat Supply Act (*Wet collectieve warmtevoorziening*, Wcw). This new law is meant to replace the existing Heat Act, facilitating the development of new collective heat grids and driving the energy transition forward. The rapid growth of district heating grids would help to relieve congestion on the electricity grid and reduce the need for investments in these networks. However, as long as it remains unclear if and when the Wcw will take effect, the market is at a standstill, and no new district heating grids are moving forward. While Enexis can continue its preparations, the decision to delay hinders acceleration when we should be scaling up. As a result of this delay, more and more individual heating solutions will be installed in neighbourhoods where a collective heating grid would be the better and more cost-effective option. This, in turn, increases the burden on the already strained electricity grid. Therefore, we call for clarity on the Wcw as soon as possible so we can take decisive steps towards a successful heat transition.

PUSH ASSETS FURTHER OR EXPAND THE NETWORK?

We want to free up space on the grid to connect more people and businesses. This is a significant challenge, which is why, in the short term, Enexis is deliberately taking on more risk on the HV and MV grids without compromising safety. We are pushing our assets harder. This may lead to more outages. We also anticipate more outages on the LV network due to the increasing use of heat pumps, charging stations and solar panels. As a result, our engineers are spending more time than before fixing these outages – time that could otherwise be spent to expand the grid. This presents us with a dilemma: do we commit to expanding our network? Or do we push our assets further to help as many customers as possible now, at the risk of more outages and the need for additional repair efforts?

In taking this approach, we are also making concessions to the reliability of the electricity grid. Enexis is doing this in a controlled, cautious and gradual way. The high reliability of our grid remains a core business value. However, it presents a dilemma: how much reliability are we willing to concede, and how many additional outages are acceptable – also from a social point of view?

EXPAND THE GRID EFFICIENTLY OR KEEP IT VISUALLY APPEALING?

Expanding the electricity grid is one of the major challenges facing Dutch society. This will become increasingly visible in public spaces, as up to 54,000 new transformer houses will be built across the Netherlands in the coming years. We understand that residents may not want a transformer house near their backyard, playground or parking area. At the same time, many people want solar panels, charging points and induction cooking. To find an appropriate solution to this dilemma, Enexis is in dialogue with residents. A common request we hear is for transformer houses to blend into their surroundings and contribute positively to the local environment. To save costs and time, Enexis prefers to standardise the design of transformer houses. However, in consultation with the municipalities, residents have the option of making these houses more visually appealing.

TRANSPARENCY: IS IT REALLY POSSIBLE?

Enexis wants to communicate transparently with its customers. We want high-volume and low-volume consumers waiting for a new connection or an upgrade to their meter box to know where they stand. We use waiting lists to indicate how long it will be before their turn. Customers can then see whether they will have to wait another two or five years, for example. However, these estimates are not always precise. It is not easy to look far ahead, and we often depend on external factors. Examples include TenneT's planning for the expansion of the high-voltage grid, the availability of mechanics and equipment, and the timely approval of permits. This raises an important question: to what extent do customers know where they stand? In an age where people can track their online orders in real time, customers expect commitments to be upheld. Yet, depending on developments, timelines can shift forward or backward. Social prioritisation also has an impact here: customers who are not prioritised may experience increased uncertainty, in line with ACM guidelines.

AFFORDABLE TARIFFS OR LARGE INVESTMENTS?

Enexis wants to keep energy affordable and accessible for everyone. Since the energy crisis two years ago, energy prices – including connection fees and transmission costs for gas and electricity – have been under increasing scrutiny. At the same time, the energy transition requires billions of euros in investment, and Enexis has to expand its network considerably. So much so that more money is going out every day than coming in – an average of €1.5 million a day in 2024. As a result, we need to borrow more money, but we cannot continue indefinitely. We must maintain a strong credit rating to get the best financing terms. To achieve this, we are improving our efficiency and productivity, promoting socially optimal decisions to avoid unnecessary investments, such as managing demand for transmission capacity, and strengthening our capital base with the constructive support of our shareholders. We are also in discussion with ACM about establishing an appropriate compensation and tariff system for the use of the energy network.

Our results

IN THE FOLLOWING CHAPTERS, WE REPORT ON OUR RESULTS FOR 2024

- Objectives and achievements
- Strategic theme: We aim for optimal choices for society
- Strategic theme: We provide everyone with access to energy at all times
- Strategic theme: Customers know what to expect from us
- Enexis as an employer
- Remaining financially sound
- 2024 Financial performance

Objectives and achievements

Strategic goal	KPI	Target 2024	**Realisation 2024**	Target 2025	Target 2026
We steer to societal choices	Controllable public charging points[1]	-	**-**	≥ 3.750	-
Always offering everyone access to energy	Technical realised grid capacity[2]	≥ 2,000 MVA	**1,920 MVA**	≥ 1,200 MVA	Annual ≥ 1,000 MVA
	Created grid capacity by Flex[3]	≥ 500 MW	**498 MW**	≥ 500 MW	-
	Annual outage time	≤ 17.5 min	**22.5 min**	≤ 23 min	≤ 23 min
Our customers know what they can expect from us	Date of standard connection in accordance with Code[4]	≥ 65%	**67%**	-	-
	Satisfaction with execution date Low volume customers[5]	-	**-**	≥ 65%	-
	Connection term High volume consumers in accordance with requested date[6]	-	**-**	≥ 65%	-
	Adherence to plan[7]	-	**-**	≥ 80%	-
	Quantative progress year order book[8]	≥ € 1.450 mln	**€ 1.486 mln**	≥ € 1.800 mln	-
	Realized units year order book[9]:				
	# km cable Low voltage	-	**-**	≥ 1.750 km	-
	# km cable Mid voltage	-	**-**	≥ 1000 km	-
	# LV/MV transformer stations	-	**-**	≥ 1000	-
	# neighbourhoods	-	**-**	≥ 86	-
Working safely	Lost Time Injury Frequency Enexis[10]	≤ 1	**1.1**	≤ 1	≤ 1
	Lost Time Injury Frequency Contractors[10]	≤ 2	**2.2**	≤ 1,5	≤ 2
Reinforce each other	Employee Net Promoter Score	≥ 30	**32**	≥ 37	≥ 40
	Net inflow # FTEs scarce technical personnel	≥ 200 FTE	**143 FTE**	≥ 154 FTE	-
	Net inflow # FTEs scarce ICT personnel[11]	-	**-**	≥ 116 FTE	-
Make a sustainable impact	CO_2eq-saving[12]	-	**-**	≥ 9%	-
	Leadership positions filled by woman[13]	-	**-**	≥ 30%	-
Remain financially solid	Controllable costs and revenues[14]	≤ € 731 mln	**€ 779 mln**	≤ € 871 mln	-

1 Newly added as of 2025. Mesaurement consists of controllable public charging points within the service area of Enexis.

2 The KPI measures the new HV/MV transformers realised by Enexis irrespective whether these have been connected by TenneT. The replacement of old transformers is not deducted from the score of this KPI.

3 Concerns a better utilization of the current grid by applying flexible solutions for input or output. Realization is achieved, among other things, by concluding flex-contracts with limiting conditions or connecting customers to the emergency lane of the grid

4 As of 2025 this KPI will be removed because the Code is no longer valid as decided by the ACM in September 2024.

5 Newly added as of 2025. This KPI replaces the KPI "Date of standard connection in accordance with Code".

6 Newly added as of 2025. Mesaurement consists of number of projects delivered on time according to the requested date of the customer.

7 Newly added as of 2025. Measurement consistes of the number of major E-investement projects with effective date in 2025 as included in Enexis IP-2024 (see Enexis website).

8 Based on standard costs.

9 Newly added as of 2025. KPI is devided in 4 sub-KPI's which show the progress in units.

10 Indicator for employee safety during the performance of work expressed in the number of accidents resulting in absence per 1 million hours worked.

11 Newly added as of 2025. Besides technical personell qualified IT personell is scarce as well. They also fulfill a critical role in the development of the goals of Enexis.

12 Newly added as of 2025. Measurement consists of a CO2eq-reduction in scope 1&2 of our footprint compared to 2024.

13 Newly added as of 2025. Concerns female personnel with a permanent contract in leadership positions.

14 Amortisation of leases in connection with IFRS 16 will be included in the CCR, which are presented as depreciation in the Consolidated Income Statement. The CCR concerns the sum of the controllable costs and revenues from regulated activities (Enexis Netbeheer, including staff departments). Reference is made to the Glossary.

In 2024, we again delivered a record-breaking work package. It increased by 22% compared to 2023. We are proud to have expanded grid capacity by almost 2,000 MVA. We also created almost 500 MW of additional capacity through our flex solutions. Despite the shortage of transmission capacity in particular, we managed to connect 67% of standard connections for low-volume consumers on time in 2024. Unfortunately, we did not meet all our targets. For example, the annual outage duration exceeded our target by 5 minutes, and we had more security incidents leading to absenteeism last year. While we successfully attracted scarce technical talent, retaining staff proved challenging.

We are making significant investments to expand our networks. In close coordination with TenneT, we ensure that substations are ready as soon as TenneT completes its upgrades, allowing us to deliver electricity to customers immediately. In 2024, we built 1,920 MVA of grid capacity, reinforcing our commitment to a reliable electricity supply. However, despite these efforts, the average annual outage duration reached 22.5 minutes, exceeding our target of 17.5 minutes. This was partly due to several prolonged outages and high water levels in the spring, which caused disruptions in the MV grid.

Even with record network expansion, market demand for even faster growth continues to rise. Our waiting lists keep growing due to increasing energy needs, leaving many high-volume customers waiting years for the additional capacity they require. For those customers we can supply, we aim to connect them within their desired time frame. In 2024, this was the case for 67% of low-volume consumers.

In 2024, Enexis' Lost Time Injury Frequency (LTIF) was 1.1, slightly above our target of 1. The LTIF for contractors was 2.2 and was above our target of 2. We welcomed a net total of 143 new technical colleagues, and our Enexis Net Promoter Score (ENPS) remained the same. The growth of our work package and our expanding organisation has resulted in higher costs, compounded by material and service shortages. By working efficiently, we can maximise the work we deliver to our customers while keeping cost increases to a minimum. This helps us to keep energy as affordable as possible.

Looking ahead to 2025, we have set ambitious goals. Our planned work package will rise to €1.8 billion, an increase of 22%. We remain committed to recruiting new colleagues, focusing on technical and ICT staff. In 2025 we expect to add 1,200 MVA of grid capacity. This target is below our target for 2024 because projects are delayed due to long licensing processes. The target however still exceeds our strategic target of 1,000 MVA. We are also committed to using the current electricity grid better by applying flexible solutions. By 2025, we expect to unlock 500 MW of additional capacity from the existing grid – without compromising reliability or safety. We will maintain our commitment to connect customers on time in 2025. Customers will receive clear and transparent information about their expected connection date, and we will consider their preferred timelines when scheduling work. Finally, we will continue making a sustainable impact, including CO_2 reductions and a strong focus on diversity in management positions.

We aim for optimal choices for society

We are working hard with our partners to build a future-proof energy system. While electricity will play a key role in future scenarios, we cannot achieve a sustainable and resilient system without sustainable molecules. Collective heat, green gas and hydrogen will be essential to meeting energy demand. That is why, in 2024, we have made sustainable molecules a top priority.

FEASIBLE AND AFFORDABLE ENERGY SYSTEM

We aim to make the energy transition as efficient as possible: we are working hard to build a sustainable energy system that is both feasible and affordable. Together with the government, provinces, municipalities, ACM, market players and our customers, we are making tough decisions to steer the energy transition in the right direction. This is no easy task. We are rebuilding our energy network without knowing exactly what the future will look like.

BUILDING A FUTURE-PROOF ENERGY SYSTEM

VISIONS AND OPPORTUNITIES

As a grid operator, we recognise the need to play a leading role in the development of a future-proof energy system. We do this by proactively applying our expertise and knowledge to support informed decision-making. That is why, in 2023, we defined our visions and positions on a number of key issues. We have outlined a realistic and achievable future scenario for each theme and a detailed step-by-step plan.

Impact on sectors

Industry
Become more sustainable and choose alternatives to natural gas

Enexis' vision
- We focus mainly on the role of decentralised industry (Cluster 6), where electrification is often the most logical option.
- Industry and grid operators coordinate their plans to provide businesses with a clear course of action.

Opportunities
- With new products such as flexible contracts, industry can play a role in using the grid more efficiently.
- Establish clear guidelines and frameworks on where and when which energy sources, such as water, are preferred.
- It is time for us in the Netherlands to make strategic decisions about which industries we want to support and promote and which we do not. Not everything fits on the electricity grid at the same time.

Mobility
Largely electrifying

Enexis' vision
- Nearly all vehicles will be battery-electric, with alternatives such as hydrogen used only for heavy international transport. Grid-conscious charging will become mandatory at all public and home charging points.

Opportunities
- Encourage the use of flexible contracts, such as time-based contracts, for businesses with heavy transport needs.
- Integrate mobility-related energy demand into spatial planning.

Built environment
Become more sustainable and move away from natural gas

Enexis' vision
- We promote grid-conscious consumer behaviour to prevent peak loads on the low-voltage grid.
- We implement meter adjustments, such as expansions and reinforcements, in one go whenever possible to support the sustainable transformation of households.
- We take a neighbourhood approach *(Buurtaanpak)* and prioritise areas where plans and conditions are well prepared.

Opportunities
- Emphasise insulation and energy savings to reduce the need for grid investments.
- Focus on the sustainable transformation of buildings (commercial and public properties).
- Promote collective heating solutions rather than individual household systems.
- In areas with few remaining gas connections, encourage a full transition to a gas-free neighbourhood.

Role of renewable sources

Sustainable energy on land
Wind turbines and solar panels on the rise

Enexis' vision
- We aim for an efficient integration of solar and wind energy on land, avoiding mono-solar developments (large solar farms in remote locations with low local demand).
- We curb peak production to avoid overloading the grid and create capacity to connect more solar generation to our grid.

Opportunities
- Make solar curtailment (50-60%) the standard for rooftop solar on homes and small businesses, not just large solar farms.
- Abolish the balancing system to encourage us to use our consumption during generation.
- Combine large generation sites with locations where demand is also high.

Sustainable gases
Regional gas network will be needed for green gas and hydrogen distribution beyond 2050

Enexis' vision
- We facilitate the import and distribution of green gas by proactively investing in (additional connections to) the gas grid.
- We prepare our grid for the hydrogen transport. We see a role, in particular, for decarbonising the industry.

Opportunities
- Enexis advocates a regulated role for regional grid operators in the hydrogen distribution.
- Establish clear guidelines and frameworks on where and when different energy carriers are preferred.

Necessary preconditions

Spatial planning, programming and prioritisation
The need for socially balanced, concrete and area-specific decisions, followed by the creation of the necessary conditions

Enexis' vision
- Based on political decisions, we make strategic choices for the development of the energy infrastructure. These decisions guide our investments with the aim of creating social value.
- In cooperation with government bodies, we must take an integrated approach to energy and spatial policy, focusing on accelerating and modernising spatial planning processes.

Opportunities
- Ensure that energy planning becomes an integral part of policymaking.
- Develop structured spatial plans that focus on implementation (what goes where?).
- Ensure land availability for grid operators, either through purchase or long-term rights.
- Establish a smooth and efficient permitting process.

Flexibility
Flexibility is undoubtedly a key component of a sustainable energy system

Enexis' vision
- We want to connect flexible capacity in a scarcity-neutral way to prevent grid congestion.
- We use flexible contracts as a tool to reduce grid congestion.
- Problems in the LV grid can be mitigated by energy management systems that regulate devices such as charging stations and heat pumps.

Opportunities
- Ensure that large-scale energy storage can be connected without negatively impacting the grid.
- Explore options for centralised and decentralised seasonal energy storage (for the built environment) as this could have a positive impact on grid load.
- Home batteries will play a crucial role in the future energy system. However, in order to avoid exacerbating grid scarcity, key conditions must first be met, such as the phasing out of net metering and the introduction of new grid tariffs.

OUR VISION IN PRACTICE

In 2024, we put our vision into practice. A few examples:

- Introduction of grid-aware charging. With grid-aware charging, charging stations are given less space on the grid during peak hours. The available space on our grid is shared between the charging cars. As a result, it takes slightly longer for cars to be fully charged. As cars are usually connected to a charging station longer than necessary, EV drivers will hardly notice this.
- Commissioning of a green gas booster in Drenthe. The Drenthe booster is a blueprint for future installations.
- We have signed the first cooperation agreements with companies in industrial estates to organise their energy supply in energy hubs.
- Together with the industry, we are looking at a new tariff system for customers and producers that encourages efficient use of the grid.
- Last year, Enexis developed a vision of energy planning to make it an integral part of policy decision-making. The vision has been well received and is now widely shared within the sector.

PROGRAMMES AND ANALYSES

Together with the national government, provinces, municipalities, market players, and industry organisations, we are working hard to develop the energy system of the future.

NATIONAL GRID CONGESTIONS ACTION PROGRAMME

The National Grid Congestion Action Programme (Landelijk Actieprogramma Netcongestie, LAN), led by the Ministry of Economic Affairs and Climate Policy, brings together ACM, grid operators and market players to find solutions to medium-voltage and high-voltage grid congestion.

The LAN is working on three fronts:

- Faster construction, aimed at reducing lead times and strengthening cooperation between grid operators, municipalities, provinces and the state.
- Better use of transmission capacity through more flexible use of the grid.
- Giving customers greater insight into where and when additional transmission capacity will become available.

These and other measures will ease the pressure on the energy grid, but they are still not enough to stop the growing waiting lists. In 2024, the LAN was expanded with the Low-Voltage Grid Congestion Action Agenda. This includes measures to reduce pressure on the low-voltage grid, such as a neighbourhood approach, more efficient use of low-voltage grids, and device-specific measures, such as using electric cars as batteries and flexible charging as standard.

IMPLEMENTATION AGENDA

Netbeheer Nederland, Bouwend Nederland and Techniek Nederland signed an implementation agreement to upgrade regional low-voltage and medium-voltage grids in 2024 (2024-2034). The agreement contains working arrangements for the planned and extensive upgrading of these grids. For example, the parties will enter into long-term contracts for a specific area. It also includes agreements to jointly invest in innovative technologies and processes, such as compact connection modules, pluggable medium and low-voltage connections and the prefab meter box.

ENERGY BOARDS

We are increasingly working with stakeholders and partners, such as the provincial energy boards. Together, we want to get a clear picture of long-term energy demand and supply. This is also set out in the provincial energy visions. The province also draws up the pMIEK (Provincial Multi-Year Program for Infrastructure, Energy, and Climate). This outlines the priorities and plans for expansion investments in regional energy infrastructure. Currently, every province in our service area has an energy board.

MAKING THE MOST OF PUBLIC SPACE

The energy transition and the corresponding grid expansion significantly impact public space. This requires good spatial integration coordination with municipalities and provinces. This is the only way to ensure the required physical space is available on time. The energy infrastructure must be integrated into spatial planning and vice versa. To support this, Enexis has mapped out the spatial impact of the expected grid expansions. This enables us to raise awareness and work with municipalities to acquire the necessary land.

WORKING WITH MUNICIPALITIES: THE NEIGHBOURHOOD APPROACH

To drive the energy transition forward, we are accelerating the upgrade of low-voltage and medium-voltage grids. Over the next few years, we will work intensively in residential areas, installing thousands of new transformers, upgrading existing ones, and laying thousands of kilometres of cable. This will be done neighbourhood by neighbourhood, requiring a fundamental shift in how we operate as grid operators, with new processes and revised roles and responsibilities. We are making rapid progress.

The success of this neighbourhood approach largely depends on the communities we serve. Acceleration is only possible through close collaboration. To formalise this, we signed a cooperation agreement (CA) with municipalities. This confirms our commitment to accelerating the expansion of the low-voltage and medium-voltage grids, working together and recognising each other's interests. This often means municipalities must adapt their working methods or establish new internal structures to align with our processes. The specifics of how we collaborate to speed up implementation are outlined in a separate supplementary agreement (SA). By 2024, we had signed SAs with 56 municipalities.

PROPOSAL TO MAKE NEIGHBOURHOODS MORE SUSTAINABLE

Municipalities need to speed up the implementation of their neighbourhood implementation plans. These plans outline the preferred heating solution for each neighbourhood to replace natural gas. Without this neighbourhood approach, the heat transition in the built environment cannot be achieved on time. We support municipalities by providing insight into the necessary grid adjustments. In January 2025, all regional network operators submitted a proposal for each neighbourhood in their catchment area. These proposals are based on their own expectations: where does it make sense to switch to electricity for heating, and what kind of growth in electricity demand and charging stations can we anticipate? Where do heat networks make sense, and where should gas networks be maintained – for green gas, for example? Municipalities can use these neighbourhood proposals to make informed decisions about future heat supply.

CONGESTION-NEUTRAL BATTERY CONNECTION

Large-scale battery storage makes the energy system more flexible. Batteries charge when energy production is high and release energy when electricity demand increases. However, if not managed properly, batteries can contribute to or exacerbate grid congestion. If a battery charges or discharges at peak times, it puts extra strain on the grid. To prevent this, we connect large batteries under a Connection and Transmission Agreement (CTA) and a Capacity Restriction Contract (CRC). These agreements ensure controlled and predictable battery usage, preventing additional peak loads on the grid. By setting specific conditions – such as restricting charging or discharging between 2 PM and 4 PM – we are helping to maintain grid stability. An experiment with two large batteries is currently underway at the Efteling, and a large battery installation has also been commissioned in Wanneperveen.

LEGISLATION AND REGULATIONS IN THE ENERGY TRANSITION

ENERGY ACT

In 2024, the Energy Act was passed by a large majority in both the House of Representatives and the Senate. This law lays the foundation for energy policy in the coming years and, among other things, allows grid operators to promote flexibility to ease grid congestion. Consumers will have more options for storing and using renewable energy. Enexis has worked alongside other grid operators and market participants to ensure the law addresses issues essential for a well-functioning energy system. For example, by obtaining customer data, grid managers will soon be able to contact customers directly in case of maintenance work or imminent disconnection and will be able to use the smart meter to allocate energy volumes more accurately to market participants.

The Energy Act is expected to be phased in from 1 July 2025. We are preparing for implementation. The Ministry is working on the first amendment to the Energy Act: the Electricity Market Design Directive (EMD), which will introduce a more substantial obligation to facilitate energy sharing. A more fundamental change is also in the pipeline, namely an adaptation to the directive from the EU decarbonisation package.

The further details of the Energy Act will be elaborated in the Energy Decree (General Administrative Order) and Ministerial Regulations. Enexis will monitor the developments in these laws and regulations during the fiscal year 2025 and determine the impact on the consolidated financial statements of Enexis Holding N.V. of any obligations arising therefrom.

ADAPTING THE CODES

To promote the flexible use of the electricity grid, ACM amended several codes in 2024. For example, it is now possible to allocate transmission capacity according to social priority. New, longer connection times for high-volume consumers have also been introduced, providing predictability for our customers and better reflecting the current capabilities of grid operators. In addition, as a grid operator, we can reclaim unused transmission capacity if customers do not use it for an extended period. The motto of this code decision is 'use it on time or lose it').

We are also working on the possibility for groups of users to share transmission capacity on several connections by means of a group transmission agreement. A proposal for this has been prepared.

MUNICIPAL INSTRUMENTS HEAT TRANSITION ACT

In 2024, the House of Representatives and the Senate passed the Municipal Instruments Heat Transition Act (Wgiw) by a large majority. This law provides municipalities with the necessary tools to transition to natural gas-free neighbourhoods by 2050. To achieve this, they will adopt a neighbourhood-based approach to implementing affordable and sustainable alternatives. The act also provides the option of waiving the obligation to connect to natural gas. This act is expected to take effect on 1 July 2025 and will significantly impact grid operators.

COLLECTIVE HEAT SUPPLY ACT

Finally, the Collective Heat Supply Act (Wcw) is expected to be submitted to the House of Representatives in the second quarter of 2025. The act aims to promote the heat transition while better safeguarding the public interest in terms of sustainability, security of supply and affordability. The act introduces a more transparent cost system for heat and ensures that heat networks remain publicly owned. This will enable grid operators to take on a role. We are preparing for this transition.

PROCUREMENT ACT

To realize the energy transition, many materials and services are needed. As a result, many purchases are required. The starting point is and remains that Enexis follows laws and regulations, including procurement law. In some situations, dilemmas can arise where there is a tension between strictly following the law and accelerating and realizing the energy transition. Enexis pays attention to these dilemmas and makes well-considered choices that take into account different perspectives.

Study on electricity infrastructure costs

In the summer of 2024, the government launched the Interdepartmental Policy Survey on Financing the Electricity Infrastructure (IBO). The aim is to 'gain a better understanding and control on the scale of investment in electricity infrastructure between now and 2040'. The IBO focuses primarily on developing policy measures that could save money for the system or improve the business climate in the Netherlands. Grid operators contributed to the IBO through various working groups. The final result with recommendations and potential savings measures was published at the end of February 2025 and is expected to be discussed by the House of Representatives during the spring memorandum. The impact on Enexis will become more evident this spring.

SUSTAINABLE MOLECULES

To phase out natural gas, we need solutions such as green gas and hydrogen. In 2024, we identified these sustainable molecules as a priority, and the team working on them has been expanded. Achieving our goals for sustainable molecules requires European cooperation. Enexis believes this is essential as it strengthens our ability to advocate for the right laws and regulations at the European level and to build relevant European networks. We are actively involved as vice-chair of Gas Distributors for Sustainability (GD4S) and as a member of Eurogas. Read more about our lobbying activities here.

GREEN GAS

The Netherlands has set a target of 2 billion cubic metres of green gas by 2030. To support this growth, we are investing in our network by connecting local gas network sections and installing boosters. We are preparing a green gas booster in Tilburg with Gasunie Transport Services (GTS), the national transmission system operator.

By feeding green gas into the grid, gas will now flow in both directions. Until recently, gas transmission was a one-way system, from supplier to consumer. Together with other grid operators, we are studying the challenges of this change and the solutions needed, such as meeting gas quality standards.

HYDROGEN

We want to play a role in the distribution of hydrogen, which will require changes in legislation and regulations. Our focus is on supplying industrial customers, and together with our partners, we are conducting feasibility studies on the use of hydrogen in industrial areas. In 2024, we carried out such a study for the East Groningen industrial hub. The conclusion: hydrogen is a viable option, but its high cost creates an unprofitable gap that requires additional funding. The study assumes that new pipelines will be built for hydrogen, while existing networks for natural gas will continue to be used, allowing companies to switch at their own pace. In addition, network costs are much lower than the cost of hydrogen itself, so they are not a critical factor in viability. The next step in this research is to gain a deeper understanding of business needs and implications.

As part of the HyDelta research programme, we are working with knowledge institutions and network operators to develop our expertise in hydrogen distribution, covering aspects such as technology, safety, digitalisation and the transition from natural gas to hydrogen.

‘Grid congestion should not last one day longer than necessary’

INTERVIEW WITH DEVENTER ALDERMAN JAIMI VAN ESSEN

Enexis is rapidly expanding Deventer's electricity network. Streets and pavements are being opened up to lay new cables, and the city will see 350 new transformer houses. Alderman Jaimi van Essen highlights the close cooperation with Enexis as a key factor in achieving outstanding results. ‘We’re really sticking our necks out.’

Like many other cities, Deventer is experiencing increasing grid congestion. Businesses are on waiting lists for connections, and residents occasionally notice their lights flickering. ‘As a city council, we agreed that this situation should not go on any longer than necessary,’ says Van Essen. ‘So we signed a cooperation agreement (CA) with Enexis. This formalises our commitment to work together to speed up the expansion of the electricity network.’

SUBSTANTIAL INVESTMENTS

This expansion is essential to meet the growing demand for electricity and the increasing supply from renewable sources, he says. ‘Enexis needs land and the necessary permits to move forward. These processes often take a long time. By working together, we can decide where to place transformer houses faster. We can also coordinate planning and communication with residents more effectively.’ To move forward. And with it, permits. These processes often take a long time. By working together, we can decide more quickly where to put the transformer houses. We can also fine-tune things like planning and communication with residents. In 2024, the municipality will free up €1.5 million to tackle grid congestion. This ranges from smarter use of electricity and the implementation of smart energy hubs to grid expansion. 'We will do it again in 2025. We are really sticking our neck out with this.'

“

We’re really sticking **our necks out**

LIMITED SPACE

Around 350 new transformer houses will be built in Deventer to expand the grid. Sites for the first two districts have already been identified. ‘The search was a challenge because space is limited,’ says the alderman. ‘We’re also looking at ways to help these buildings blend in with their surroundings, for example with greenery or art. After all, transformer houses aren’t particularly attractive. In our beautiful historic city centre, we prefer to keep them out of sight. Enexis is working with us to find the best possible solutions.’

NEW DISTRIBUTION STATION

As the first municipality in the Netherlands, Deventer has also acquired a right of first refusal on a site to construct a high-voltage and medium-voltage substation. This means these 13 hectares of land have been reserved for a new electricity distribution station, the third in Deventer.

‘Businesses and residents in our municipality want to become more sustainable and are increasingly switching from fossil fuels to electricity,’ Van Essen says. ‘As a result, the electricity demand is increasing. This makes a third distribution station necessary.’

USING CAPACITY

Van Essen says the partnership with Enexis is going well. ‘We listen to each other, understand each other’s expertise and can use it well. Communication with residents is also important. They have to deal with disturbances or a transformer house in their street. Of course, they have feelings about it, and rightly so. It’s much better to explain things in an information meeting than just leaving a note in their letterbox. Fortunately, Enexis is increasingly recognising the importance of this.’

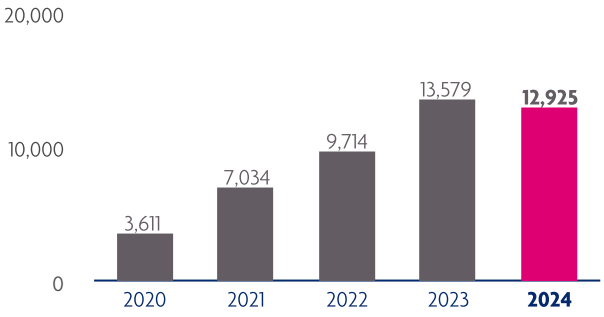
In addition to expanding the power grid, the municipality is also working to make better use of existing capacity. ‘It makes a big difference if we don’t all charge our cars or run the tumble dryer at the same time. Together with Enexis and the housing associations, we’re looking at ways to distribute energy use better. We’re also looking at grid-conscious building, where construction takes into account the capacity and load on the energy grid. Everything is aimed at minimising the impact of grid congestion and optimising the use of the electricity system.’

We provide everyone with access to energy at all times

We are working hard to expand our electricity grid. In 2024, we invested more than in 2023, which was already a record year. Despite this, there are still waiting lists for large business customers who want (additional) capacity in congested areas. To address this, we have several measures in place to encourage the most efficient use of our network.

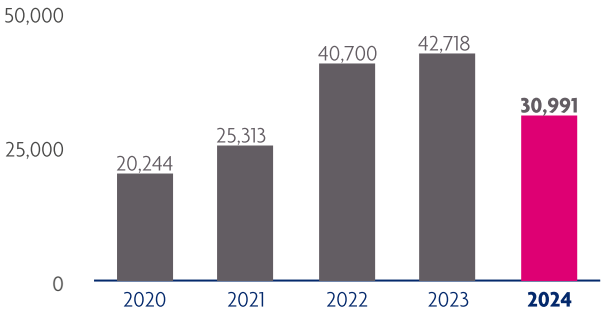
Electricity demand and supply continue to rise sharply. There are more and more electric cars, buses and trucks. Households are opting en masse for electric cooking and heat pumps, and factories are switching to electricity to power their production processes. At the same time, the number of solar and wind farms is growing, and homeowners and businesses are covering their roofs with solar panels. As a result, the electricity grid is under increasing strain, leading to congestion and waiting lists. This means that access to the grid can no longer be taken for granted, and outages are becoming more frequent due to the pressure on the grid.

Number of removed gas connections



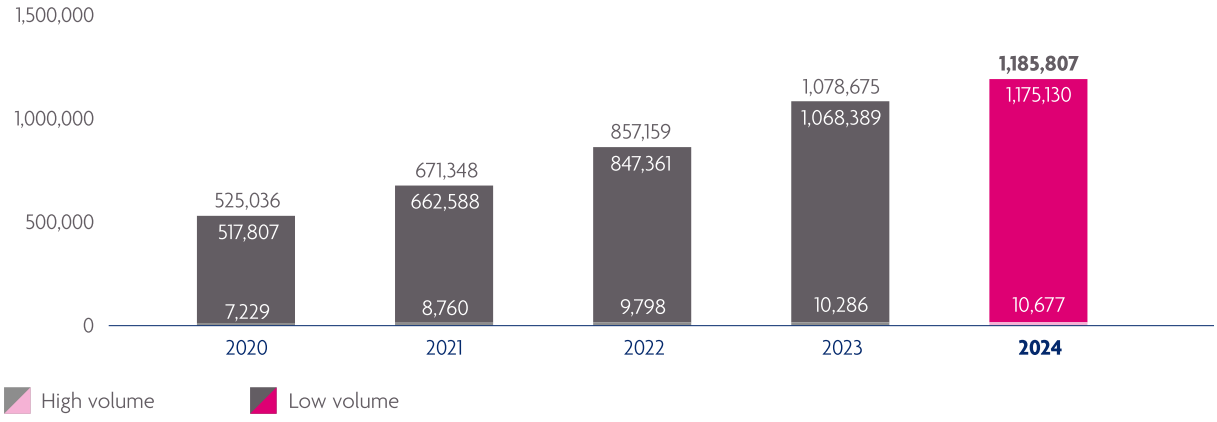
We removed 12,925 gas connections out of a total of 2,269,000 gas connections. The number of gas connections removed decreased by 4.8% compared to last year.

Number of upgraded electricity connections

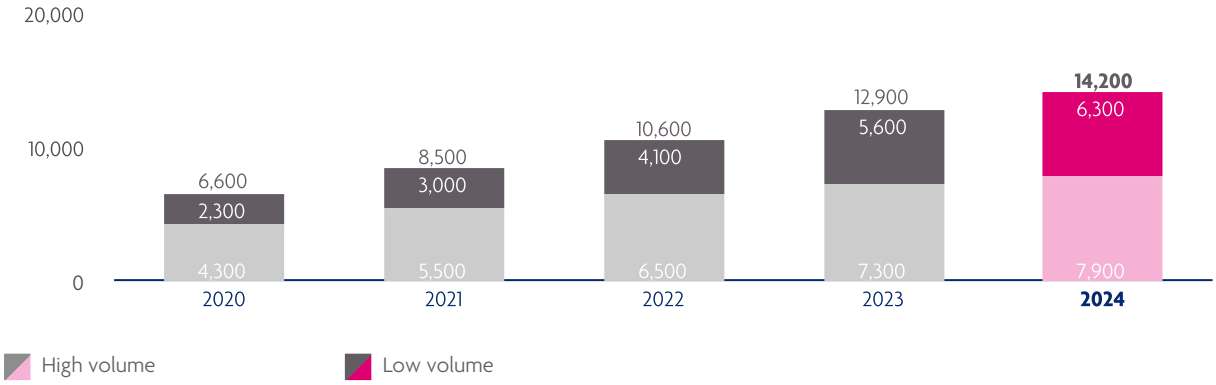


We upgraded 30,991 electricity connections out of a total of 2,997,000 connections. The number of connections we upgraded decreased by 27.5% compared to last year.

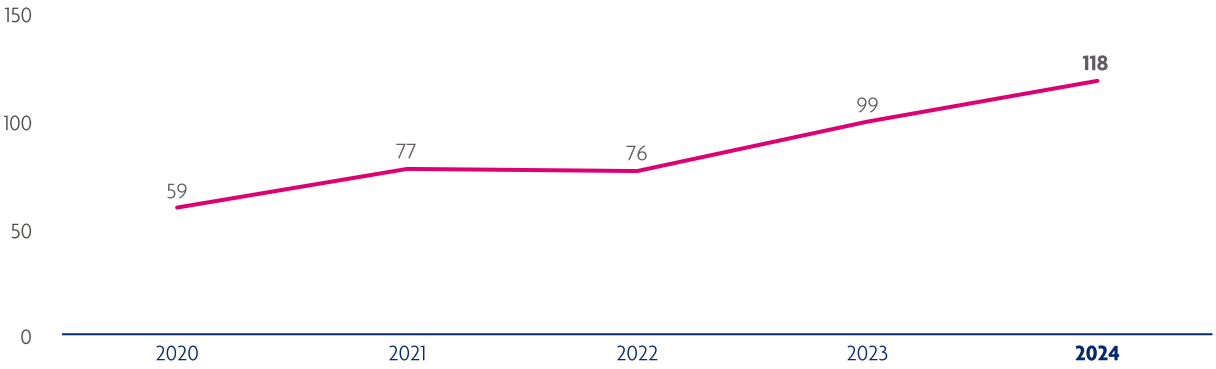
Number of connections that feed back into the grid



Sustainable installed capacity (in megawatt)



Green gas (transmitted volumes in Mm3)



MORE AND MORE FEED-IN

More and more businesses and households are generating their own energy and feeding some of it back into the grid. The number of connections feeding back solar and wind energy rose 10% to 1,185,807 connections. Installed renewable capacity (the maximum capacity of all renewable energy sources) increased by 10% in our regions. The share of green gas fed back by customers increased by 19%.

WAITING LISTS PERSIST

In many places, there is not enough grid capacity to transmit electricity. As a result, large business customers who want (additional) capacity for feed-in or consumption end up on a waiting list. We believe there will be waiting lists for another 5 to 10 years. We are aware that this is likely to have a significant impact. Businesses will find it challenging to grow or become sustainable.

Only businesses with a suitable connection or have applied for a new connection or extension will be placed on the waiting list for their electricity needs. After all, electricity can only be used if a customer has the necessary connection to the grid. Power that becomes available is offered in the order of the waiting list, following the new prioritisation framework.

Households are also increasingly affected by grid congestion. Their demand for electricity is skyrocketing, while the amount of electricity generated by solar panels is also increasing. As a result, pressure on the grid in residential areas is rising sharply, and households are experiencing voltage problems, such as solar panel inverters failing.

Following in the footsteps of large businesses, local households and small businesses may also experience longer waiting times for new connections or upgrades. More and more small consumption demands now require grid expansion. However, expanding new power plants, cables and substations takes time, so customers may have to wait longer. The length of these waiting times depends on location, space and the availability of staff and materials.

We are doing everything we can to help customers quickly and keep them well informed. In early 2025, we launched an online tool to help customers with small connections understand what congestion means for them.

MEASURES TO PROMOTE FLEXIBILITY

Through congestion management, we encourage large business customers to be flexible in the way they consume or feed in electricity, either voluntarily or, in some cases, mandatorily. We contractually agree with them to adjust electricity use by default or on demand during congestion peaks to reduce peaks and avoid overloading. During off-peak hours, these so-called flex contracts do allow customers to consume or feed in electricity.

SOCIAL PRIORITISATION

The social prioritisation framework has been in effect since 1 October 2024. Businesses and institutions with a societal function are entitled to a higher position on the waiting list in congestion areas when capacity becomes available. ACM has defined the sectors eligible for priority, dividing them into three categories:

- Congestion relievers: these customers contribute additional capacity to the grid once connected. This allows other customers to connect or expand.
- Security: think fire brigade, police, judiciary, prisons, water authorities and acute health care.
- Essential services: These include public water supply, education, heating and housing.

Requests not falling into these three categories will not be prioritised and may have to wait longer.

EXPANDING OUR GRID

ONCE AGAIN, MORE INVESTMENTS

The main solution to grid congestion is to expand the grid. So we are working hard on this. By 2024, we will have added 1,920 megawatts of grid capacity (including replacement and congestion management). We spent €1,486 million on expanding and maintaining our networks, €272 million more than in 2023 and €36 million more than planned. This increase is a direct result of the energy transition.

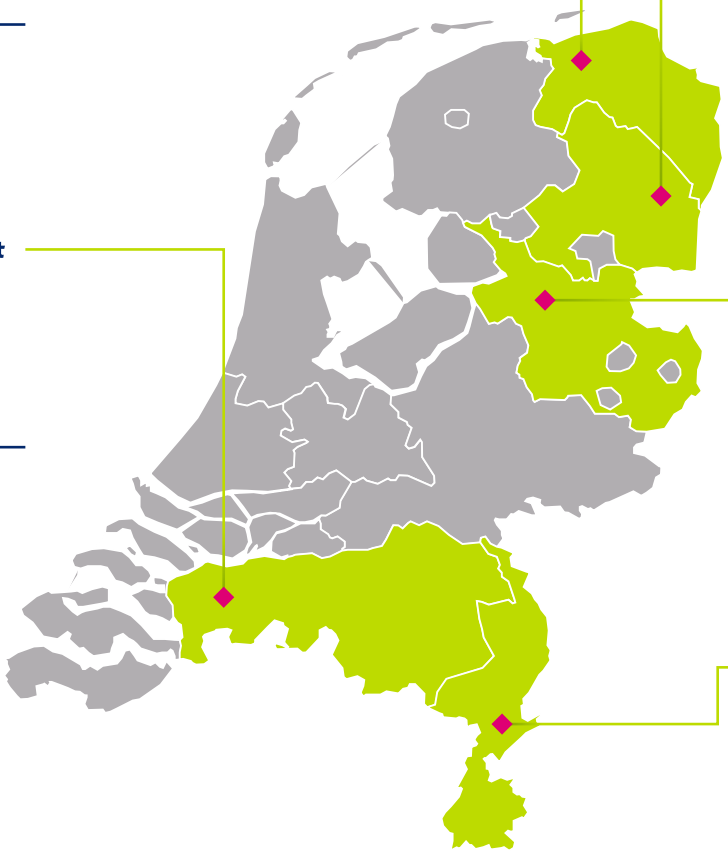
Work package

Groningen
Realised 2023
€ 240 million
Realised 2024
€ 251 million
Ambition 2025
€ 328 million

Drenthe
Realised 2023
€ 115 million
Realised 2024
€ 158 million
Ambition 2025
€ 169 million

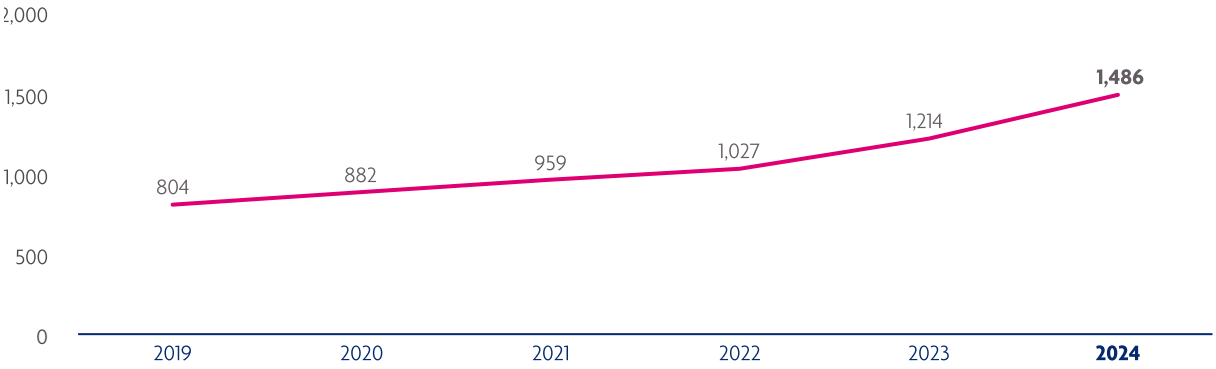
Noord-Brabant
Realised 2023
€ 435 million
Realised 2024
€ 531 million
Ambition 2025
€ 687 million

Overijssel
Realised 2023
€ 197 million
Realised 2024
€ 271 million
Ambition 2025
€ 351 million



Limburg
Realised 2023
€ 227 million
Realised 2024
€ 275 million
Ambition 2025
€ 333 million

Growth work package (in euro millions)



In our investment plan, we have stated that from 2024 to 2026, we will invest €3 billion in the expansion of our grids and €1.5 billion in the maintenance and management of the existing infrastructure. The plan also shows where we will work over the next 10 years. We have gathered input from, among others, provinces, municipalities and market players. We have also included investments proposed by the provinces (through the so-called pMIEKs). The plan makes it clear that there is a significant 'feasibility gap' until 2026. This is the gap between market demand, available materials and implementation capacity.

FASTER IMPLEMENTATION WITH NEIGHBOURHOOD APPROACH

In the coming years, we will increase the number of high-voltage and medium-voltage substations. To speed up construction, we are focusing on standardisation and prefabrication. We will also install thousands of new transformers in residential areas, upgrade thousands of existing transformers and lay 16,000 kilometres of heavy-duty cable. This means 1 in 3 streets will have to be dug up over the next 10 years.

We are approaching this work neighbourhood by neighbourhood. This means that contractors are responsible for their own planning, preparation and execution. Clear communication is essential, so we organise meetings with local people to listen to their concerns and inform them of potential disruption. Ensuring sufficient space is allocated, permits are obtained and traffic plans are finalised in good time is also crucial. Above all, safety is our priority, and we aim to make the neighbourhood approach as smooth and low-impact as possible.

RELIABLE ENERGY SUPPLY

It will be business as usual throughout the refurbishment. We are committed to maintaining the reliability and safety of our network. This is possible due to the investment in our grids and the use of innovative systems such as Distribution Automation Lighting (DALI). Today, 65% of our substations are equipped with a DALI box. This system allows us to detect faults quickly so our colleagues can carry out repairs more efficiently. At the same time, this increase shows that we are reaching the limits of our networks and deliberately seeking them out, which increases the number of outages.

In 2024, the average gas supply interruption lasted 56 seconds, a decrease of 59% compared to 2023 (137 seconds). This improvement is mainly due to a limited number of significant outages that exceed 25,000 consumer minutes. While the gas network remains highly reliable, the annual duration of outages can vary significantly.

STUDY ON THE IMPACT OF (EXTREME) COLD ON ELECTRICITY CONSUMPTION

Enexis guarantees the availability of electricity down to -13 degrees Celsius. The colder it gets, the more electricity is needed for electric heat sources. As there are more and more of them, it is important to know how they affect the electricity grid and where problems can arise. After digitally analysing 22,000 power stations, we have identified 79 locations where we expect more than 120% of a transformer's capacity to be used at -13 degrees. After further research, we will decide which stations, if any, need to be upgraded. In 2025, we will repeat the study using the latest data.

OUTAGES DUE TO HIGH WATER LEVELS

In the winter of 2023-2024, we recorded a notable increase in medium-voltage failures in joints. Often, these failures result from grid overload or excavation damage, but this was not the case here. Data analysis revealed a correlation between the number of outages and high groundwater levels due to heavy rainfall, particularly in the south of the country. As a result, the joints were flooded. Although they are designed to be watertight, small cracks can develop over time due to ageing, ground settlement or undetected damage to the casing during excavation work. This appears to explain the increase in outages. This is important information for future decision-making and fault prevention in our electricity grid. Thanks to the data research, we now understand the failures better and can take targeted action to improve the maintenance and protection of cable joints.

SUPPLIER STRATEGY AND MATERIAL CHAIN

The energy transition requires many materials, such as cables, joints, substations and transformers. We procured 30 power transformers and 6,700 kilometres of cable in 2024, and we increased the number of cable suppliers from 3 to 8 through a European tender. The global market for these components is characterised by high demand, which often exceeds available production capacity. To respond to this situation, Enexis has opted for strategic partnerships with key suppliers, in which we fix our required volumes several quarters in advance. This entails risks, as our execution is not always predictable due to factors such as lengthy permit approvals or a shortage of technical personnel. To mitigate this, we expanded our logistics capacity in 2024 through in-house and flexible external storage locations, increasing our inventory from €150 million to €168 million in 2024.

MAKING MORE EFFICIENT USE OF THE GRID

In addition to expanding the grid to provide more transmission capacity, we can also use existing capacity better. The grid is not always at full capacity. If we can reduce the peaks and fill in the troughs, more customers can use the grid. With new types of contracts, we encourage customers to adapt their energy consumption to the available grid capacity.

ALTERNATIVE TRANSMISSION RIGHTS WITH BLOKSTROOM

BlokStroom allows customers to use additional electricity outside peak hours. This type of contract works with fixed blocks of time, such as overnight from midnight to 6:00 AM. This is an ideal solution for some customers. For example, they can charge electric trucks overnight so that they are fully operational in the morning. In 2024, we introduced BlokStroom to a limited number of customers, resulting in around 40 contracts. This pilot provided valuable insights for the further development and rollout of alternative transmission rights. We expect to offer BlokStroom on a limited basis in 2025 in locations where nighttime transmission capacity is available.

GROUP TRANSMISSION AGREEMENT READY FOR THE MARKET

A group transmission agreement (GTA) is a contract whereby a group of companies share an agreed transmission capacity. By coordinating energy production, consumption and storage, these companies can use more capacity than if they each had individual transmission capacity. This also makes investing in technologies such as charging points, solar panels or batteries more attractive, as consumption and costs are shared. The GTA is one of the building blocks of an energy hub. Enexis is involved in pilot projects with energy hubs at several locations. The insights gained from these pilots have been used to work with other grid operators to enable group transmission rights in legislation and regulations. We expect to gradually offer the GTA to the market on a small scale starting in 2025.

FLEX CONTRACT CREATES SPACE ON THE GRID

We use congestion management to reduce peaks on the grid and create space to connect new customers in the area. To do this, we sign flex contracts with high-volume consumers: they reduce the peak load at times of high demand. It is essential that we know when to expect these peaks. We use our own artificial intelligence (AI) to forecast the expected load on our grid on a daily basis. This task is not easy, but it is crucial for efficient congestion management. In 2024, we signed our largest flex contract to date with the Sappi paper mill in Zuid-Limburg. As part of an experiment with Fastned, the fast-charging station voluntarily gave up some of its power at fixed times, mainly during morning and evening peaks, without affecting customers. In return, Fastned requested flexible extra capacity from Enexis at times when it could.

RAISING AWARENESS OF FLEXIBLE ENERGY USE

Flexible energy use is essential for an affordable and reliable energy system. After all, it creates more space in the grid. Technology has a key role to play in intelligently managing high-volume consumers. At the same time, we need to change our behaviour. Solutions such as flex contracts encourage this.

In 2024, we also launched a communication campaign for the business market with the slogan 'My power grid, your power grid'. The aim is to make customers aware that the grid belongs to all of us and that everyone can contribute to the solution. For consumers, we have launched the 'Full of energy' campaign.

REDUCING FEED-IN CONGESTION THROUGH OPEN BIDDING

In areas where large amounts of solar and wind energy are fed back into the grid, congestion problems can occur. In April 2024, Enexis resolved feed-in congestion for the first time through open bidding on the GOPACS platform.
This process involves three parties: the grid operator facing the congestion, a party within the congestion area willing to help, and a third party outside the congestion area taking countermeasures. As these actions must not disrupt the national balance of the electricity grid, a reduction in solar production is paired with an increase in electricity production outside the congestion area.
Parties within the congestion area can submit their bids, setting the price at which they are willing to help resolve the congestion (open bidding), facilitated by GOPACS. This approach not only provides a solution to the current congestion problem but also strengthens the reliability and affordability of our network for our customers.

FIRST CONGESTION MANAGEMENT FRAMEWORK AGREEMENT

Last year, Enexis signed its first contract with a congestion service provider. This contract with Next Kraftwerke is the first framework agreement for congestion management and provides immediate access to up to 63 MW in our service area. This step demonstrates how framework contracts can support the large-scale rollout of flexibility. In addition to tailor-made agreements with individual customers, such a framework contract offers the opportunity to make faster progress. The contract with Next Kraftwerke is the first example of this. It focuses on large solar farms.

BETTER TRACKING OF GRID LOSSES, FAIRER COST DISTRIBUTION

Since 1 January 2024, we have been calculating our grid losses differently. As a result, the cost of grid losses can now be shared more fairly between grid operators and market players.

When electricity is transmitted, unavoidable energy losses occur in cables and transformers due to resistance and heat generation. Any energy that does not reach the customer – including energy fraud and administrative errors – is grid loss. We have to buy this grid loss. The total grid loss is about the same as the total electricity consumption of the national railway operator, the NS.

Since last year, we have been keeping better track of our grid losses. As part of Allocation 2.0, we divide the grid loss into three parts: the energy used by the grid itself, the loss during transmission and the consumption that nobody pays for (mainly energy fraud). We have also made two other improvements. On days when there is a lot of sun and wind, we ensure the grid loss calculation reflects this. This reduces the imbalance and makes the energy market work a little better. We are also forecasting grid losses on a daily basis now instead of annually. This significantly improves the accuracy of our calculations.

These adjustments do not change the exchange of information between market players, but they make calculating the remaining grid loss much more accurate.

Working on the grid

STANDARDISED TRANSMISSION DISTRIBUTION STATION IN ROERMOND

At the end of October, Enexis, Alfen and Siemens Infrastructure installed the first standardised transmission distribution station as a proof of concept (PoC), lifting the Siemens installation into place in a single step. This approach is labour-intensive, fast and sustainable, saving three weeks of work. This was the first of 800 standardised stations we plan to install over the next 10 years. By doing so, we are accelerating the expansion of our infrastructure and contributing to a future-proof energy transition.

UPGRADED HV/MV SUBSTATION IN KELPEN

In Kelpen, we are upgrading a large 150 kV substation in collaboration with two contractors. This is only possible because we are working outside the voltage zone of the existing substation. The work involves rebuilding various components of the high-voltage substation, installing various underground cable connections to/from the substation and adapting the roads on the site of the high-voltage substation.

TACKLING THE ENTIRE DISTRICT AT ONCE IN LANDGRAAF...

In Landgraaf, we worked closely with the municipality to develop a neighborhood approach. With the growing demand for electric cars, heat pumps and solar panels, the pressure on local electricity grids in residential areas is increasing rapidly. Landgraaf is no exception, which is why we are making the low-voltage network fit for the future. The municipality of Landgraaf played a key role in this project and showed great determination and vision. Together with our partner Hurkmans Van Geleuken, we installed a new substation, laid 1,200 metres of cable and upgraded hundreds of connections in record time.

...AND IN RIJSSEN

At the end of August, VSH started installing low-voltage cables in the neighborhood Veeneslagen of Rijssen. This is no ordinary project. It is the first major PILV project for VSH and the western part of Overijssel. No fewer than 2,000 connections will be affected in this district. We held a well-attended information evening before the work began, and two more are planned for the subsequent phases. Every Wednesday, there is a walk-in session at the construction site for residents.

ASBESTOS REMOVAL IN METER BOXES IN ENSCHEDE

In November, Enexis removed asbestos from a meter cabinet in a block of flats in Enschede in a mini-containment, with a view to upgrading the connection at a later date. The housing association wants to make the flats gas-free.

Working with a mini-containment takes only a quarter of the time required for a full containment. This time saving is particularly important as it is estimated that tens of thousands of private and social housing association units in Twente have meter cabinets containing asbestos.

A HISTORIC PROJECT IN THE HEART OF GRONINGEN

In April, Enexis started work on an impressive and historic project: replacing an old gas pipeline in the heart of Groningen. This project was part of a larger initiative involving the removal of 126 kilometres of grey cast iron gas mains in Groningen, Hoogezand and Winschoten. As with many complex projects, there were challenges, such as the sensitivity of the surrounding old buildings and the need to measure and minimise vibrations.

This project was an important step in preparing our infrastructure for the future. By replacing these 'old' gas pipes, we are ensuring that our network is fit for the future and is prepared for a green gas future.

READY FOR EMERGENCIES DAY AND NIGHT, ANYWHERE

From damaged cables and potential gas leaks to power outages, our Emergency Response Service is on call day and night to minimise risks and prevent serious incidents. In June, a significant incident occurred in Kampen when a damaged transmission cable left a large part of the town centre, including several businesses, without power. We set up emergency generators and immediately started work on a temporary solution to allow time for the damaged cable to be repaired. The various business units implemented this solution within a week. Ultimately, we decided to lay 700 metres of new transmission cable through the town park in Kampen.

In March, a high-pressure gas pipeline in Eindhoven needed urgent attention. A sinking pumping station belonging to the De Dommel water authority was in danger of falling onto the gas pipeline. As a precaution, we shut down the pipeline and flared off the excess gas. In the end, the pipeline was undamaged and no customers were affected.

‘Grid operators urgently need us’

INTERVIEW WITH GEERT HENDRIKS, DIRECTOR OF CONTRACTOR HANAB DISTRIBUTION

Over the next 10 years, Enexis will lay more than 20,000 kilometres of medium-voltage cable and build 800 new distribution substations. This is a massive undertaking, which we will tackle together with our contractors. To achieve this, we have developed an innovative approach with Hanab Distribution: the low-voltage and medium-voltage production lines.

Contractor Hanab Distribution has been working with Enexis in the north and south of the Netherlands for decades. ‘For a long time, we handled relatively small, manageable jobs,’ says director Geert Hendriks. ‘We mainly connected consumers to the gas and electricity grid. Initially, we thought the energy transition would reduce our work package, as households moved away from using gas. But we quickly realised that grid operators urgently need us to expand and upgrade the electricity grid.’

STANDARDISING WORK

Enexis cannot manage this enormous task alone and is outsourcing more and more work to contractors. ‘To meet the challenge, we developed a new way of working together: the low-voltage and medium-voltage production lines,’ says Hendriks. ‘By standardising our processes, we make planning more efficient and shorten lead times.’

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Thanks to a standardised approach, we can upgrade low-voltage networks across an entire neighbourhood in one go, **minimising disruption for residents.**

ROLLING OUT THE NEIGHBOURHOOD APPROACH

Hanab Distribution is also involved in Enexis' neighbourhood approach. Enexis and its contractors are replacing outdated transformer houses to meet the growing demand for electricity. These play an important role in the grid, distributing electricity from distribution substations to households. 'Thanks to our standardised method, we can upgrade the low-voltage networks in a neighbourhood in one go, minimising disruption for residents. We plan to roll out the neighbourhood approach on a large scale in 2025,' says Hendriks. 'It's exciting and rewarding to innovate the industry with our customers.'

RECRUITING TALENT TOGETHER

Working with Enexis has had a significant impact on Hanab Distribution. To handle the increased workload, the contractor is expanding its workforce with skilled labour, adapting work processes and digitalising where possible. To avoid competing for the same professionals, Enexis and Hanab have been recruiting together through Talent Infra since 2024. 'We look for talent both in the Netherlands and across Europe,' says Hendriks. 'Our environmental managers come from the regions where we're carrying out the project. Their local knowledge is invaluable. We also invest heavily in bringing together different cultures. That's how we create strong teams.' The new dynamic is energising, according to Hendriks. 'Enexis gives us a lot of freedom to innovate. The only condition is that our way of working is scalable and that we maintain high quality and safety standards. But growing fast comes with its challenges, and we're certainly experiencing some growing pains. Luckily, we have good discussions about this.'

MAKING A DIFFERENCE

Looking ahead, the contractor will remain closely involved with Enexis in the coming years, says Hendriks. 'There will be plenty of challenges, but the work itself is gratifying. We are proud to be making a real difference as part of the energy transition.'

Customers know what to expect from us

Electricity demand has soared, pushing the grid's capacity to its limits in many areas. To address this, we are rebuilding our energy system. This process takes time and requires precise, transparent communication with our customers so they know what to expect.

What are the biggest challenges in the energy system? What are we doing to address them? Where is transmission capacity still available? How long will customers have to wait to be connected? And what can they do themselves? We want to answer these and other customer questions as clearly as possible. Through maps and regular updates, we provide insight into waiting list developments and plans to expand grid capacity.

CLEAR COMMUNICATION WITH HIGH-VOLUME CONSUMERS

In 2024, we introduced the national grid capacity maps with the other grid operators. These show the congestion situation, the available transmission capacity, the required transmission capacity, the number of requests on the waiting list and the capacity on the waiting list. We also provide customers with a monthly update on the capacity of our electricity grid. This includes information on new bottlenecks and congestion studies. Business customers can also subscribe to our quarterly newsletter to keep up to date with the latest developments in the energy grid.

SOLUTIONS FOR HIGH-VOLUME CONSUMERS

What customers can already do themselves

In October 2024, we launched the 'My power grid, your power grid' corporate campaign. The campaign highlights the importance of using the grid more intelligently and flexibly. And we are taking these steps together with our customers. For example, companies can shift some of their production to night-time hours or charge their electric vehicle fleet overnight. By spreading their energy consumption, they can stay within their contracted capacity and avoid the need for additional capacity. Customers can also explore other solutions. For example, they can generate their own energy to reduce external purchases or store the energy they produce for later use. There are more and more market players that can advise our customers in these areas.

Contracts for flexible capacity

As part of congestion management, we inform and encourage customers to use the grid as efficiently as possible. For example, we ask them to temporarily return some of their capacity to us – for a fee – during expected peak times on the grid. We also offer contracts where they only get capacity during certain time blocks of the day. For example, at night when there is sufficient capacity. Examples include Sappi and Fastned.

LOW-VOLUME CONSUMERS ALSO AFFECTED

Households are increasingly feeling the effects of grid congestion. Their electricity demand is skyrocketing, driven by the introduction of (hybrid) heat pumps, charging stations and electric cooking. At the same time, more and more households are installing solar panels. As a result, the grid often needs to be upgraded or expanded before a household can get a new or upgraded connection. This adds to the workload. With limited labour capacity, even households and small business customers can face longer waiting times for a new connection or upgrade.

Proactive communication with low-volume consumers

To keep low-volume consumers informed of inconveniences, we communicate proactively and provide insight into the situation on the grid. We do this in several ways:

- The 'Full of energy' campaign informs customers about the challenges facing the electricity grid. With this campaign won Enexis the first prize in the prestigious Grand Prix Content Marketing.
- We make long-term plans, such as the neighbourhood approach, transparent on our website. For example, we provide information about problems with inverters and help customers understand the time frame in which we can solve problems.
- When a customer requests a new connection, we include the expected delivery time in the quotation if a grid extension is required. We also publish the current delivery times for each sector online.
- At the end of January 2025, we launched the online Grid Checker, which allows households and small businesses to check grid availability at the postcode level.

CONNECTION TIMELINES FOR HIGH-VOLUME CONSUMERS EXTENDED

Unfortunately, despite our efforts to expand the grid and use it more efficiently, the time it takes to make connections is increasing. This is partly due to staff shortages and congestion on the grid. At the suggestion of market players representing business customers and the joint network operators, ACM has set new connection timelines for high-volume consumers in 2024. These new timelines provide predictability for customers while allowing grid operators to set realistic implementation schedules. Depending on the complexity of the project, the timelines are set at 26 weeks, 52 weeks or a project-specific timeline set by the grid operator that cannot reasonably be shorter. In addition, a dynamic regional waiting period of up to 40 weeks may be added to the standard timeline, taking into account the amount of work still to be carried out by the grid operator. In areas affected by congestion, the connection timeline will be linked to the date on which the congestion is resolved. The new connection timelines will come into force on 1 January 2025.

CONNECTION TIMELINES FOR LOW-VOLUME CONSUMERS

In September, the Trade and Industry Appeals Tribunal (CBb) annulled the ACM code decision Connection Timeline for low-volume consumers following an appeal by Netbeheer Nederland. This means that the code decision is null and void and that ACM must again enter into discussions with Netbeheer Nederland on what constitutes a reasonable connection timeline for consumers and other low-volume users.

GRID TARIFFS AND TARIFF MODEL

GRID TARIFFS INCREASED

The grid tariffs increased considerably in 2024. There are three reasons for this:

- The cost of using TenneT's high-voltage overhead network has increased. We pay TenneT to transmit energy via this national grid to our regional grids.
- ACM has made an advance adjustment to the tariffs for 2022 and 2023. The CBb decided that the grid tariffs for electricity in these years were too low. In 2022 and 2023, Enexis was allowed to charge too little, which we will correct in 2024.
- A price inflation of 3% has been incorporated. ACM determined this percentage on the basis of CBS figures.

Households paid 22.9% more for the combined electricity and gas bill in 2024 than in 2023. Grid tariffs will be higher again in 2025. In agreement with ACM, we found that the combined electricity and gas bill, including meter rent for households, will increase by 11% in 2025. This is equivalent to around €6 per month (including VAT).

For business customers, grid tariffs increased between 39% and 42.1% for electricity and 4.7% and 5.3% for gas. The increase depended on the size of the connection and consumption.

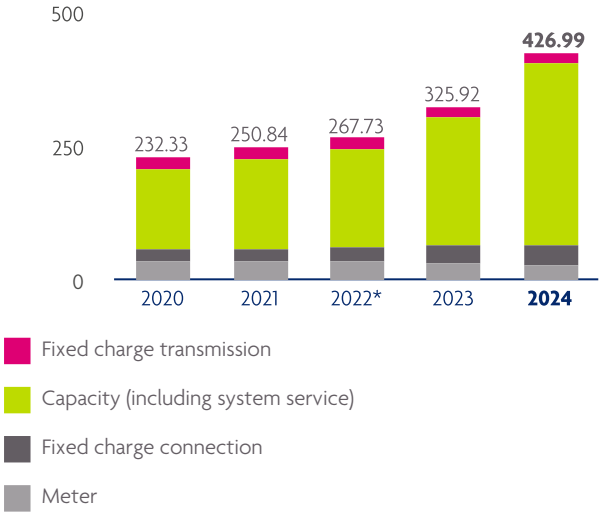
TARIFF MODEL BASED ON ACTUAL DEMAND

Customers now pay fixed grid tariffs. We are advocating a tariff model for low-volume and high-volume consumers based on actual demand for transmission capacity. This will encourage customers to use the grid efficiently. For high-volume consumers, we already have contracts that encourage the flexible use of available grid capacity. The aim is to optimise grid efficiency, ensure fair cost distribution and limit cost increases.

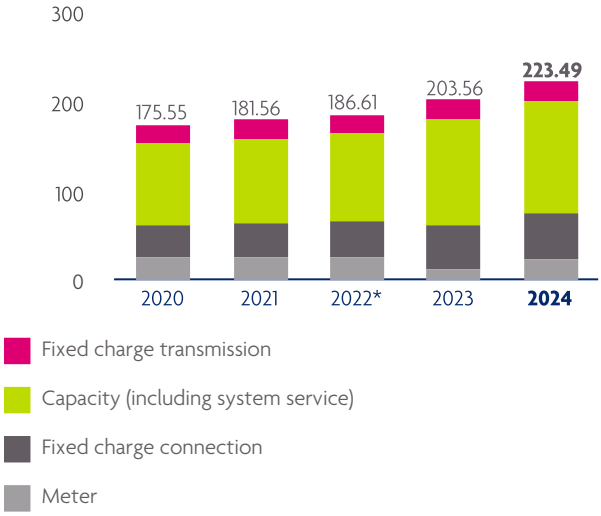
ACM is working with grid operators and others on a tariff structure for customers who feed electricity into the grid, known as feed-in customers. These include large feed-in sources, such as power plants, wind farms and solar farms. They currently pay nothing for the electricity they supply to the grid. Only those who consume energy pay for the infrastructure. ACM and the industry would like to see a better distribution of costs among all users of the grid.

AVERAGE BILL FOR HOUSEHOLD CONSUMPTION

Electricity (annual grid costs in euros)



Gas (annual grid costs in euros)



* In 2022, there was a temporary reduction of the VAT rate from 21% to 9%. For comparison purposes, a VAT rate of 21% has been applied to the entire year of 2022

‘The transition has to come from both sides’

INTERVIEW WITH GREEN PLANET OWNER EDWARD DOORTEN

The Green Planet filling station and power station in Pesse is unique. Not only can you fill up your car with diesel, petrol, electricity or hydrogen, but the company also wants to be self-sufficient and put as little strain as possible on the electricity grid. ‘As an entrepreneur, you really have to think about where you want to be in five years’ time and what your energy needs will be then.’

The large domed roof of Green Planet near the A28 motorway in Drenthe betrays the fact that this is an unusual filling station. The roof is covered with sedum, a succulent plant that insulates, prevents waterlogging and provides a nice place for birds and butterflies. There are also two wind turbines on the roof. Together with 1,400 solar panels, these provide electricity for the company’s own operations and for charging electric cars, says owner Edward Doorten. ‘We have our own electricity grid and a large battery storage facility. We are also pioneering the use of hydrogen to generate electricity. That way, we can supply all our customers with electricity without putting a strain on the grid.’

WORKING WITH ENEXIS

Edward has been working on cleaner and smarter mobility for years. ‘When we started, the electricity grid was filling up,' says Edward. ‘That got us thinking, for example about self-generation and energy storage. Together with Enexis, we spent a year doing all kinds of experiments. We exchanged data, coordinated systems and measured factors such as the strength of the sun and wind. All this resulted in an energy management system that controls all our assets and makes intelligent decisions based on data. Enexis also gained experience with us on alternative transmission rights, where grid capacity is available outside peak times.’

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Many others are already looking to us for inspiration, **which we see as a great compliment**

DRIVING THE ENERGY TRANSITION

Green Planet expects to generate and store even more of its own energy in the future. 'The electrification of both passenger cars and heavy transport will grow rapidly,' says Edward. 'To meet the growing demand for electricity, we will need even more solar panels and possibly more energy storage. In the meantime, he and his team are working on optimising the system so it can be used in other locations in the future. 'Many others are already looking to us for inspiration, which we see as a great compliment. We receive government support, so we feel obliged to turn that support into a driving force for progress.'

A SMARTER APPROACH

Grid operators like Enexis are working hard to strengthen the network, says Edward. But he also advises entrepreneurs to take action themselves. 'The change really has to come from both sides. If companies just sit back and wait for the grid operator to solve everything, they won't get far in today's world. A different, smarter approach is needed. Can I use battery storage? Can I convert hydrogen to electricity from time to time? Can I adjust cooling systems to run harder at certain times and less at others? There are countless solutions, but it all starts with thinking. I believe this is the responsibility of every company. We can only get through it by working together.'

Enexis as an employer

At Enexis, we work every day to ensure a safe and welcoming workplace for all our employees. Safety is a top priority throughout our organisation. We want to be an attractive employer, where everyone is welcome and has plenty of opportunity to grow. Thanks to our employees, Enexis operates one of the most reliable energy networks in the world.

GETTING EVERYONE HOME SAFELY

At Enexis, we work with electrical power and pipelines containing flammable gas under pressure. This involves safety risks. Therefore, safety is a top priority in our organisation. Everyone is aware that every accident is one too many, whether for our own employees or our contractors. This applies to those who work directly on the grid as well as the teams that support operations.

Our safety culture is benchmarked against the Safety Ladder, a tool that measures an organisation's safety awareness in terms of attitude, behaviour and culture. By the end of 2024, Enexis had climbed from level 3 to level 4. We are proud of this milestone. In 2024, there were 24 incidents with minor injuries among Enexis employees and our contractors (2023: 14). Unfortunately, we did not meet our safety targets.

Learning from incidents and near misses

Safety will remain high on our agenda in the coming years. For example, we monitor and analyse all incidents at Enexis and our contractors. We use the lessons learned from (near) accidents in our work protocols, team meetings, training courses and learning sessions in the professional practice hall. To reduce safety risks, we want to work in a more stress-free and gas-free environment. This is important at a time when the workload is increasing significantly. It also ensures that new employees with no experience in the network sector can start working safely sooner. We also share our experiences with other grid operators so we can learn together and take steps to improve.

AN ENEXIS FOR EVERYONE

Our employees are highly committed – to their work and to each other. This commitment plays a key role in maintaining a reliable network. Enexis continuously measures employee engagement, and in 2024 the eNPS score was 32, slightly lower than in 2023 (33.4). This is due to an increase in so-called 'neutrals' and a decrease in 'promoters' in the measurement, while the share of 'critics' remained the same.

Our core values – *clarity, inclusiveness* and *continuous learning* – are fundamental to our organisation. They help us to execute our strategy effectively in a rapidly changing environment. Inclusiveness, for example, ensures that everyone feels at home in our organisation – regardless of age, background, orientation, gender, physical disability or mental challenge. Our goal is an inclusive Enexis that reflects the diversity of society, where employees bring new perspectives and innovative ways of thinking and working. This diversity is equally important in our collaboration with partners, as we need all points of view to address the complex challenges we face.

To create an inclusive Enexis for everyone, we focus on fostering a socially safe and welcoming work environment, promoting equal opportunities and encouraging diversity and inclusiveness. We are also committed to achieving a balance of men and women in top and senior positions, and we aim to have 10% of our employees from culturally diverse backgrounds.

Diversity in senior management

Gender diversity senior management[1] in number of employees	Year-end 2024	Percentage of total senior management
Male	13	54%
Female	11	46%
Other	0	0%
Not reported	0	0%
Total	**24**	**100%**

1 N-1 level (directors and managers one level below Executive Board).

Network groups

Our internal network groups also work towards an Enexis for everyone. New network groups were launched in 2024: 'Proud' for LGBTQ+ colleagues and 'Connect' for cultural diversity. In addition, the networks 'ZIJ!' for female colleagues and 'Next' for younger colleagues remained active. Each network consists of a board and a community group where members share their input and ideas.

BRIDGING THE GAP

Enexis aims to be a good employer for all employees, including those who face barriers to the labour market due to a physical or mental challenge. In the coming years, we will actively work to recruit more candidates from this group, recognising that there is still progress to be made. Our approach is practical – we look for concrete opportunities by linking initiatives within the organisation. In 2024, we launched the first two initiatives in collaboration with UWV and external partners. Last year, we hired a total of 23 people with a distance to the labour market, including 19 men and 4 women receiving WAO, WIA or Wajong benefits. We want to build on this in 2025.

RECRUITING AND RETAINING COLLEAGUES

Enexis is facing a large and complex challenge with the energy transition. This requires a large number of highly qualified and technically skilled employees. We are growing at an unprecedented rate, and recruitment remained a key focus in 2024. In total, we hired 656 new employees and 801 temporary staff. In addition, 71 students completed internships with us, and 13 young people gained work experience. We no longer recruit new technical colleagues primarily on the basis of diplomas and experience. Instead, we focus on the skills they bring to the table. The starting point is not what someone cannot do, but what Enexis can teach them. Many new employees are trained internally, especially those in technical roles.

Through the Sufficiently Skilled Personnel programme, we are continuously working to attract new employees while minimising attrition. In the coming period, we will focus on redesigning work processes and expanding our capacity to train and support both new and existing employees. In addition, the Accelerated Skilled Deployable Personnel programme is exploring new approaches to recruitment and (digital) training, which also applies to the contractors we work with.

In 2024, we developed a new recruitment video: 'With energy, anything is possible'. This video shows how we at Enexis make a difference together and why technicians, IT professionals and other talents should want to work for us. It highlights our societal role and the importance of energy in everyday life – from keeping hospitals and the economy running, or something as small as powering our child's bedside lamp.

Equally important, of course, is retaining our current employees. We do this by providing a great place to work, with attractive employment conditions, development opportunities and career growth prospects. Our efforts were recognised when we won the award for best traineeship in the Benelux.

Number of employees

Personnel	2024	2023	2022	2021	2020
Number of employees at year-end (own personnel)	5,981	5,490	4,984	4,947	4,767
FTEs at year-end (own personnel)	5,734	5,268	4,794	4,772	4,591
Female employees as a % of the total workforce	22.5%	21.5%	20.6%	19.8%	19.7%
Absence due to illness (%)	5.0%	5.4%	5.5%	4.7%	4.9%

In 2024, Enexis has paid a lot of attention to absenteeism and its prevention. For example, by offering more practical support, training and knowledge to managers. In addition, ArboUnie started as a new occupational health and safety service in 2024 and focuses on data analysis in order to better and faster anticipate current absenteeism figures. For example, requesting interventions has been made easier.

TRAINING AND DEVELOPMENT

To create a future-proof energy system, we need a resilient workforce. That is why we are committed to the sustainable employability and personal development of our employees. We believe it is important that they stay healthy, enjoy their work, perform at their best and have the opportunity to grow into new roles if they choose. Their development is key to maintaining agility in the labour market, both now and in the future. This is a shared responsibility between employees and managers.

Since 2024, Enexis has had a new appraisal system that no longer relies on scores, but on the assumption that every employee is doing their job well. We hold 'Energy talks' with employees, which is an opportunity for them to discuss their results, employability, well-being and development with their managers.

'DIGITALLY FIT' EMPLOYEES

Enexis is becoming increasingly data-driven. This entails building a solid database consisting, for example, of a central and secure data platform, a mature data governance organisation and, last but not least, 'digitally fit' employees. We want our colleagues to be prepared for rapid technological change and the growing role of data. They need to be able to understand, apply and integrate technology into their daily work. Through workshops, training and communities, we give our people the tools to continuously develop their digital knowledge and skills. For example, we trained around 1.000 colleagues in GenAI, organised three leadership training courses and a dozen inspiration sessions on new technologies. We use Hoxhunt to alert colleagues to digital dangers.

Detailed information about Enexis as an employer can be found in the sustainability statement here.

‘We will have enough power cables to last for years’

INTERVIEW WITH COLLEAGUES HOSSAIN EL HACHHOUCHI AND ERWIN VAN BEVEREN

Enexis needs a staggering 76,000 kilometres of power cables for the energy transition in the coming years. After an invitation to tender, we selected eight suppliers. The process was anything but standard; our buyers travelled halfway around the world to convince suppliers to bid. In China, they asked: how many households does ‘this province of the Netherlands’ actually have?

It became clear in 2017 that the Netherlands is rapidly switching to green electricity and electric processes, machines and appliances. The pressure on the electricity grid was growing. Enexis was starting to expand its network, and the supply of low-voltage and medium-voltage cables was rapidly decreasing. ‘Our three suppliers really pulled out all the stops to help us,’ says procurement manager Hossain El Hachhouchi. ‘But it soon became clear that we needed far more cable than they could supply.’

A HUNDRED POTENTIAL SUPPLIERS

Reason enough to look for new suppliers. Hossain: ‘We wanted to go from three to eight suppliers, spread across Europe and preferably the world. We also thought it was important, from a diversification point of view, that these companies had different suppliers of raw materials.’ The study began with a list of all 125 cable suppliers in the world. ‘We analysed them’, says procurement officer Erwin van Beveren. ‘Many of them didn’t qualify because they only produced fibre optic cables, were based in countries like Russia or simply couldn’t supply the cables we needed.’

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It was our **largest product tender ever**

A LOOK INSIDE CABLE OPERATIONS

There are about 50 potential suppliers left. Enexis' procurement team contacted them all by email or phone. 'In the end, we held a Teams meeting with 25 suppliers,' says Hossain. 'We wanted to make sure they could supply exactly the cables we needed.' After this consultation, 12 suppliers remained. Erwin: 'They were mainly from European countries but also from China, for example. We visited all of them, not just to speak with directors and salespeople, but to see their processes and working methods firsthand. We wanted to know if they were willing and able to go along with our ambition to work in an increasingly circular way, using as few new raw materials as possible.'

SUCCESSFUL TENDER

The visits have an additional purpose. 'When you put out a tender, you want the right parties to bid,' says Hossain. 'That doesn't happen automatically. Our buyers really had to sell Enexis. We had to convince the parties that we were a serious and large client. After all, most of them had no clue.' Erwin gives an example: 'In China, they asked us how many households "the province of the Netherlands" has. I said: the same as this city. They thought that was fine. Then just bid for the contract, I said.' The final tender was a success: by far the most companies visited took part. In addition to the three existing suppliers, Enexis chooses five new ones from the Czech Republic, Poland, Germany and Greece. No Chinese companies, in other words. 'The price-quality ratio was the deciding factor,' says Hossain.

NO BUMPS IN THE ROAD

Twelve-year contracts were signed with eight suppliers. 'Normally, the term is eight years,' says Hossain, 'but these companies are making significant investments to meet our requirements, especially in the area of circularity. They now have more time to recover those costs.' He looks back on the process with satisfaction. 'It was our largest product tender ever. By selling ourselves well, we were able to attract the right partners. We will have enough power cables to last for years. At least cables won't be a bump in the road for the energy transition!'

Remaining financially sound

Our investment in the energy transition is reaching record levels. A lot of money is needed to build a future-proof energy system. Our spending on energy grid work will reach a record of €1,486 million in 2024.

Year on year, our spending increases to enable the energy transition with our infrastructure. Our ability to make large additional investments is due to our strong financial position. Our work package this year is €1,486 million, which is €272 million more than the €1,214 million in 2023. We know we have to spend our money wisely. This is part of our public responsibility and helps to keep energy affordable for everyone. That is why we are focusing on our core tasks and making cost-effective decisions, for example by applying the Lean methodology and optimising our ICT landscape. We have also been working on innovations to expand the network as cost-effectively as possible in 2024.

FINANCING THE ENERGY TRANSITION

In the coming years, Enexis will invest significantly more in expanding and improving the electricity grid. This investment will lead to higher grid management costs and consequently higher tariffs for our customers. While cost savings and efficiency remain our responsibility, it is equally important that we generate sufficient revenue to continue investing in the energy transition. Net profit for 2024 increased by €182 million to €254 million, as the tariffs Enexis is allowed to charge customers are more in line with costs than in 2023.

Enexis is expected to remain structurally cash flow negative and will therefore have to borrow repeatedly, increasing our debt. While Enexis' revenue is projected to grow in the coming years, it will not be sufficient to finance the significant investment challenge fully. A good credit rating is therefore essential to ensure that we maintain access to capital at an attractive price, even during financial crises.

To remain financially sound, Enexis is pursuing a three-pillar policy:

1. Encouraging optimal societal choices and improving efficiency and productivity:
    a. By promoting optimal location choices, where production and consumption take place together, we can reduce the need for additional investments.
    b. By working efficiently, we can do more for our customers and contribute to the affordability of energy.
    c. Through standardisation, digitalisation and simple processes, we aim to increase productivity.
    d. Enexis is working with municipalities and provinces to develop clear energy plans, covering topics such as heat networks, green gas, hydrogen and strategic vehicle charging.
2. Balancing tariffs and revenue:
    a. ACM has increased the allowed revenue for network operators following a decision by the CBb. This will lead to an increase in allowed revenues and tariffs of over €700 million for the years 2024 to 2026.
3. Strengthening equity:
    a. In 2020, our shareholders provided a convertible hybrid shareholder loan and allocated a significant portion of the proceeds from the sale of Fudura to investments in the energy transition.
    b. There is also a framework agreement with the government that allows the state to become a shareholder if the financial situation requires it.

For the future, Enexis will continue to follow these three paths to ensure financial stability and a good credit rating, thus financing the energy transition.

A SUSTAINABLE INVESTMENT

In May 2024, Enexis Holding N.V. issued a €500 million green bond with a 3.50% coupon rate. Enexis now has six bonds in circulation. Four of these are green bonds. Enexis Holding N.V. used the proceeds from this bond issuance to finance the expansions and upgrading of the grid necessary for the integration of renewable energy, distribution automation, smart meters and sustainable buildings. A Green Finance Framework has been developed for the issuance of green bonds. The current Green Finance Framework is fully compliant with the EU Taxonomy. This has been externally validated and confirmed by ISS ESG. This underscores Enexis' commitment to sustainability and its contribution to a more sustainable society.

By adhering to the EU Taxonomy and the Green Bond Principles and embedding them within the Green Finance Framework, Enexis ensures complete transparency in the process. Along with good ratings from Sustainalytics and ISS-ESG, this provides investors with clarity and confidence when investing in Enexis' green bonds. All our green bonds are listed on Euronext Amsterdam.

In addition to the green bond issuance, Enexis has secured a €90 million facility from the European Investment Bank (EIB) in 2024. This conditional facility can be used to finance the expansion of Mijnwater Warmte Infra's district heating and cooling network in the province of Limburg. Enexis has the option to draw on this facility for the next three years with a maximum maturity of 10 years. However, this facility was not used in 2024.

MAINTAINING THE CREDIT RATING PROFILE

Maintaining a credit rating profile of at least A/A2 with a five-year horizon is an important pillar of Enexis' financial policy. It is the basis for a sound capital structure and for maintaining investor confidence. Enexis uses credit ratings from Standard & Poor's (S&P) and Moody's. S&P's long-term credit rating for Enexis Holding N.V. and Enexis Netbeheer B.V. changed from A+ with a positive outlook to AA- with a stable outlook in February 2024. At Moody's, only Enexis Holding N.V. has a long-term rating, which is unchanged (Aa3 with a stable outlook). The short-term credit ratings of Enexis Holding N.V. are unchanged: A-1 (S&P) and P-1 (Moody's).

One condition for maintaining an A/A2 rating profile is that Enexis has sufficient financial resources to cover cash outflows for at least 12 months in advance. This coverage is partly provided by the €1,000 million committed Revolving Credit Facility (RCF), which was renewed in October 2024 for five years with the same group of 7 banks. In 2024, Enexis Holding N.V. did not draw under this RCF.

For information on financing, liquidity and credit ratings, see note 30 'Financial policy and risks associated with financial instruments' of the consolidated financial statements.

STRONG SUSTAINABILITY PROFILE

For investors, the high level of sustainability of Enexis' business activities is often an important reason to invest in our green bonds. Our contributions to the Sustainable Development Goals and our ESG ratings play a crucial role in this. ESG stands for environmental, social and governance, and our ESG rating is determined by factors such as our impact on climate change, our role in the community, the reliability of our network, safety, business ethics and good corporate governance. Our current ESG ratings show that we have a strong sustainability profile. Enexis is in close contact with the rating agencies ISS ESG and Sustainalytics.

- Sustainalytics rates Enexis as low risk.
- ISS ESG gives Enexis a C+ rating with a Prime label, which places us among the best performing companies in the category of Gas and Electricity Network Operators.

SUSTAINALYTICS

ISS ESG

2024 Financial performance

Enexis realised a net profit of €254 million in 2024, an increase of €182 million compared to 2023. This increase is mainly attributable to an increase in net sales of €582 million. This increase is partly offset by an increase in transmission and distribution losses of €143 million. In addition, the balance of operating expenses and other income increased by €162 million. The negative balance of financial income and expenses increased by €25 million, and finally, taxes on income increased by €70 million.

Gross investments increased by €344 million to €1,487 million, mainly due to the further increase in investments in the electricity grid. Enexis receives delayed compensation for these investments in tariffs with a time lag. These timing effects are expected to result in negative cash flows from operating activities and investments in (in)tangible fixed assets in the coming years. Cash flow from operating activities and investments in (in)tangible fixed assets was €567 million negative in 2024. This represents a deterioration of €51 million compared to 2023.

€ Million	2024	2023	2022	2021	2020
Result					
Revenue	2,596	2,014	1,705	1,634	1,516
Costs of transmission services and distribution losses	952	809	380	324	316
Other operating income	39	1	3	2	1
Balance available for operating activities	1,683	1,206	1,328	1,312	1,201
Operating expenses excluding depreciation, impairments and decommissioning	788	629	583	561	554
Depreciation, impairments and decommissioning	509	468	469	429	405
Operating profit	386	109	276	322	242
Share of result of associates and joint ventures	0	0	1113	0	0
EBIT[1]	386	109	276	322	242
Financial income and expenses	-46	-21	-28	-43	-41
Profit before tax	340	88	1,361	279	201
Profit for the year	254	72	1,300	199	108
Financial position (before profit appropriation)					
Net working capital[1]	-41	11	-37	-99	-106
Non-current assets	10,947	9,916	9,214	8,765	8,496
Capital employed[1]	9,587	8,677	8,019	7,802	7,418
Equity	5,538	5,320	5,441	4,241	4,116
Net interest-bearing liabilities[1]	3,597	2,948	2,211	0	2,929
Total assets	11,487	10,460	10,348	9,395	8,751
Ratios					
Solvency[1]	48	50.9	52.6	45.1	47.0
ROIC[1]	4	1.3	17.3	4.1	3.3
Return on equity[1]	5	1.4	23.9	4.7	2.6
Cash flow					
Cash flow from operating activities	920	627	673	732	726
Cash flow from operating activities and investing in (in)tangible fixed assets	-567	-516	-228	-154	-128
Cash flow from investing activities	-1,476	-488	-129	-984	-872
Cash flow from financing activities	475	-229	-434	312	131
Cash flow	-81	-90	110	60	-15

1 For definitions, please refer to the glossary.

BALANCE AVAILABLE FOR OPERATING ACTIVITIES

The balance available for operating activities increased by €477 million in 2024. This concerns the balance of an increase in net sales (€582 million), an increase in the cost of transmission services and distribution losses (€143 million) and an increase in other operating income (€38 million). Total revenue amounted to €2,596 million in 2024. The higher revenue is due to higher tariffs for our customers. The average tariff increase for low-volume consumers was 31% for electricity and 10% for gas (including meter rent).

The increase in revenue can be broken down as follows:

- Electricity: revenue increased by €556 million compared with the previous year. This increase is mainly attributable to higher tariffs, largely driven by TenneT's higher costs for transmission and system services. In addition, the 2024 tariffs include an advance due to the adjusted Electricity Method Decision, which contributes to the tariff increase. This adjustment follows the CBb's decision of 21 December 2023.
- Gas: revenue rose by €11 million compared to 2023, mainly due to a tariff increase.
- Other regulated revenue increased by €17 million, mainly due to a tariff increase in gas metering services.
- Non-regulated revenue decreased by €2 million compared to 2023.

The cost of transmission services and distribution losses rose by €143 million to €952 million in 2024. This increase of €367 million is due to higher costs for TenneT transmission and system services, which total €813 million in 2024. TenneT increased tariffs in connection with the investments that TenneT is making to expand and upgrade the high-voltage grid. The regional grid operators are customers of TenneT and pass on these costs to the end users through tariffs.

The costs for distribution losses decreased by €224 million. The decrease is mainly attributable to lower energy prices in the years in which these distribution losses were purchased. Enexis purchases electricity to compensate for distribution losses in advance of the financial year. Therefore, the costs of distribution losses in 2024 depends on the electricity prices in the years in which the forward contracts were signed. In the 2023 financial year, the cost of electricity distribution losses was exceptionally high because most of the electricity was purchased in 2022, when energy prices were unusually high.

- Electricity purchasing costs decreased by €175 million. Of this decrease, €171 million is attributable to price effects and €4 million to lower volumes.
- The grid losses from gas transmission decreased by €40 million, mainly due to lower energy prices and volumes.
- The other grid losses decreased by €9 million, mainly because the settlements with customers due to measurement errors resulted in a gain for Enexis.

Other operating income in 2024 includes a result of €11 million related to the sale of assets and a settlement amount of €27 million. Enexis Netbeheer B.V., together with the other regional grid operators in the Netbeheer Nederland association, entered into a settlement agreement with the government of the Netherlands regarding the costs of removing gas connections requested by low-volume consumers in the period from 2 March 2021 to 31 January 2024. Enexis received a settlement amount of €27 million.

OPERATING EXPENSES

Total operating expenses increased by €200 million to €1,297 million in 2024. The energy transition is resulting in a further growth of our work package. To carry out this work package, we are making a considerable effort to recruit and train new technical staff. This has also increased our expenses for materials and outsourced work.

The main developments in operating costs were as follows:

- €121 million higher employee expenses: this increase is the balance of €91 million higher expenses for our own personnel and €30 million higher expenses on hiring external personnel. At year-end 2024, Enexis employed 466 FTEs more internal personnel and 46 FTEs more external personnel compared to 2023.
  - €70 million of the increase in own personnel costs can be attributed to higher wage costs due to the increase in FTEs and a collective agreement increase as of 1 January 2024.
  - Social security contributions increased by €10 million and pension premiums by €6 million compared to 2023.
  - The increase in employee-related provisions was €2 million higher due to lower interest rates in 2024.
  - Other personnel expenses increased by €3 million, partly due to higher mobility and training costs.
  - The cost of hiring external staff increased by €30 million. This concerned the combination of a tariff increase and an increase in the number of external hires in FTE.
- Capitalised production increased by €38 million due to an increase in personnel in 2024 for investments in the energy grid and ICT improvement projects.

- Depreciation and amortisation charges increased by €41 million compared with 2023. This increase can be attributed to an impairment of the cash-generating unit Mijnwater B.V. of €19 million. Excluding this item, we see an increase in depreciation and amortisation charges due to the higher investment resulting from the larger work package.
- The cost of subcontracted work, materials, other external costs and other operating expenses increased by €76 million in 2024 compared with 2023. This increase can be partially attributed to indexation passed on by suppliers. In addition, the other operating expenses increased because a provision of €8 million has been included in 2024 for expected costs related to the removal of gas connections for which the request was done by the customer (without desired date) on or before year-end.

FINANCIAL INCOME AND EXPENSES

The negative balance of financial income and expenses amounted to €46 million in 2024, compared with a negative balance of €21 million in 2023, and is €25 million higher than in 2023. The more negative balance is mainly driven by higher interest expenses due to the issuance of a €500 million Green Bond in May 2024. Financial income decreased due to lower interest income on money market funds and deposits.

TAXES

Income taxes in 2024 amounted to €86 million, which is €70 million higher than in 2023. The increase was attributable to the higher result before tax in 2024.

GROSS CAPITAL EXPENDITURE

In 2024, there was further growth in capital expenditure. This growth was mainly driven by investments in our electricity grids to facilitate the energy transition. In particular, the 60% increase in investments in grid expansions and improvements contributed to the realisation of more transmission capacity in the electricity grid.

Gross investments in property, plant and equipment and intangible fixed assets increased by €344 million to €1,487 million in 2024. Most of this increase is attributable to the €289 million increase in investments in our electricity grid. Of this increase, €277 million relates to grid expansions and improvements. Investments in our gas network in 2024 were in line with those in 2023. Investments in smart meters decreased by €6 million compared to 2023.

Other investments increased by €61 million, mainly due to increased investments in ICT improvement projects and Enexis' real estate.

Customers pay a contribution for some of our customer-driven activities. These contributions decreased by €19 million to €107 million. There was more investment in network expansions and improvements than in customer-driven activities. After deducting customer contributions, net capital expenditure amounted to €1,380 million in 2024. This is an increase of €363 million compared to 2023.

The table below shows the gross capital expenditure (excluding customer contributions) in our electricity and gas grids, smart meters and other investments.

	Gross investments				
€ Million	2024	2023	2022	2021	2020
Electricity					
Standard connections	62	60	48	37	33
Customised connections	67	120	89	90	94
Grid expansions and grid improvements	741	464	350	298	254
Reconstructions	51	30	23	26	25
Replacements	105	88	73	62	48
Other	62	37	32	31	23
Total Electricity	**1,088**	**799**	**615**	**544**	**477**
Gas					
Standard connections	3	3	3	4	6
Customised connections	3	3	3	2	2
Grid expansions and grid improvements	23	20	15	12	13
Reconstructions	24	20	17	17	19
Replacements	150	157	162	161	153
Other	3	3	3	3	2
Total Gas	**206**	**206**	**203**	**199**	**195**
		-			
Smart meters					
Low-volume electricity	19	23	20	24	34
Low-volume gas	9	11	13	20	29
Total smart meters	**28**	**34**	**33**	**44**	**63**
Total investements electricity, gas and smart meters	**1,322**	**1,039**	**851**	**787**	**734**
Other investments	**165**	**104**	**50**	**99**	**120**
Total gross investments	**1,487**	**1,143**	**901**	**886**	**854**

CASH FLOWS

The cash flow before financing activities was €556 million negative, a decrease of €695 million compared to 2023, mainly due to higher investments in property, plant and equipment and lower cash flow from investments in deposits.

- Our cash flow from operating activities was €920 million, an increase of €293 million compared with 2023. This is mainly due to the rise in net profit.
- Our cash flow from investments was €1,476 million negative, an increase of €988 million. This increase is mainly due to the increase in investments (€344 million) and a net decrease in withdrawals of deposits (€650 million).
- Taking into account the cash flow from operating activities and investments in tangible and intangible assets, this cash flow amounted to €567 million negative (2023: €516 million negative).
- Finally, the financing cash flow amounted to €475 million (2023: €229 million negative). The increase of €704 million compared to 2023 is attributable to a new green bond issue in 2024 and a bond loan repayment in 2023. A higher dividend payment also took place in 2023.

The balance of cash flows was €81 million negative, an increase of €9 million compared to 2023.

Corporate governance

Ensuring a reliable supply of energy and managing the transition to a low-carbon economy are essential societal tasks that are primarily funded by the public purse. This is why we attach great importance to a good governance structure and are transparent about how our company is managed and supervised.

Enexis Holding N.V. is a public company under Dutch law. Our company is subject to what is known as the two-tier board structure. As our shares are not listed, we are not required to adhere to the Corporate Governance Code. Nevertheless, we apply it wherever possible and applicable. This underlines our commitment to socially responsible business practices. Our articles of association, regulations and other corporate governance documentation can be found on our corporate website.

EXECUTIVE BOARD

The Executive Board (EB) is responsible for managing Enexis. The EB defines the strategy, determines the conditions for its implementation and sets the operational and financial targets. The EB also ensures compliance with all relevant laws and regulations, risk management and adequate funding of the company.

The EB operates within the provisions of the articles of association and under the supervision of the Supervisory Board (SB). Together, they are responsible for the corporate governance structure and compliance with the Corporate Governance Code. The EB reports to the General Meeting of Shareholders (AGM) every year.

The members of the EB are appointed for an indefinite period. They are remunerated in accordance with the remuneration policy approved by the AGM. The SB determines the remuneration of each member of the EB. The total remuneration of the EB is disclosed in the financial statements.

The EB and SB recognise the importance of gender balance within the EB. We have set more ambitious targets to improve this balance: by 2030, at least 40% of the EB should be women and 40% men. Currently, the EB consists of three men and one woman.

Mariëlle Vogt has announced that she will leave Enexis in mid-2025. She will be succeeded by Marjanne van Ittersum on 1 June 2025.

SUPERVISORY BOARD

The Supervisory Board (SB) has three tasks: overseeing the policies of the EB, providing solicited and unsolicited advice and acting as the employer of the EB.

The SB has two permanent committees: the Audit Committee and the Human Resources Committee. These committees prepare decision-making within their respective areas and provide advice to the SB.

The members of the SB receive remuneration for their work. The AGM determines this and falls within the WNT framework. The total remuneration of the SB is disclosed in the financial statements.

The SB recognises the importance of gender balance within the SB. Since November 2023, the Supervisory Board has consisted of 40% men (two men) and 60% women (three women). This is in line with the target of at least 40% male and 40% female members. The current composition can be found on our corporate website.

The members of the SB and the retirement schedule:

Member Supervisory Board (function)	Year of first appointment	Year of reappointment	Retiring
Mr. Jos Nijhuis (chair)	2022		2026 (eligible)
Mrs. Anita Arts (member)	2019	2023	2027 (not eligible)
Mr. Joost van Dijk (vice chair/member)	2016	2024	2026 (not eligible)
Mrs. Wilma Mansveld (member)	2023		2028 (eligible)
Mrs. Els de Groot (member)	2024		2028 (eligible)

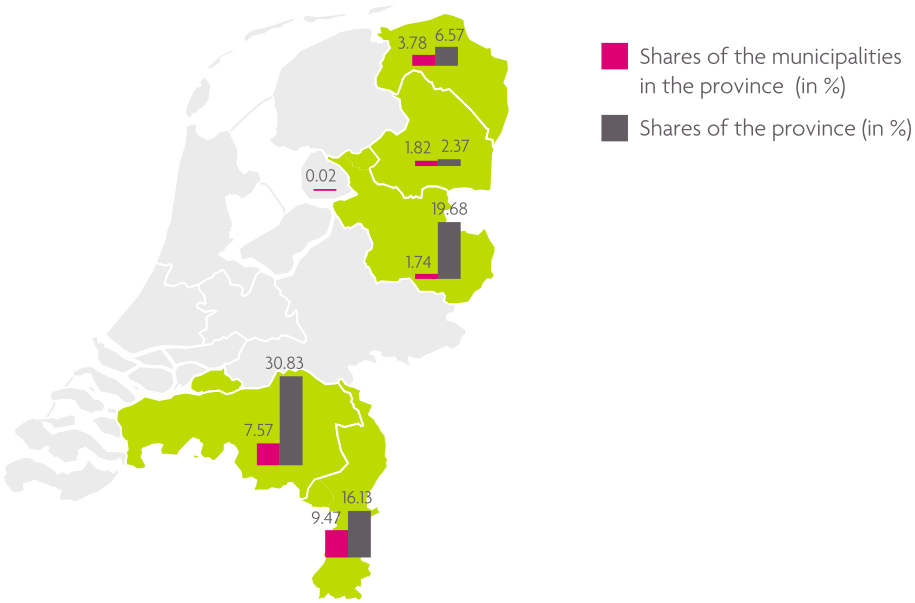
GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders is the highest decision-making body within Enexis. The AGM approves the annual report, discharges the Executive Board and the Supervisory Board, approves the financial statements and determines the profit appropriation. The AGM also endorses the company's strategy and appoints the members of the SB.

Certain powers of the AGM are delegated to the Shareholders Committee (SHC). This committee has seven members and promotes efficient and effective decision-making within the AGM. The composition of the AHC changed during the year, partly due to the Dutch provincial elections in 2023. The members receive no remuneration for their work.

The 91 shareholders of Enexis Holding N.V. are mainly provinces and municipalities in the service area of Enexis Netbeheer B.V.

Shares Enexis Holding N.V



INTERNAL AUDIT FUNCTION

The Internal Audit & Risk (IA&R) department fulfils the internal audit function at Enexis. IA&R provides insight, advice and additional assurance to the EB and management regarding operational control, effectiveness, efficiency and compliance (with laws and regulations) of the business operations.

The department reports to the CFO and provides quarterly reports to the full EB on both internal audit and risk management activities. In addition, IA&R has direct access to the CEO, the chair of the Audit Committee and the external auditor. IA&R also attends meetings of the SB Audit Committee. The Audit Committee oversees the internal audit function and advises the SB on its role and functioning. The quality of the internal audit function is assured by an external audit every five years.

IA&R draws up a risk-based audit plan every year. This involves senior management, the EB, the Audit Committee and the external auditor. The EB adopts the audit plan, and the SB approves it after consulting with the Audit Committee. In its meetings, the Audit Committee discusses the progress of the plan, the main findings and the follow-up of recommendations. The external auditor also receives this information.

EXTERNAL AUDITOR

The AGM appoints an external auditor. EY was appointed external auditor in 2021 for four years with three extension options of two years each. The first extension option was determined in 2024 and EY was reappointed for the 2025 and 2026 financial years.

The Audit Committee oversees the relationship with the external auditor. EY attends all Audit Committee meetings, participates in the AGM at which the financial statements are adopted and is present at Extraordinary General Meetings.

More detailed information on governance can be found in the sustainability statement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

We depart from the Corporate Governance Code in two respects:

Provision 2.2.1: maximum appointment and reappointment term of board members

Enexis has not set a maximum appointment and reappointment period for its board members. It states in the remuneration policy for the EB (adopted on 5 December 2012 by the AGM) that employment agreements with the members of the EB are entered into for an indefinite period.

Provision 4.2.2: policy regarding bilateral contacts with stakeholders

Enexis does not have a formal policy for bilateral contacts with shareholders, as stipulated in the code. We do have a covenant in place with detailed agreements between the EB, SB, and the Shareholders Committee about the fulfilment of tasks, as laid down in the articles of association.

Various provisions in the code do not apply to Enexis because our shares are held by Dutch government bodies and our shares are not listed on a stock exchange.

Concretely, this concerns:

Provision 2.1.3: Executive Committee

Provision 2.8.2-2.8.3: takeover bid

Provision 3.1.3: remuneration Executive Committee

Provision 3.3.2-3.3.3: remuneration of supervisory board members in shares and share ownership of supervisory board members

Provision 4.2.6: anti-takeover measure

Provision 4.3.3: cancelling the binding nature of a nomination of dismissal

Provision 4.3.4: voting right on financing preference shares

Provision 4.3.5: publication of institutional investors' voting policy

Provision 4.3.6: report on the implementation of institutional investors' voting policy

Provision 4.3.7: abstain from voting if the short position is greater than the long position

Provision 4.3.8: securities lending

Provision 4.5: issuing depositary receipts for shares

Provision 5: one-tier governance structure

Report of the Supervisory Board

Last year, Enexis achieved important goals, expanded its grid capacity and recruited many new technical staff. The company can be proud of these achievements. At the same time, pressure on the organisation is growing.

The main drivers of this pressure are the dynamics of the energy transition and the national policy involving many stakeholders, the increasing demand for electricity and Enexis' determination to go the extra mile.
As the desired expansion of the electricity grid will take years, access to electricity is becoming increasingly scarce. This affects businesses and, in some cases, households as well. Large companies, in particular, face challenges in sourcing and expanding production capacity. This scarcity has confronted Enexis with a new reality in recent years. Businesses, as well as the government and the regulator ACM, expect Enexis to accelerate capacity expansion and offer a clear path forward.

Enexis is in regular contact with large consumers, consults stakeholders and contributes ideas for solutions. Although Enexis is doing everything it can to maximise grid expansion, part of the solution will have to come from users themselves. The energy transition requires both creativity and more mindful energy consumption. Encouraging businesses – and households – to change the way they use energy will relieve pressure on the grid. Large companies are already aware that grid scarcity can impact their behaviour. This awareness has not yet reached SMEs and consumers, which is why Enexis has launched the 'Full of energy' campaign.

Dealing with grid congestion remains the organisation's biggest dilemma. No matter how efficiently Enexis manages production, demand continues to grow, and the organisation cannot turn lead into gold. How can Enexis best invest, accelerate and keep costs under control? That remains the key question. In areas facing scarcity, waiting lists will persist for the time being. However, the ACM's decision to prioritise customers with a social impact, giving them a higher place on the waiting list, provides some relief.

In addition, the dilemmas surrounding the availability of electricity and the duration of outages are a regular topic of discussion between the Supervisory Board and the Executive Board.

Enexis is responding well to the changing circumstances. In today's dynamic environment, the Executive Board is taking a firm stance, engaging in meaningful discussions and focusing on the conversations that matter to ensure the energy transition can deliver what the entire sector will need in the future. The new reality in which Enexis operates has a significant impact on the management of the company, and this is a regular topic of discussion between the EB and the SB.

SAFETY

Physical, social and cyber safety are fundamental to our organisation, and we want everyone to go home safe and sound every day. The SB devotes significant attention to this, reviewing the various safety reports (such as LTIF and reports of inappropriate behaviour) every quarter and holding sessions on all three safety themes. For example, we visited the Security Operations Centre to learn more about cyber security. We assess the results and challenge the EB to make the right decisions. In the summer of 2024, the LTIF (Lost Time Injury Frequency, measured by the number of accidents resulting in absenteeism per million hours worked) decreased. However, it has risen again in the last two quarters. It is essential to remain vigilant on this. The rise to step 4 on the Safety Ladder is an important and encouraging milestone, but it is no reason to become complacent.

STRATEGY

Enexis' strategy shapes the SB's agenda. We meet with the EB to discuss objectives and results. The expertise of the members of the SB increasingly adds value to this process.

The SB fully supports the revised implementation of last year's strategy. We have also provided input. We considered the broad involvement of management to be an important factor, as it helps to create a well-supported plan, which is crucial for implementation. To further accelerate the realisation and implementation of the strategy, close cooperation between departments is essential. The EB and the SB are discussing this in depth. We see that the integrated neighbourhood approach is gaining momentum. It is also important for Enexis to remain in close contact with TenneT to ensure that our customers can use the newly available capacity quickly.

A key part of Enexis' strategy is to contribute to a future-proof energy system. Given its wealth of knowledge and experience, it is understandable that the company is taking a more active role in shaping the future, for example in the heating sector. For example, the idea of repurposing gas pipelines for hydrogen came from grid operators. Now, Enexis has to make important system-related decisions in response to the new Collective Heat Supply Act and the abolition of the netting system. The SB monitors how the EB, possibly in cooperation with other grid operators, takes on its role as system architect in its interactions with stakeholders. Policy decisions can be influenced by sharing Enexis' vision – in The Hague with shareholders and across the sector.

The affordability of the energy transition and a fair distribution of costs and investments remain crucial – not only for the competitiveness of Dutch companies but also for the overall investment climate in the Netherlands. However, system choices and investment plans are not always aligned. In fact, many of energy system costs are determined by system choices. For example, decisions on where and how to build nuclear power plants and wind farms significantly impact costs.

The SB was also informed about the Interdepartmental Policy Survey on Financing the Electricity Infrastructure, the potential of alternative tariff structures and the dilemmas that may arise from future policy choices.

EMPLOYEES

Despite the tight labor market, Enexis is fortunately still managing to attract new technical employees and other colleagues. Unfortunately, the firm target was not achieved, partly due to too much outflow. However, finding enough people to implement the energy transition remains a challenge, especially as the number of technical students entering secondary vocational education (mbo) is declining. We are also discussing this issue with our shareholders.

Enexis recognises the need to revitalise its workforce and is taking promising initiatives to do so. For example, Enexis' vocational training centres provide an accessible and engaging way to lower the barriers to education in our sector. Nevertheless, demand remains high, and recruitment remains a top priority.

FINANCES

Enexis is financially healthy, but the growing investment challenge has led to a structurally negative cash flow. To finance the expansion of the electricity grid, Enexis will have to borrow heavily on the capital markets in the coming years. Last year, for example, the SB approved the issuance of a fourth green bond, enabling Enexis to attract new investors. Maintaining financial health is essential to secure sufficient borrowing on the most favourable terms – a challenge given the scale of these investments. The company is on track to achieve the targeted savings of €220 million in 2022-2026. Keeping a close eye on internal costs remains a priority. However, the current measures will not be sufficient to finance the energy transition in the long term while maintaining Enexis' independence. More equity will be needed in the long term, and it is prudent to act now. Accordingly, Enexis started discussions with the Shareholders' Committee in mid-2024 to explore options for strengthening its equity position.

GOVERNANCE

Changes in the SB

The General Meeting of Shareholders appointed Els de Groot as a new member of the Supervisory Board with effect from 25 April 2024. She replaces Carmen Velthuis. Velthuis retired at the end of her eight-year term. We would like to thank Carmen for the pleasant cooperation over the past years. Her expertise and commitment have been of great value to the company and the SB.

Changes in the EB

For the appointment of the COO, the SB conducted an intensive external search for female candidates with an executive search agency. Given the composition of the EB and the diversity policy, that was our focus. But due to the limited supply of suitable candidates at that time, and Han's great expertise, crucial experience and capabilities supplemented with strong motivation, the supervisory board - in close consultation with the CEO - opted for appointing Han Slootweg.

Liesbeth Kaashoek served in this role on an interim basis until 1 April and we thank her for her dedication and contribution to Enexis' performance. CFO Mariëlle Vogt has announced her retirement from Enexis in the summer of 2025. Her strong commitment and dedication to the organisation will be greatly missed. She will be succeeded by Marjanne van Ittersum on 1 June 2025.

Functioning of the SB

In recent years, the SB has experienced a relatively high level of turnover due to planned retirements and consciously and satisfactorily consists of members with diverse backgrounds. We carried out a self-evaluation under external guidance, with the result that we paid a lot of attention to mutual cooperation last year.

All members of the SB meet the independence requirements of the Dutch Corporate Governance Code 2022. The members of the SB continuously improve their performance by actively participating in relevant meetings and knowledge sessions, such as those organised by Netbeheer Nederland and the major professional service organisations.

With a view to the future composition of the SB, it is important that the new Energy Act contains a restrictive provision for directors and supervisors. A supervisor may not simultaneously hold another position within the sector. This strict exclusion is undesirable. We advocate for alignment with the Corporate Governance Code, in order to prevent specific cases of possible conflicts of interest. The generic provision leads to an unnecessary restriction of potential supervisors and makes it more difficult to attract commissioners with expertise in the energy sector.

Functioning of the EB

This year, we also evaluated the performance of the EB. The EB performed well and showed leadership. The cooperation between the EB members and us is good, which strengthens our confidence in the EB. We are involved in strategic and far-reaching decisions in a timely and effective manner, and both boards engage in constructive and open debate where necessary. Our role as a sounding board has grown over the past year, and the EB has become more open about the dilemmas it faces.

Remuneration policy EB

The remuneration policy for the directors of Enexis (Board of Directors) was designed more than twelve years ago. The world has changed. The size of the company has increased. The implementation must be much faster and we see the role of Enexis changing: from manager to manager and architect and builder and director. In society, the organisation is increasingly in the spotlight. The directors must make themselves heard, be accountable, and participate in discussions about social issues. The major change challenge is not only technical in nature, but also requires a change in mindset and leadership, in order to implement new ways of working and to increase productivity as a company enormously. These developments require different capacities from the Executive Board members, including strategic thinking and influencing.

The remuneration must be in line with these responsibilities and also (in the future) be focused on attractive employment, also for the succession of the current board. EB members of Enexis operate at the intersection of the public and commercial domain, whereby insight into and experience with the interests of both sides is expected of the board of Enexis.

The remuneration level of functions with comparable complexity and social impact is well above the absolute maximum standard of the WNT. In addition, Enexis has a particularly low remuneration ratio (3.2), also in the sector, by pursuing a very conservative remuneration policy. This remuneration ratio is the ratio between the salary of the highest paid person and the median of all employees. Quality and continuity of management remain crucial for Enexis. We therefore monitor the availability of good candidates for the management roles. We also ask ourselves whether and for how long the current remuneration policy is still sustainable. In doing so, we are aware of the fact that we are in the public sector.

Supervisory Board member attendance

We met with the EB a total of eight times. A closed session of the SB always preceded these meetings. The table below shows the attendance percentages for each SB member from the date of their appointment to the SB and the relevant committee.

	Jos Nijhuis	Joost van Dijk	Carmen Velthuis (up until April 2024)	Anita Arts	Wilma Mansveld	Els de Groot (since May 2024)
Supervisory Board	92%	100%	100%	100%	100%	100%
Audit Committee	n.v.t.	100%	100%	n.v.t.	100%	100%
HR Committee	100%	n.v.t.	n.v.t.	100%	n.v.t.	n.v.t.

THE SB HAS TWO STANDING COMMITTEES: THE AUDIT COMMITTEE AND THE HR COMMITTEE

Audit Committee

The Audit Committee is chaired by Els de Groot and consists of Wilma Mansveld and Joost van Dijk. The committee met seven times during the year. In line with the governance arrangements, all meetings were attended by the external auditor EY, the Director of Finance & Control, the Head of Internal Audit & Risk and the Chief Financial Officer (CFO).

The committee discussed the long-term financial outlook in detail, including the structurally increasing investments (and financing requirements) required to implement the energy transition. The dilemma of interest rate risk was also discussed. On the topic of data and digitalisation, the Audit Committee was updated about the structure, purpose, results and next steps of the portfolio management as well as developments in Identity & Access Management. In the presence of the Chief Information Security Officer (CISO), the Committee also discussed cybersecurity, such as the NIS2 directive, Business Continuity Management (BCM) and good governance. The committee assesses the performance of the external auditor, EY, annually and reports its findings to the SB. It also regularly reviews the performance of the internal audit function.

HR Committee

The HR Committee (HRC) is chaired by Anita Arts and includes Jos Nijhuis as a member. The committee met five times during the year. The HRCs agenda includes the terms of employment of the board members, succession management, integrity, diversity and inclusion. The HRC also prepared the annual evaluation process for the EB. The HRC advised the SB on the evaluation process. A delegation from the SB held individual performance interviews with each member of the EB, based in part on a self-assessment by the SB member and feedback solicited from the relevant direct reports. Prior to the performance interviews and based on the above input, the full SB prepared the evaluation of the EB members.

The HR Committee was informed about how Enexis is recruiting new colleagues for the energy transition, such as South African engineers, along with the dilemmas involved. The committee also discussed the need to modernise leadership styles and behaviours, as well as the results of the Enexis employee survey from late 2023. It is worth noting that one of the aspects employees are most proud of is their colleagues at Enexis. This sense of connection is a valuable asset, particularly in today's increasingly polarised society.

Shareholders

The SB regularly consults with the Shareholders Committee (SHC), which represents the shareholders. In 2024, the SB met with this committee six times. One of the topics discussed with the shareholders in the autumn was long-term financing, and the SB appreciates the constructive attitude of the SHC in these discussions. There was also a strategic dialogue between the SHC, the SB and the EB on future-proofing the energy system. It was a good meeting and demonstrated our shareholders' high level of engagement.

Employee participation

In two formal Article 24 meetings, the 'golden triangle' – consisting of the EB, the SB and the Central Works Council (CWC) – discussed key topics such as the tightness of the labour market, the progress of the strategy, digitalisation and AI, and organisational developments. We also addressed the growing pressure on Enexis and its employees. Throughout the year, there was regular and constructive contact regarding appointments to the EB and SB, including the presentation of profiles for the COO and CFO positions. These formal and informal interactions made cooperation within the golden triangle smooth. This was also reflected in our engagement with the various works councils, some of whose meetings we attended. These interactions provided valuable insight into the concerns and opportunities for employee involvement, and we observed a strong, positive relationship with the EB. We are pleased with our working relationship with the CWC and see opportunities to strengthen this further in 2025.

ABOUT THIS REPORT

Starting with the 2024 annual report, Enexis has adopted the CSRD guidelines for its reporting. This shift is not just a compliance requirement but also an opportunity for the organisation to provide deeper insights into the material impacts, risks and opportunities affecting its operations and the broader value chain. The SB has been closely involved in preparing and implementing the sustainability statement.

We discussed the financial statements, including the audit opinion and assurance report prepared by the EB, extensively. The external auditor, EY, was present. They audited the 2024 financial statements and the annual report in detail with the CFO, her team and the auditor, and issued an unqualified audit opinion for both documents. We conclude that the report meets the standards of good governance, transparent reporting and accountability. We therefore propose that the AGM approves the financial statements and the proposed appropriation of profits for 2024. We also propose that the AGM grants discharge to the EB for its management and to us, the SB, for our supervision of the EB in the 2024 reporting year.

WORD OF APPRECIATION

In 2024, Enexis once again faced significant challenges. All employees, whether in the field or the office, managers, directors, works councils and the CWC, and finally, the Executive Board, have shown remarkable commitment and dedication to deliver strong results. The SB would like to express its gratitude and appreciation. We would also like to thank our shareholders and other stakeholders for their valuable contributions, continued commitment, and trust in Enexis.

's-Hertogenbosch, 5 March 2025

Supervisory Board

Jos Nijhuis (Chairman)

Joost van Dijk (Vice-Chairman)

Els de Groot

Anita Arts

Wilma Mansveld

Remuneration report

REMUNERATION POLICY EB

The remuneration policy for the EB of Enexis Holding N.V. was established by the AGM on December 5, 2012, and came into effect on January 1, 2013. This policy decided to set the remuneration of the EB within the framework of the WNT. The WNT legally applies only to the remuneration of the board of Enexis Netbeheer B.V., part of Enexis Group (Enexis Holding N.V. consolidated)

The SB is responsible for the remuneration policy of the EB, fitting within the legal framework and the established remuneration policy by the AGM. The remuneration for the members of the Executive Board consists of a gross annual salary, pension provisions, and other employment conditions.

FIXED GROSS MONTHLY SALARY

In 2012, it was decided to set the remuneration of the EB and SB for their group-wide activities at the maximum level permitted by the WNT. The remuneration policy does not include a variable component.

PENSION

The members of the EB participate in the pension scheme managed by Stichting Pensioenfonds ABP. This is in accordance with the pension rules applicable to the employees of Enexis. EB members must pay a contribution for participation in this pension scheme.

OTHER EMPLOYEE BENEFITS

The members of the EB are employed by Enexis Personeel B.V., a subsidiary of Enexis Holding N.V. In accordance with the remuneration policy that came into effect on 1 January 2013, an employment contract for an indefinite period has been concluded with the members of the EB. This policy deviates from the guidelines of the Corporate Governance Code. At present, we do not see any reason for a policy of entering into fixed-term contracts with members of the EB unless it is explicitly for an ad interim position.

The starting point is that the members of the EB are not covered by the collective bargaining agreement (CBA) for Grid Operators and the Company CBA of Enexis, both of which apply to Enexis employees. However, the relevant conditions of employment resulting from these CBAs apply insofar as they are compatible with the WNT. For example, EB members are entitled to holiday and leave, a pension scheme and an occupational disability scheme in accordance with the collective agreement for network operators. Other components of the remuneration policy include a fixed expense allowance, a company car (with driver if required), accident insurance and directors' liability insurance.

IMPLEMENTATION OF REMUNERATION POLICY

In 2024, we re-examined our reporting and disclosures based on the WNT and the 2024 Remuneration Policy. We consider transparency to be very important in our reporting and disclosures. However, the prescribed interpretation of the WNT and related regulations make this rather complicated.

As in 2023, the remuneration paragraph is included in the annual report of Enexis Holding N.V. (in note 33) based on Book 2 of the Dutch Civil Code.

The WNT accountability will be included in the financial statements of the WNT institution within the Enexis Groep: Enexis Netbeheer B.V.

Liesbeth Kaashoek worked as COO ad interim until 1 April 2024. Normally, EB members are employed by the Enexis Groep based on an employment contract for an indefinite period. Their remuneration is based on the maximum remuneration of the WNT for senior officials in the employment of the company (in 2024: €233,000 a year). As Liesbeth is employed temporarily, this was a reason for us to align her remuneration with the maximum remuneration of senior officials not employed by the company. Therefore, she has a gross remuneration of €92,400 for the entire working period in 2024.

On 1 April 2024, Han Slootweg took over the position of COO.

Mariëlle Vogt took an additional six weeks' leave in March and April 2024. At the request of the SB, Mariëlle served as acting CEO for two extended periods in 2022 and 2023, in addition to her role as CFO. This involved additional effort, strain and time. Mariëlle performed this additional task well and satisfactorily. The SB is very grateful to her for this and saw fit to compensate her (to some extent) for this effort by granting her this leave of absence.[1]

ALLOCATION OF REMUNERATION

On several occasions in recent years, the SB has considered the method by which the remuneration of the EB and SB is allocated to the various entities of Enexis Groep. In the remuneration report of the 2023 annual report, the SB announced its intention to evaluate the allocation method in 2024 to determine whether the method is still appropriate. This will be done in light of developments in the energy transition, including the challenges regarding the financing of the grid company and the strategic developments regarding heat and hydrogen.

The allocation of the remuneration to the different entities of Enexis Groep is determined on the basis of the part-time factor that the EB members work for the different entities. For the years 2021 to 2023, a generic allocation key has been used to determine the part-time factors. Evolving insights into the method for determining the part-time factor for the entities subject to the WNT led Enexis to revise this method in 2024. These insights stem, among other things, from the statements made by the Ministry of the Interior and Kingdom Relations in 2023, the publication of NBA Alert 47 in March 2024, various discussions in the SB's Human Resources Committee and the application of different methods in the sector. Based on this, Enexis concludes that the part-time factor should be grounded in the actual recorded working hours of the EB. This revised method more accurately reflects the actual hours spent by the EB than the generic method applied in the years 2021 to 2023.

However, in 2024 there is nationally still a lack of clarity in the WNT regarding intra-group transfers. This uncertainty relates, in particular, to the determination of the part-time factor. The absence of a sufficient regulatory framework means that Enexis is forced to use its own assumptions and principles when calculating the part-time factor for 2024. Due to this lack of clear guidelines, it is impossible to determine the part-time factors for 2024 with complete reliability. As a result, the methodology for determining these factors may need to be adjusted once the WNT uncertainty is resolved. However, Enexis has carefully established its assumptions and principles to determine the 2024 part-time factors as reliably as possible.

The remuneration of the Executive Board and the Supervisory Board is included in the tables below. These tables also include the part-time factors for which the members have been employed, on the one hand for Enexis Netbeheer B.V. and on the other hand for the other group companies of Enexis.

For further details on the uncertainty in the WNT, please refer to the WNT accountability in the annual report of Enexis Netbeheer B.V.

1 *As Mariëlle did not work for the grid operator during these six weeks, her part-time factor in 2024 for Enexis Netbeheer B.V. has accordingly been adjusted from 0.700 FTE to 0.585 FTE*

REMUNERATION OF EB AT GROUP LEVEL

The table below provides more insight into the remuneration of the EB members at the group level. The total of the table is in accordance with the remuneration paragraph based on Book 2 of the Dutch Civil Code in the annual report of Enexis Holding N.V. in note 33.

In €	E.G. den Boer[1]	R.B.A. van der Leeuw	J.K. Sanders	M.N.A.J. Vogt	M.E. Kaashoek	J.G. Slootweg	Total
Position details	**Advisor**	**CEO**	**CTO**	**CFO**	**COO a.i.**	**COO**	
Start and end date of duties in 2024	01/01 - 31/12	01/01 - 31/12	01/01 - 31/12	01/01 - 31/12	01/01 - 31/03	01/04 - 31/12	
Extent of employment (as part-time factor in FTE)	1.000	1.000	1.000	1.000	1.000	1.000	
Of which Enexis Netbeheer B.V.[4]	0.700	0.700	0.750	0.585	0.800	0.800	
Of which other groupcompanies[4]	0.300	0.300	0.250	0.415	0.200	0.200	
Remuneration							
Salary expense including any tax addition for private use of a lease car and taxable expense allowances	176,607	209,317	209,248	209,315	86,337[2]	157,367	
Pension expenses	25,283	23,683	23,752	23,685	6,063	17,701	
Subtotal	**201,890**	**233,000**	**233,000**	**233,000**	**92,400**	**175,068**	
Of which Enexis Netbeheer B.V.	141,323	163,100	174,750	136,305	73,920	140,054	
Of which other groupcompanies	60,567	69,900	58,250	96,695	18,480	35,014	
Subtotal Enexis Groep	**201,890**	**233,000**	**233,000**	**233,000**	**92,400**	**175,068**	
Social security contributions and reservation for leave[3]	14,408	14,912	11,336	19,592	-	8,493	
Remuneration Enexis Holding N.V. (note 33)	**216,298**	**247,912**	**244,336**	**252,592**	**92,400**	**183,561**	**1,237,099**

1 The reporting and disclosure requirements pursuant to Book 2 paragraph 383 of the Dutch Civil Code stipulate that the remuneration of a former EB member must be included and the remuneration is to be calculated over the whole year.

2 During the first 12 months of exercising the position, social security contributions are also considered part of the salary expense.

3 The reservation for leave hours pertains to the value of the leave hours allocated to senior officials in the calendar year, but which have not yet been taken.

4 For senior officials who are no longer in office at the end of 2024, the part-time factor of the succeeding senior official is applied.

REMUNERATION POLICY SB

The AGM set the remuneration policy for members of the SB on 18 April 2016. The maximum remuneration of the chairman of the SB is set at 15% and that of the members is set at 10% of the general maximum WNT remuneration level. The members are entitled to an expense allowance. Directors' liability insurance has also been concluded for the SB members.

The term of office of Carmen Velthuis ended on 25 April 2024. She was succeeded by Els de Groot, who has been a member of the SB since 25 April 2024.

The table below provides more insight into the remuneration of the SB members. The total of the table is in accordance with the remuneration paragraph based on Book 2 of the Dutch Civil Code in the annual report of Enexis Holding N.V. in note 33.

In €	J.C.H.G. Arts	J.F.M. van Dijk	E.A. de Groot	W.J. Mansveld	J.A. Nijhuis	C.M. Velthuis	Total
Position details	**Member**	**Member**	**Member**	**Member**	**Chairman**	**Member**	
Start and end date of duties in 2024	01/01 – 31/12	01/01 – 31/12	25/04 - 31/12	01/01 - 31/12	01/01 – 31/12	01/01 – 25/4	
Remuneration Enexis Holding N.V. (note 33)	**23,300**	**23,300**	**15,979**	**23,300**	**34,950**	**7,385**	**128,214**
Of which Enexis Netbeheer B.V.[1]	16,310	16,310	11,185	16,310	24,465	5,170	
Of which other groupcompanies[1]	6,990	6,990	4,794	6,990	10,485	2,216	

1 For the SB, a part-time factor of 0.7 is used for Enexis Netbeheer B.V. This is based on the average part-time factor of the EB in 2024. After all, the SB supervises the EB, making it logical for the part-time factors to correspond

Biographies Executive Board members

RUTGER VAN DER LEEUW

Chairman of the Executive Board/CEO

Background

Rutger van der Leeuw (1976-Dutch nationality - M) is Chief Executive Officer (CEO). Previously, he held the position of Chief Operating Officer, Infra Director, Customer & Market Director, and Purchasing Manager. Before that, he held various management positions at KPN.

MARIËLLE VOGT

Member of the Executive Board/CFO

Background

Mariëlle Vogt (1965-Dutch nationality - F) is Chief Financial Officer (CFO). Marielle began her career at Enexis Groep in 2017 as Financial Director. Before that, she held the position of Financial Directorate TU Delft. Before that, Marielle worked for KPN in various financial management positions.

Other positions

In addition to her position as CFO of Enexis Groep, Marielle was also a member of the Advisory Board and Chairman of the Audit Committee of Sociale Verzekeringsbank until October 2024. On 1 January 2025, she became Supervisory Director of Deloitte Netherlands and Chairman of the Audit & Finance Committee.

HAN SLOOTWEG

Member of the Executive Board/COO

Background

Han Slootweg (1976-Dutch nationality - M) is Chief Operations Officer (COO). Han started his career as a risk analyst at Essent, after completing his PhD in electrical engineering at TU Delft. He has been working for Enexis since its foundation in 2008, where he has held various (management) positions. For the last seven years, Han has been Director Asset Management, responsible for the expansion and maintenance strategy of Enexis' gas and electricity grids. From 2009 to 2024, Han was also a part-time professor of Smart Grids at the Faculty of Electrical Engineering at TU Eindhoven.

JEROEN SANDERS

Member of the Executive Board/CTO

Background

Jeroen Sanders (1973-Dutch nationality - M) is Chief Transition Officer (CTO). In this role, he focuses, together with stakeholders, on structuring and building the energy system of the future, with a particular focus on asset management, innovation & digitalisation and market facilitation. Jeroen has held various management positions within Enexis Groep, including ICT Director. Before that, he was General Director of Endinet, Sustainability Manager at Fudura and in various management positions at Edon and Essent.

Other positions

In addition to his position as CTO of Enexis Groep, Jeroen is Vice-President of the Board of Gas Distributors for Sustainability (GD4S), a board member of Stichting Kunstcollectie Essent and a board member of ElaadNL.

Biographies Supervisory Board members

JOS NIJHUIS

Jos Nijhuis (1957) is Chairman of the Supervisory Board and a member of the HR Committee. Jos was appointed to the Board in 2022, and will retire/reapply for reappointment in 2026.

Background

Jos joined Schiphol Group in 2008, where he was President and CEO from 2009 to 2018. Before that, he was Chairman of the Executive Board of PricewaterhouseCoopers.

Other positions

He is also a Non-Executive Director of CVC DIF Capital Partners and a Supervisory Director of Newtone. He also holds several other positions, including a seat on the Advisory Board of Interstellar.

JOOST VAN DIJK

Joost van Dijk (1961) is Vice-Chairman of the Supervisory Board and also a member of the Audit Committee. Joost was appointed as a Supervisory Board member in 2016 and reappointed in 2020 and again in 2024. He is due to retire in 2026.

Background

Joost advises and coaches company directors with the implementation of the energy transition. Previously, he was a director of EON Generation GmbH and EON Benelux. Before that, he held various management positions at Shell Chemicals. He was also a Supervisory Director of EON, the Moerdijk Port Authority and Deputy Chairman of Energie Nederland.

Other positions

Joost has been Chairman of the Supervisory Board of Zeeland Energy Holding Company since the end of 2024.

ANITA ARTS

Anita Arts (1959) is a member of the Supervisory Board and also Chair of the HR Committee. Anita was appointed as a Supervisory Board member in 2019, reappointed in 2023 and will retire in 2027.

Background

Anita has spent 20 years in advisory and management positions in the railway sector. Her last position in the railway sector was as a member of the Board of ProRail. She joined the Board of OLVG Hospital in Amsterdam in 2009 and the Board of Flevo Hospital in Almere in 2012, where she served as Chair of the Board from 2013 until mid-2022.

Other positions

As of 2025, Anita is Vice-President of Woonzorg Flevoland for elderly care, home care and primary care. From 2024, she will be temporary Chair of the Supervisory Board of RAV Haaglanden, the regional ambulance service. She has also been a member of the advisory board of SEO, a scientific institute for economic research, since 2011. From 2019-2022, she was on the Board of the Dutch Hospital Association (NVZ). From 2011 to 2019, she was a supervisor at the NOS and the ROC of Amsterdam-Flevoland.

ELS DE GROOT

Els de Groot (1965) is a member of the Supervisory Board and Chairman of the Audit Committee. Els was appointed to the Board in 2024 and will retire/reapply for reappointment in 2028.

Background

Els has a background in the financial sector and served as Chief Risk Officer (CRO) and member of the Executive Board of Rabobank from 2019 to 2023. Previous positions include Chief Financial Officer (CFO) of Royal Schiphol Group and CRO/CFO (a.i.) of Van Lanschot Bankiers.

Other positions

Els is a guest expert on the Advisory Committee Maatwerkafspraken Verduurzaming Industrie (AMVI), which advises the Minister for Climate and Green Growth on tailor-made agreements in industry. She is also a member of the Advisory Council of the Agency of the General Treasury at the Ministry of Finance.

In December 2024, Els was appointed as an independent and Non-Executive Member of the Board of Directors of KBC Bank. During 2024, Els was CFO a.i. at GVB (1 April-1 Augustus).

WILMA MANSVELD

Wilma Mansveld (1962) is a member of the Supervisory Board and the Audit Committee. Wilma was appointed Supervisory Board member in 2023 and is due to retire in 2028.

Background

Between 2003 and 2012, she held various positions in the province of Groningen, including member of the provincial executive for energy. From 2012 to 2015, she was State Secretary for Infrastructure and Environment in the second Rutte cabinet. She switched to the Veiligheidsregio Groningen in 2017 and is currently the director.

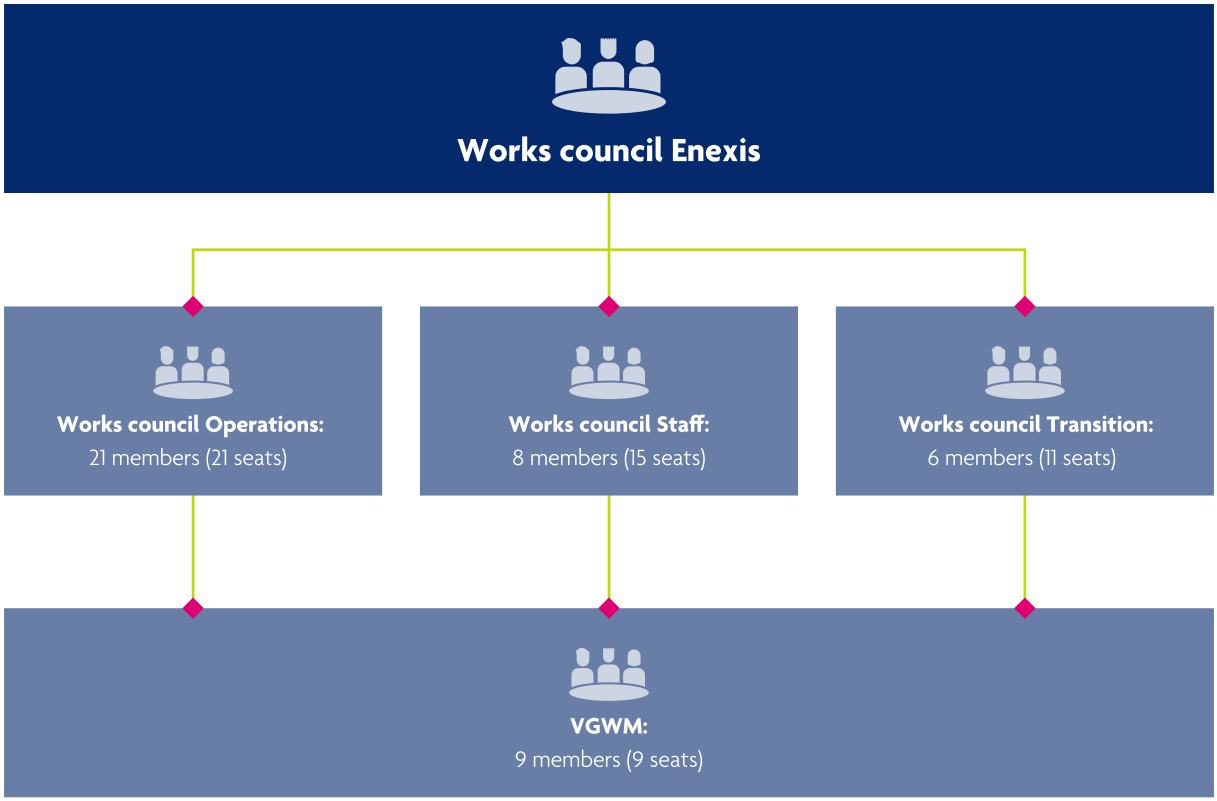
Other positions

Wilma is also a member of the Supervisory Board of Groningen Airport Eelde and Chairman of the Supervisory Board of WoonFriesland.

Employee participation in 2024

Employees participate in the decision-making process regarding the company's policy through the Works Council. In 2024, the Council dealt with issues including social security, the introduction of the On-call and Incident Response Service ICT and various requests for advice on operations. The Standing Committee on Safety, Health, Welfare and Environment (HSE) is new.

Employee participation at Enexis consists of the Central Works Council (CWC) and three underlying Works Councils (WsCs) representing the various business units.



The CWC consists of 10 members (11 seats). These members are delegated from the underlying WsCs: the Operations WsC (6 members), the Transition WsC (2 members) and the Staff WsC (2 members, 1 vacant seat). These Works Councils are supported by a secretariat.

CENTRAL WORKS COUNCIL (CWC)

In 2024, the CWC discussed a wide range of topics, such as social security and thus also Company Regulation 15. There was also an organisational change in Data & Digitalisation and ICT. In accordance with the existing step-by-step plan for handling requests for advice, the CWC was closely involved. The employees concerned were consulted by the CWC by means of a survey. The process was very constructive. The CWC was satisfied with the final result and gave a positive advice. In the triangular consultation between CWC, EB and SB we discussed, among other things, the labor market, strategy, digitalization and AI.

STEP-BY-STEP PLAN

In 2024, we began to benefit from the roadmap developed in 2023 through productive consultations between management and the CWC. The plan outlines the best approach for navigating the consultation and approval processes, saving significant time without compromising the quality of discussions or content. An added benefit is the improved overall quality.

PROFESSIONALISATION

The CWC aimed to become more professional. In this context, members took part in a course on interaction science. As a result, the quality of meetings, consultations with the EB and with the Supervisory Board improved. The CWC also published an annual report.

NEW ELECTIONS

In 2025, the three-year term of the current councils will expire. Elections for the new council will take place in mid-May/June.

SHWE COMMITTEE

The Central Works Council and the Staff, Transition and Operations Works Councils have jointly established a Standing Committee on Safety, Health, Welfare and the Environment (SHWE). The SHWE Committee reviews the company's compliance with the Occupational Health and Safety Act requirements and ensures safe working conditions for the company's employees. All employees must be able to work in a safe and healthy manner. The committee consults with its director, the HSEQ director. In accordance with the decree establishing it, the SHWE Committee has the right and duty, among other things, to carry out processes of advice and consent independently. The members of the committee also make use of the facilities agreed for employee participation within Enexis. The committee consists of five members from employee participation and four members appointed from within the organisation through a recruitment and selection process.

During the past year, the SHWE Committee and the Director have mainly focused on establishing the consultation structure. Topics such as Lifting & Hoisting and Prevention Officers were discussed in this context.

OPERATIONS WSC

The energy transition is creating a lot of pressure and change in Operations. The work package is increasing, while staff shortages are making it difficult for the organisation to keep pace. As a result, we need to work smarter and more efficiently across different departments. This led to several requests for advice, approvals and written communications in 2024. In all cases, the WsC focused on ensuring that the changes were practical and manageable for employees, that they had a voice in the process, and that the proposed changes actually contributed to Enexis' objectives.

NEW COO

After Liesbeth Kaashoek's interim period, Han Slootweg started as the new COO and Director of Operations in April. There was no time to get used to each other's work approach – faced with a massive pile of files, everyone had to hit the ground running.

PERSONNEL CHANGES

2024 also saw some personnel changes. Wijnand Willigenburg started in June to replace a colleague who had left the company. In addition, two members left at the end of the year. Dave Pauëlsen has a new position in Staff and therefore had to step down. Marcel Kabbedijk retired. The WsC decided not to fill these vacancies, given the planned WsC elections in 2025. The time frame is too short.

TRANSITION WSC

Transition WsC represents the interests of all employees within the Transition business unit: the Asset Management, Energy System & Transition, Data & Digitalisation, Market Facilitation and Innovation & Development departments. Transition WsW also represents the interests of the whole company. It serves as the main point of contact for the Director, Jeroen Sanders, on matters concerning or impacting these departments.

STAFF WSC

The Staff WsC represents the interests of the employees within the business unit: Communications, Corporate & Legal Affairs, Finance & Control, HR, HSEQ, Internal Audit & Risk, ICT, Procurement, Regulation, Strategy and Treasury. The Staff WsC also represents the interests of the organisation. It is the main point of contact for the Executive Board member, Mariëlle Vogt, on matters relating to or impacting the areas for which the WsC was established.

BETTER COMMUNICATION

In 2024, the Staff WsC focused on improving communication with its target groups. This included presentations in departments and youth organisations, surveys and a quiz with a cake as a prize. In addition, the Staff WsC approved the introduction of the On-call and Incident Response Service ICT in the Asset Registration chain and gave a positive advice on phase 1 of the organisational structure within HR and the organisational change within Facility Management.

FEWER MEMBERS

Unfortunately, the number of council members decreased in 2024, resulting in understaffing at the time of writing. In 2025, we will have our regular employee participation elections, where we hope to welcome some enthusiastic new members to continue and expand the good work. We are eager to produce a newsletter and plan to use our right of initiative.

Risk management

ENTERPRISE RISK MANAGEMENT (ERM)

Risk management helps us identify and manage risks to achieve our objectives in a timely manner. Our approach is integrated into the planning and control cycle and regular processes. We promote risk awareness within the organisation and encourage employees to deal consciously with risks.

Risk management is not just about managing risk. We also create and maintain value, improve performance and ensure that Enexis complies with laws and regulations.

We perform risk assessments to identify and analyse risks at all levels of the organisation. We take action based on these risk assessments. Risk management is the responsibility of senior management. Our business controllers, Internal Audit & Risk (IA&R) and other staff functions support them. The group risk managers in the IA&R department coordinate and facilitate the risk management processes.

RISK MODEL

Enexis uses the global risk management standards of the COSO ERM model and the Three Lines Model for risk management. Last year, based on a roadmap, we raised the level of risk management within Enexis and initiated a shift in focus from process to business. We can see that this process is beginning to bear fruit in the improved quality of dialogue between the first and second lines and between the second and third lines. In addition, our group risk managers and internal auditors are increasingly being asked to to thinking along solving operational issues.

We have divided our risk management processes into strategic and operational risk management. The outcomes of the strategic and operational risk analysis are reported to and discussed in the Audit Committee or the SB. This process enables the EB to issue a board statement.

OPERATIONAL RISK MANAGEMENT

Through operational risk analysis, we identify risks at tactical and operational levels that pose a threat to Enexis' business processes. In doing so, we take into account the risks arising from periodic compliance, privacy, security and data management analyses. We aim to document risks and measures exceeding Enexis' risk appetite in our internal control framework (ICF).

Management evaluates the functioning of the most important control measures twice a year using a Control Self-Assessment (CSA). In this self-assessment, managers examine the extent to which risks are mitigated. Divisional management evaluates the results of the CSA and, if necessary, adds them to the internal Letter of Representation (LOR). In this way, the departments and the EB indicate the extent to which the internal risk management and control systems are adequate.

In addition to the hard controls in the ICF, we also pay attention to soft controls. The soft controls pertain to integrity, engagement, and collaboration. Our internal integrity committee pays attention to integrity, performs a fraud risk analysis periodically, and discusses the control of fraud risks.

Operational and tactical risk management within Enexis focuses on identifying events that may pose a risk to achieving our objectives and controlling these risks in a timely manner.

STRATEGIC RISK MANAGEMENT

In our strategic risk analysis, we identify events that threaten the continuity of Enexis or the achievement of its strategic objectives. If an event occurs, but the impact and degree of control are uncertain, we treat such an event as a strategic risk.

Each year, the departments make an inventory of the strategic risks relevant to their department and describe these risks on a risk card. The risks identified are then analysed and quantified. This means we assess the likelihood of an event occurring and the impact of that event on one or more business values. For this purpose, we use a risk matrix that specifies Enexis' risk appetite for each business value. We then aggregate comparable risks at group level. The EB discusses and evaluates these aggregated risks.

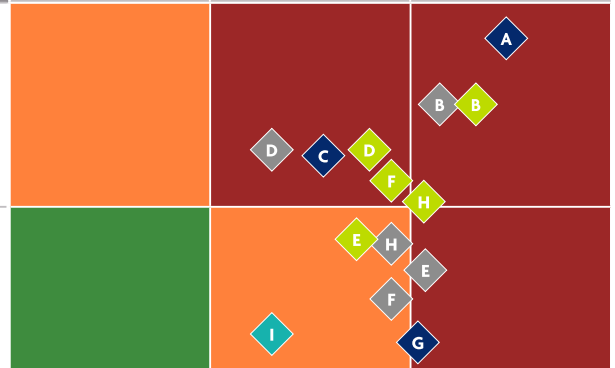
Risks with a 'high' score exceed the risk appetite. We take action to reduce these risks to at least 'medium'. For risks with a 'medium' score, management determines whether action is required.

Each strategic risk has an owner. This owner is responsible for taking appropriate action and monitoring the development of the risk. The measures are integrated into the divisions' business plans. Management monitors the risks and the effectiveness of the measures through the planning and control cycle. The development of key strategic risks is regularly reported to the EB by the risk owners.

Impacts

Frequency or likelihood of occurrence

	Company values					< Once in 10 years	≥ Once in 10 years	≥ Once a year
	Affordability	Reputation*	Safety	Reliability	Grid accessibility	< 10%	10-50%	> 50%
						Low	Medium	High
H	Damage > €50 million	International commotion; > 20,000 complaints	Accidents resulting in one or several fatalities	> 20,000,000 outage minutes (MV/MS station > 16 hours)	Structurally not being able to meet customer demand			
M	Damage €5-50 million	National commotion; 2,000-20,000 complaints	Accident with serious, lasting injury and/or prolonged absenteeism	2,000,000 to 20,000,000 outage minutes (HV/MV station 4 hours outage)	Temporarily not being able to meet customer demand			
L	Damage < €5 million	Local or regional commotion; < 2,000 complaints	Accident with injury resulting in (short-term) absenteeism or serious incident (HSE)	< 2,000,000 outage minutes (MV-T station 4 hours outage)	Briefly not being able to meet customer demand			



* Reputation with regard to stakeholders: customers, employees, shareholders, suppliers and supervisors

Position 2023 | Same position 2023/2024 | New position 2024 | New in the top

2024	Risks	Trend in relation to 2023	
A	Customer demand cannot be met timely due to a shortage of employees, material and/or grid capacity	Same	
B	Unauthorised use of data and/or systems not being available due to inadequate security measures	Likelihood	
C	Accidents suffered by employees and/or bystanders due to unsafe situations and/or asset failures	Same	
D	Large-scale interruptions of the energy supply	Likelihood	
E	Deterioration of our financial position due to price effects and effects of the energy transition and regulation method	Impact	Likelihood
F	Enexis is insufficiently agile to carry out complex and far-reaching changes	Impact	
G	Reputation damage because we do not react adequately to complaints and we are unable to provide an action perspective to customers	Same	
H	Limitations and uncertainties regarding regulations and permit processes	Impact	Likelihood
I	Insufficient data quality leads to unreliable (future) management information	New	

STRATEGIC RISKS

Strategic risks are described below. Specific risks related to financial instruments are described in the notes to the financial statements.

A CUSTOMER DEMAND CANNOT BE MET DUE TO A SHORTAGE OF PERSONNEL, MATERIALS AND/OR GRID CAPACITY

THIS IS THE RISK WE FACE

The growing demand for electricity due to the energy transition is causing capacity problems in our grids and a lot of extra work. The demand for grid capacity regularly exceeds the transmission capacity of the grid. Grid capacity shortages lead to disputes with customers and slow down the energy transition. Increasing the transmission capacity of the high-voltage grids, in particular, requires a lot of capacity and time.

The pressure on the available personnel is structurally very high, both at Enexis and at our contractors. In addition, we also face an increase in employee turnover. We can only partially compensate for the shortage of personnel by working more efficiently.

It is a challenge to meet the demand for materials at the right time due to the increasing fluctuations in demand and the conditions in the procurement market. Our forecasting and planning capabilities are not always adequate. As a result, the materials needed to complete the work package are not always available on time.

THIS IS HOW WE REDUCE THE RISK

By proactively investing on the basis of Regional Energy Strategies (RES), Cluster Energy Strategies (CES) and pMIEK (Provincial Multi-Year Programmes Energy and Climate), Enexis anticipates future developments in the grid.

We aim to avoid congestion through various measures. One approach is directing the growth of renewable energy producers and customers to areas where there is still transmission capacity on the grid. Congestion management remains a necessary measure. The development of flex products is another. These include the Capacity Reduction Contract, designed to reduce congestion, and the Non-Firm Connection Agreement (NFA 2.0), in which fixed return of energy is not always guaranteed.

Through the Sufficiently Skilled Personnel programme, we are continuously working to attract new employees and retain existing talent. In the coming period, the focus will remain on reorganising work processes and increasing our capacity to train and mentor (new) employees. The programme also explores new ways of recruiting and (digital) training. This also applies to the contractors we work with.

To ensure the future availability of materials and components, we are implementing long-term planning. Our efforts include standardisation, innovation, strategic inventory management and improved planning. We are also working on process harmonisation, supplier management development and component chain optimisation. In the supply chain, we are committed to achieving ‘On Time In Full’ delivery.

THIS IS HOW HIGH WE ESTIMATE THE RISK

Our risk assessment is the same as last year. Managing the impact of labour, energy and material shortages remains a major challenge. We consider this to be our most critical strategic risk.

B UNAUTHORISED USE OF DATA AND/OR SYSTEMS NOT BEING AVAILABLE DUE TO INADEQUATE SECURITY MEASURES (ICT/OT)

THIS IS THE RISK WE FACE

The activities of hackers and cybercriminals, such as phishing and ransomware attacks, pose a significant threat. Unauthorised access to our systems and data can result in data breaches, regulatory non-compliance (AVG and Wbni) and business continuity incidents. For example, unauthorised access to our physical network could jeopardise the power supply. The increasing digitalisation of our operations and networks also makes us more vulnerable to external breaches.

In addition, the growing reliance on cloud services introduces additional risks, particularly if platforms and systems experience prolonged downtime. Prolonged outages, the inability to scale cloud services or even the loss of service providers could severely impact Enexis’ operations.

Looking ahead, we are also considering the impact of powerful quantum computers. In the near future, these machines will have enough computing power to break today's strongest cryptographic algorithms, potentially creating new security risks and data vulnerabilities.

THIS IS HOW WE REDUCE THE RISK

We are implementing an Enexis-wide security roadmap that includes a wide range of measures. These include our strategic information security policy, a centralised information security management system (ISMS), the establishment of third-party risk management, the implementation of the IAM control model and the tightening of patch management. We also conduct ongoing security awareness initiatives, regular ransomware readiness assessments and NBA maturity assessments. The Digital Security Steering Committee oversees these efforts across Enexis.

In Operational Technology (OT), a dedicated OT security organisation is responsible for specific OT security measures. This includes maintaining an advanced security monitoring tool to detect anomalous network traffic, conducting regular security assessments, implementing anti-malware solutions for both centralised and decentralised OT systems, and ensuring ISO 27001 certification for the OT domain.

We have implemented business continuity management measures to mitigate the risk of major IT system failures. In the event of an incident, we take immediate action to facilitate faster recovery. These include disaster recovery plans, which are regularly tested in simulated exercises with other departments.

Given the growing threat of data decryption by quantum computers, we have developed a policy/standard that defines which cryptographic algorithms are permitted and which are not. We continue to focus on quality improvement, IT risk management and emerging risks related to quantum technology.

THIS IS HOW HIGH WE ESTIMATE THE RISK

Compared to 2023, we consider the probability to be higher. Our baseline measures continue to improve, and we are significantly expanding our security-related activities. At the same time, the overall threat landscape is growing, partly due to geopolitical developments.

C ACCIDENTS SUFFERED BY EMPLOYEES OR BYSTANDERS DUE TO UNSAFE SITUATIONS OR ASSET FAILURES

THIS IS THE RISK WE FACE

Working on electricity grids carries inherent risks to the safety and health of employees and bystanders. Due to the nature of the primary processes, such as working on electricity and gas infrastructure and working in public spaces, there is always the possibility of accidents or health impacts for employees. Equipment failure or material defects can also pose serious safety risks to workers and bystanders.

Staff shortages and the loss of experienced workers affect the quality of work, increase workloads and can increase safety risks. Safety is also an issue when work is outsourced to contractors or when working with non-native or foreign parties.

THIS IS HOW WE REDUCE THE RISK

Safety is a top priority at Enexis. For years, we have been running the 'Safety on !' campaign to raise and maintain awareness of the importance of safety among all employees. We closely monitor the safety performance of our contractors and are placing greater emphasis on following up workplace dialogues. We also have an ongoing programme to reduce the number of times we work without gas or electricity.

We continually assess the risk of unsafe situations in our electricity and gas grids. We follow a structured maintenance and replacement policy to minimise these risks. The Excavation Damage Prevention Team oversees the prevention of damage caused by third-party excavations, with a particular focus on fibre optic companies due to the relatively high risk of damage during fibre optic cable installation. To ensure the safety of smart meters, each batch is thoroughly tested and inspected before deployment.

THIS IS HOW HIGH WE ESTIMATE THE RISK

Our assessment of this risk remains unchanged from last year. We do not see any developments in the area of security that would warrant a different assessment. Safety remains a top priority and continues to receive our full attention.

D LARGE-SCALE INTERRUPTIONS OF THE ENERGY SUPPLY

THIS IS THE RISK WE FACE

Natural disasters such as earthquakes and floods, or deliberate acts, can severely disrupt our grids, leading to prolonged and widespread power outages. The increasing load on our electricity network also increases the likelihood of significant outages.

In addition, the medium-voltage and low-voltage grid is under increasing pressure, mainly due to the growing number of solar panels on household roofs. This is leading to an increasing number of minor power interruptions.

THIS IS HOW WE REDUCE THE RISK

Enexis has a comprehensive maintenance and replacement policy to minimise the risk of major incidents. We have spare equipment available for rapid deployment in an emergency. Our contingency plans are continuously improved based on real-life crisis experience, and we conduct regular crisis drills. We also have specific measures to address the risks of tele-vulnerability and flooding. Outages are systematically recorded and analysed to take preventive measures. We also closely monitor international developments and their potential impact on Enexis.

We continue to invest proactively in strengthening our medium-voltage and low-voltage grids. To this end, we have launched two major projects that require intensive coordination with all stakeholders. The use of network redundancy and backup facilities also helps to minimise outages.

Annual Outage Time (AOT) is a key performance indicator for Enexis. Our asset management and production teams work every day to keep it as low as possible.

THIS IS HOW HIGH WE ESTIMATE THE RISK

We are constantly pushing the limits of our grid, which increases the risk of major outages. In addition, as our grid becomes more congested, the likelihood of regular minor outages increases.

E DETERIORATING FINANCIAL POSITION DUE TO INTEREST RATE AND PRICE EFFECTS

THIS IS THE RISK WE FACE

Developments in interest rates, energy prices, inflation, raw materials and exchange rates affect our results, financial ratios and, consequently, Enexis' financing capacity. These fluctuations may limit our ability to secure financing, which may increase the need for equity capital for the same business activities. In particular, price risks related to interest rates and energy prices, especially in relation to the purchase of grid losses, could significantly increase the need for additional equity.

THIS IS HOW WE REDUCE THE RISK

To manage interest rate risk, Enexis has several instruments at its disposal and we continue to closely monitor the possible effects of interest rate developments.

Exposure to commodity price risks increases with the size of Enexis. This risk is currently not actively managed. The risk of grid losses for electricity and gas is hedged until 2031 by securing specific purchase volumes.

THIS IS HOW HIGH WE ESTIMATE THE RISK

The company will continue to be exposed to this risk in the future. Past fluctuations in interest rates are no guarantee of stability, and significant changes may still occur.

F ENEXIS IS INSUFFICIENTLY AGILE TO IMPLEMENT COMPLEX AND PROFOUND CHANGE

THIS IS THE RISK WE FACE

Uncertainty about customer demand remains high. See also risk A. There is a risk that our targets could be jeopardised if our customer processes do not adapt quickly enough. This includes targets in areas such as implementation, congestion reporting, capacity release, congestion management contracts and customer satisfaction. A lack of agility could also undermine our decisiveness and reliability, placing significant demands on the organisation and its people to adapt.

While we have the ambition to change and accelerate, the complexity of the processes means that this does not always happen as quickly as we would like. The market facilitation chain operates in a rapidly evolving landscape that we, as Enexis, must be able to anticipate.

THIS IS HOW WE REDUCE THE RISK

As part of a chain plan for High-volume consumers & Grids, we are working on improved processes and products, supported by a Product Board and an associated product portfolio.

Relationship management is an important focus. We have a dedicated congestion team and work closely with various stakeholders in the sector. Enexis is actively involved in sector-wide programmes with strong programme management aimed at simplifying governance and optimising resource use. Plans to intensify this cooperation are being developed and implemented.

We are also pushing ahead with the implementation of the decision on the Congestion Management Code. In addition, we are developing a Consideration Framework to determine which contracts can be offered in 2025 within the limited contracting opportunities available.

To enhance the agility of our workforce, leadership development remains a strategic priority. The Future Fit Leadership programme will be extended to middle management. Through initiatives such as leadership programmes and the personal assessment and development programme, we encourage management and employees to be more agile, bold and innovative. Our recruitment, management development and employee vitality policies deliberately emphasise agility and decisiveness as essential skills.

To improve employee adaptability, we will emphasise sustainable employability, career development and a positive work experience, as well as smart and innovative training methods.

THIS IS HOW HIGH WE ESTIMATE THE RISK

We consider this risk to be higher than last year. The rapid succession of external and internal developments and the required annual increase in workload challenge our ability to adapt and implement change effectively.

G REPUTATIONAL DAMAGE AS A RESULT OF OUR FAILURE TO RESPOND APPROPRIATELY TO COMPLAINTS AND TO OFFER CUSTOMERS A COURSE OF ACTION

THIS IS THE RISK WE FACE

Customers and stakeholders want clarity and direction to help them achieve their goals. However, we cannot always provide the level of transparency they expect. There are uncertainties in planning and executing network investments, and new products or technical solutions need to be developed. Wherever possible, we involve stakeholders in shaping future plans, but this close collaboration can create expectations that we cannot always meet.

Negative events or reports about other players in the industry can also harm Enexis' reputation. These uncertainties increase the risk of complaints, claims, reputational damage and even potential debates about our licence to operate. There is a risk that we may not respond quickly or appropriately when such situations arise.

THIS IS HOW WE REDUCE THE RISK

Within Enexis and within the sector (Netbeheer Nederland), we are working to improve transparency, particularly concerning waiting lists and timescales for restoring capacity. Initiatives are underway to improve communication and customer service, such as more personalised customer service, communicating the 'new reality', digital walk-in advice, setting up a Product Board and product portfolio, webinars and scenarios for businesses (sites).

We have placed greater emphasis on managing stakeholder expectations. In each province, we are working through task forces to discuss the Provincial Multi-Year Infrastructure, Energy and Climate Programme (pMIEK), focusing on prioritisation and programming. A Future Energy System Campaign is also underway to engage stakeholders in our activities and explain their implications.

Our broader communications efforts include the ongoing involvement of communications consultants and proactive monitoring of stakeholder relationships. We continuously improve the skills of our employees through training, particularly in areas such as social security, and maintain a well-structured crisis communication framework to ensure timely, open and transparent communication in critical situations.

Sector-wide, we are developing a communications framework to manage expectations better. This includes educating customers about the requirements of a future-proof energy system, such as increased flexibility in energy use. We are also focusing on strengthening our public image by explaining our role and the important work we are doing to drive the energy transition. We are also improving the transparency of information on new products, including through government portals that provide maps and neighbourhood proposals.

THIS IS HOW HIGH WE ESTIMATE THE RISK

Our risk assessment remains unchanged from last year. Media attention continues to increase, but we have also improved our ability to communicate promptly and transparently. Overall, the level of risk remains the same.

H LIMITATIONS AND UNCERTAINTIES REGARDING REGULATIONS AND PERMIT PROCESSES

THIS IS THE RISK WE FACE

Existing laws and regulations, as well as uncertainties surrounding new legislation, hinder or could hinder our ability to respond effectively and quickly to customer demand and grid expansion.

The energy system of the future requires space, both above *and* below ground. However, spatial challenges mean that Enexis cannot build network infrastructure fast enough. The spatial aspects of energy supply are often considered late in the planning process, and the length of planning procedures threatens to become a major bottleneck for grid expansion. We are in close contact with municipalities and are actively sharing best practices in the hope that they can be replicated elsewhere.

Litigation is also on the rise. Disputes often arise when we are unable to meet (statutory) connection deadlines or when we have to refuse requested transmission capacity. The legal framework for new products remains underdeveloped and complex, leading to different interpretations of new regulations. This causes dissatisfaction in society and requires additional resources from Enexis to develop solutions, mediate with customers and prevent legal action.

Another challenge is our dependence on Dutch policy-making. Slow legislative processes and changing regulatory frameworks make it difficult for Enexis to define a stable long-term strategy. This unpredictability and delay in decision-making may have a negative impact on the development of long-term solutions.

THIS IS HOW WE REDUCE THE RISK

The Chain Optimisation Spatial Planning (in dutch: KORO) programme ensures that spatial planning does not become an obstacle to our goals. This programme focuses on improving the quality of the spatial planning chain, increasing predictability and reducing lead times.

Corporate & Legal Affairs (CLA) plays a key role in implementing congestion management to increase available transmission capacity. CLA also contributes to the development and implementation of Flex products. Improvements in evidence support for congestion-related legal cases are being evaluated and standardised. In addition, relevant case law will be analysed and conclusions shared with operations and management to improve processes.

To better understand the legal and regulatory framework affecting our industry, we maintain close contact with the government, both directly and through industry partnerships.

THIS IS HOW HIGH WE ESTIMATE THE RISK

This risk comprises three combined risks: ‘Spatial planning’, ‘Increasing litigation due to scarcity’ and ‘Delays and changes in laws and regulations’. The first risk, in particular, is becoming increasingly apparent in the production process. As a result, we consider the risk to be higher than last year.

I POOR DATA QUALITY LEADS TO UNRELIABLE (FUTURE) MANAGEMENT INFORMATION

THIS IS THE RISK WE FACE

The accuracy, completeness and timely availability of data is essential for Enexis. This data is needed in our daily processes for the preparation of accountability information (such as the annual report) and for management.

In the future, we will increasingly use forecasting models to try to predict developments. The better the quality of the data, the more reliable the results.

THIS IS HOW WE REDUCE THE RISK

Our data governance structure and processes ensure that data owners and managers are involved in providing the data for which they are responsible. This ensures that the data is adequately represented and that interpretations of the data are correct.

In recent years, we have worked to achieve a higher level of data maturity. We proactively identify and document our key business data. After assessing the quality, we determine which data is up to standard and which is not. Based on this, we determine what is needed to improve the quality and formulate actions.

We also build our metadata framework and data quality framework to ensure that our data is organised so that all our resources, techniques and processes work together as a consistent data ecosystem.

THIS IS HOW HIGH WE ESTIMATE THE RISK

This is a new risk that has been identified as strategic. As the use of data in forecasting models increases, so do the demands on data quality. Although we currently rate the risk as medium (in terms of probability and impact), we anticipate that data quality risks will only increase in importance over the coming years.

Board statement

The Executive Board is responsible for the effectiveness of the design and operation of the internal risk management and control system of Enexis. The objective of this system is to monitor the realisation of strategic, operational and financial objectives and to focus on all aspects of the business, from strategic and operational risks to the reliability of financial and other reports, while complying with laws and regulations.

The section on Risk management describes our internal risk management and control system and our risk profile. No system can provide absolute certainty concerning the realisation of company objectives or the prevention of material errors, losses, fraud, or violations of laws and regulations that may occur in the processes and financial reporting. The Executive Board has evaluated the set-up and effectiveness of the internal risk management and control system during 2024 based on business Letters of Representation and reports from the internal and external auditors. The results of this evaluation and the risk profile were discussed with the Audit Committee of the Supervisory Board in the presence of the internal and external auditors.

We declare that:

- this report provides sufficient insight into deficiencies in the operation of the internal risk management and control system;
- the system mentioned above provides a reasonable degree of certainty that the financial and other reports contain no inaccuracies of material significance;
- the current state of affairs justifies the preparation of the financial report on a going concern basis of accounting;
- this report states the material risks and uncertainties, insofar as relevant in relation to the expectation of the company's continuity for the twelve months following the preparation of this report.

's-Hertogenbosch, 5 March 2025

Executive Board Enexis Holding N.V.

Rutger van der Leeuw, CEO

Mariëlle Vogt, CFO

Han Slootweg, COO

Jeroen Sanders, CTO

Sustainability statement

THE SUSTAINABILITY STATEMENT CONTAINS THE FOLLOWING CHAPTERS

- General disclosures
- EU Taxonomy
- E1 Climate change
- E5 Resource use and Circular economy
- S1 Own workforce
- S2 Workers in the value chain
- S3 Affected communities
- S4 Consumers and end-users
- G1 Business conduct
- Other information

General disclosures

Enexis Holding N.V. is the head of Enexis Groep and is a public limited company with its registered office at Magistratenlaan 116 in 's-Hertogenbosch, the Netherlands (Chamber of Commerce number 17238877). Enexis Groep specialises in the construction, maintenance, management and development of distribution networks for electricity – such as power cables and medium- and low-voltage stations – and gas, including pipelines and gas stations, as well as related activities.

ABOUT THE SUSTAINABILITY STATEMENT

Although the CSRD is not yet a legal requirement for Enexis Holding N.V., our sustainability statement is prepared based on the European Sustainability Reporting Standards (ESRS) as required by the Corporate Sustainability Reporting Directive.

The consolidated sustainability statements for the financial year 2024 includes Enexis Holding N.V. and its subsidiaries (hereinafter jointly referred to as Enexis Groep) and corresponds to the scope of consolidation for the consolidated financial statements.

The following subsidiaries are exempted from individual sustainability reporting:

- Enexis Netbeheer B.V.
- Enexis Personeel B.V.

The sustainability statements contain reports on material impacts, risks and opportunities for Enexis Groep's own operations and the upstream and downstream value chain. The extent to which policies, measures, metrics and targets also relate to the value chain, and the extent to which data on the upstream and/or downstream value chain are included in the measures, can be read in the other chapters of this sustainability statement.

Enexis Groep uses the time horizons defined in the ESRS:

- Short term (ST) < 1 year;
- Medium term (MT) 1-5 years;
- Long term (LT) >5 years.

As of December 31, 2024, Enexis has no plans to divest activities with a material financial impact. The consumption of natural gas and the use of the gas network are expected to decrease in the future. National policies are being developed for activities and costs associated with this. Even in the low-carbon energy supply of 2050, Enexis expects the gas network to continue to play a role in the distribution of green gas and hydrogen. A safe and reliable gas network is expected to remain necessary.

VALUE CHAIN ESTIMATION

The following metrics, which contain data on the upstream and/or downstream value chain, have been estimated based on indirect sources:

Metrics	Basis for preparation	Planned actions to improve the accuracy
CO_2-eq of scope 3 GHG-emissions (ESRS E1) categories insofar as data is not obtained directly from suppliers or raw material passports	Spend based data; extrapolation; various generic emission factors	Direct acquisition of supplier data instead of spend-based where possible; aim for less extrapolation
CO_2-eq emission due to refrigerant leaks of air conditioners	Assumption that each air conditioner has an average of 3% leakage on an annual basis	

SOURCES OF ESTIMATION AND OUTCOME UNCERTAINTY

The following quantitative metrics and monetary amounts have high measurement uncertainty:

Quantitative metric/or monetary unit	Sources of metric uncertainty	Assumptions, approximations and judgments used
CO_2-eq reduction measures (ESRS E1)	The effects of the measures are partly based on assumptions and extrapolation of measures already implemented.	It is assumed that the scarce capacity of contractors required to implement the reduction measures will be sufficiently available.
Euro's (CapEx en OpEx) for the benefit of CO_2-eq reduction measures (ESRS E1)	The costs of the measures are partly based on assumptions and extrapolation of measures already implemented	Standard prices have been used when calculating the costs of certain work (e.g. replacement of gas pipes).

CHANGES IN PREPARATION OR PRESENTATION

Enexis Groep has prepared sustainability statements in accordance with the ESRS for the first time for the financial year 2024. The following information has been prepared or presented differently than the reporting on metrics in previous annual reports:

Modification and reasoning	Adjusted comparative figure(s)	Difference compared to figure reported in previous period
CO_2-eq footprint 2023 market based (ESRS E1) in ton CO_2-eq. Explanation is included in E1 "Our green house gas emissions"	657,965	441,796
CO_2-eq footprint 2023 location based (ESRS E1) in ton CO_2-eq. Explanation is included in E1 "Our green house gas emissions"	1,050,722	456,427
Circularity data in 2023 reported as an overall figure. In 2024 more accurate: broken down per component and in relation to the 2030 objective		

For a list of the reporting requirements and/or data points incorporated by reference, see Other information.

GOVERNANCE

COMPOSITION OF EXECUTIVE BOARD AND SUPERVISORY BOARD

Enexis has four executive and independent directors on the Executive Board (EB), three men and one woman. This makes the EB 75% male and 25% female.

The table below shows the main areas of responsibility of each member of the EB.

	Rutger van der Leeuw CEO (Male)	Mariëlle Vogt CFO (Female)	Jeroen Sanders CTO (Male)	Han Slootweg COO (Male)
General management	V	V	V	V
Financial economic	V	V		
Social policy, organizational development and participation	V		V	V
Technologie en regelgeving in de energie (distributie)sector	V	V	V	V
Product growth/Energy system of the future			V	V
Commercial/customers	V		V	V
Politics, society en sustainability	V	V	V	V
Information policy, digitalization and cyber security		V	V	
Governance	V	V		
Safety and risk management	V	V	V	V

Based on the above division of duties, we have arrived at the following portfolio allocation:

Rutger van der Leeuw CEO	Mariëlle Vogt CFO	Jeroen Sanders CTO	Han Slootweg COO
Strategy	Finance & Control	Assetmanagement	Production North
Regulation	ICT, Data & Digitalization	Market facilitation	Production South
Communication & Public Affairs	Purchase	Energy system & Transition	Large volume consumers
Human Resources	Treasury	Innovation & Development	Consumers
HSEQ	Corporate & Legal Affairs	Enpuls/ Heat strategy	Production EBS
	Internal Audit & Risk		Supply Chain
	CISO		Operations support

Our corporate website (**Executive Board**) contains the CVs of the members of the EB, including information on their expertise and experience.

Enexis has five non-executive, independent directors on the Supervisory Board (SB), two men and three women. This makes the SB 40% male and 60% female.

The table below shows the main areas of responsibility of each member of the SB.

	Jos Nijhuis (Male)	Joost van Dijk (Male)	Anita Arts (Female)	Wilma Mansveld (Female)	Els de Groot (Female)
General management	V	V	V	V	V
Financial economic		V		V	V
Social policy, organizational development and participation	V		V		
Technology and regulations in the energy (distribution) sector		V		V	V
Production growth/Energy system of the future	V	V		V	
Commercial/customers	V				V
Politics, society and sustainability	V	V	V	V	V
Information policy, digitalization and cyber security		V	V	V	V
Governance	V		V	V	V
Safety and risk management	V	V	V		V
Committees	Chair Supervisory Board Member HR Committee	Vice-Chair Supervisory Board Member Audit Committee	Chair HR Committee	Member Audit Committee	Chair Audit Committee
Strenghened right of appointment	n/a	n/a	Appointed on the recommendation of the Works Council	Appointed on the recommendation of the Shareholders Committee	n/a

Our corporate website (Supervisory Board) contains the CVs of the members of the EB, including information on their expertise and experience.

When the SB needs to fill a vacancy on the EB, the SB's Human Resources Committee, in consultation with the EB, drafts a written profile of the EB candidate. Before making the appointment, the SB gives the Works Council and the Shareholders' Committee the opportunity to issue advice.

In the event of a vacancy on the SB, the Works Council and the Shareholders' Committee each have the (enhanced) right to recommend a candidate for one-third of the SB members. The General Meeting of Shareholders (GMS) makes the final decision on the appointment of a new SB member.

ROLES AND RESPONSIBILITIES OF THE EXECUTIVE BOARD AND SUPERVISORY BOARD

The EB and SB have specific responsibilities regarding sustainability policy and reporting. As a collegial body, the entire EB is collectively responsible for overseeing the process of managing material impacts, risks and opportunities related to ESG issues. Among other things, it makes joint decisions on sustainability aspects of strategy, policies and targets.

The double materiality analysis and sustainability reporting are prepared under the guidance of the External Reporting department. These are then submitted to the EB for review and approval. Formulating the (sustainability) strategy is the responsibility of the strategy director. Approval of the strategy and associated targets is the responsibility of the EB.

The EB monitors the management of sustainability topics. It discusses progress against the business plan every quarter, and from the financial year 2025, sustainability topics will be included in this report. Policy monitoring also includes the achievement of sustainability targets, the sustainability strategy and risks associated with business activities, internal risk management and control systems, and non-financial reporting. Progress on sustainability topics will be monitored through internal audits.

The SB's tasks include supervision, providing advice and acting as the employer of the EB. Documentation such as the double materiality analysis, sustainability strategy, and sustainability reporting is presented to the SB for discussion throughout the year. The SB then discusses any comments or suggestions with the EB.

EXPERTISE OF THE EXECUTIVE BOARD AND THE SUPERVISORY BOARD

Members of the EB must have specific expertise and skills in the material sustainability topics. These requirements are explained in detail in the profile descriptions.

For the composition of the SB, a profile description includes the required relevant experience in both general and specific focus areas, including 'Politics, society and sustainability' and 'Safety and risk management'. Given the nature of the business, no specific experience related to geographical locations is required. The focus areas fall under the knowledge and expertise of one or more SB members.

Both EB and SB members maintain and update their knowledge through continuing education. If specific expertise is required that the members do not possess, external experts are consulted.

INFORMATION PROVISION AND HANDLING OF SUSTAINABILITY TOPICS

In 2024, Enexis Groep carried out a double materiality analysis for the first time, in accordance with the requirements of the ESRS. Both the EB and SB were involved in this process and were regularly informed through written updates on progress, milestones and decisions. In addition to formal meetings, the EB was regularly briefed by the chair of the CSRD Steering Group, who has a direct reporting line to the CFO. The External Reporting department worked closely with other departments to identify material impacts, risks and opportunities. In addition, the EB and SB were informed through internal reports about the due diligence activities and the results and effectiveness of the policies, measures, metrics and targets on the material impacts, risks and opportunities.

In parallel with the introduction of the CSRD, the ESG strategy was developed and approved by the EB and SB. The ESG strategy links the material ESRS topics to the strategy and objectives of Enexis Groep. When deciding on strategy, important transactions and measures, the EB considers possible dilemmas regarding impacts, risks and opportunities. In addition, the SB closely monitored the implementation of the CSRD, and sustainability topics were discussed on four occasions.

INTEGRATION OF SUSTAINABILITY PERFORMANCE INTO REMUNERATION POLICIES

The GMS approved the remuneration policy for the EB of Enexis Holding B.V. on 5 December 2012 and came into effect on 1 January 2013. Under this policy, it was decided that the EB's remuneration would be determined per the Standards for Remuneration Act (*Wet Normering Topinkomens*, WNT).

Neither the remuneration of the EB nor that of the SB for the financial year 2024 is linked to performance on the sustainability topics included in this sustainability statement. Enexis does not offer variable remuneration.

DUE DILIGENCE STATEMENT

Enexis recognises the importance of due diligence on environmental and human rights. The due diligence process involves an ongoing assessment of the actual and potential impacts of our activities on people and the environment, the integration and implementation of the results of the evaluation, the monitoring of progress and the communication of how these impacts are addressed.

In anticipation of the Corporate Sustainability Due Diligence Directive (CSDDD), which is expected to apply from financial year 2027, we conducted a due diligence improvement study in 2024. The aim was to identify, prevent and/or mitigate actual and potential adverse impacts deeper in our value chain. This resulted in an action plan to improve due diligence. Additional information that becomes available may lead to further insights. We will incorporate these into our strategic decision-making and risk management processes.

For more information on how we conducted due diligence processes on sustainability topics in 2024, see the materiality assessment and stakeholder dialogue sections. In addition, we discuss the specific characteristics of due diligence for each material topic in the respective chapter.

RISK MANAGEMENT AND INTERNAL CONTROLS FOR THE SUSTAINABILITY STATEMENT

The information in the sustainability statement carries the risk of material misstatement due to human error or incomplete data. This is particularly true in this first year of reporting. In addition, there is a greater risk regarding the accuracy and/or completeness of the information due to estimation results and reliance on available data in the upstream and/or downstream value chain. We expect to use increasingly accurate data in the coming years. This includes calculating our scope 1, 2 and 3 emissions, for which more and better-measured information will become available.

Enexis Groep has implemented various internal control measures to limit and control risk. These are mainly manual and aimed at minimising reporting errors. This includes carrying out risk assessments, such as the strategic risk analysis (SRA) and the operational risk analysis (ORA). During these assessments, an inventory is made of the risks to which Enexis is exposed. These risks end up in the strategic risk register and, in the case of operational risks (at the process level), in the internal control framework (ICF). In 2024, sustainability information was not explicitly part of the SRA and ORA. From 2025, we will also be able to identify sustainability-related risks and develop corresponding control measures.

In 2025, Enexis Groep will extend the scope of the ORAs and expand the ICF. In addition to regular process risks, additional attention will be paid to sustainability risks. The effective operation of key controls is assessed twice a year through control self-assessments (CSAs). The key findings of these assessments are reported to the EB.

In 2024, Enexis Groep created several reporting manuals to standardise definitions, calculations and critical metrics. A centralised approach to external reporting allows the External Reporting department to identify and correct inconsistencies and errors in the data provided by the departments.

The external auditor's report accompanying the entire sustainability statement is included in section 'Assurance report of the independent account with limited assurance on the sustainability declaration'.
Findings were discussed by the auditor with the EB and SB during the assurance engagement.

STRATEGY

SIGNIFICANT PRODUCT/SERVICES/CUSTOMER GROUPS

Enexis is a regional network operator. Our main responsibility is to ensure that electricity and gas are delivered to the right locations: three million households and businesses in Groningen, Drenthe, Overijssel, Limburg and Noord-Brabant. This makes Enexis a crucial link in the energy supply chain: all the energy in our regions converges in our electricity and gas network. We develop, build, manage and maintain this network.

- We connect customers in our service area to our energy networks as quickly as possible.
- We maintain, upgrade and replace these networks, and resolve outages.
- We expand the transmission capacity of the networks.
- We work with provinces, municipalities, businesses and other stakeholders to make the best possible energy choices for society. We consider reliability, affordability, feasibility and support. We help build and guide the energy system of the future.
- We ensure seamless switching between energy suppliers and the settlement of energy flows for customers and market parties.

Our business unit, Enpuls Warmte Infra, focuses on developing, constructing and operating heat networks. We believe that heat, like hydrogen and green gas, will play an important role in the energy system of the future.

All these activities are carried out in the Netherlands by 7,586 employees, of which 5,981 are employed by Enexis (on 31 December 2024).

REVENUE BY ESRS SECTOR

Enexis derives its revenue from the ESRS sector 'Power Production and Energy Utilities' (code UPE according to the Exposure Draft SEC1 Sector Classification). For a further breakdown of revenue, see note 1 'Revenue' of the consolidated financial statements.

Fossil fuels (gas) are transmitted through Enexis' gas network. Revenue from periodic transmission and connection fees for gas is disclosed in note 1 'Revenue' of the consolidated financial statements.

SUSTAINABILITY TARGETS

Climate change is one of the most significant challenges of our time. Transforming the energy system is a key prerequisite for achieving a carbon-neutral society by 2050. This is a massive task for the Netherlands and Enexis, but we see it as a fantastic opportunity to help the Netherlands drive sustainable progress. We are doing everything we can to keep our energy infrastructure reliable and accessible to all. This is essential for a sustainable Netherlands, and it is also economically and socially vital.

Energy networks are the lifeblood of our society. Both visible and invisible, the components of these complex but vital networks are everywhere: for example, the cables and pipes that supply us with the energy that we use to heat our homes, charge our cars and keep the economy moving. Increasingly, this energy comes from sustainable sources.

As a network company, Enexis is at the heart of society. Our mission is to provide people with increasingly sustainable energy by investing strategically in a reliable energy infrastructure. This enables us to keep the energy transition feasible and affordable. Fulfilling this mission requires our full attention. That is why we are sharpening the focus of our activities to ensure a safe and reliable energy supply, connect customers on time and deliver the energy system of the future. By concentrating on what we do best, we make a difference.

Our core activities are also where we make our most significant societal and sustainable impact. Our vital infrastructure is essential for a well-functioning economy and society. We also enable sustainable power generation and the electrification of industry and mobility. This transformation of the energy system puts great demands on our organisation, employees, and partners. Therefore, we aim to provide a safe, attractive work environment and conduct business fairly.

At the same time, we recognise that our core activities have a downside. Our work has an impact on the climate and consumes raw materials. We feel responsible for this. That is why we make sustainable choices in the way we do business. We focus on areas where we can make a real difference without compromising our mission.

Our business strategy is the foundation for our ESG strategy. Environmental, social and governance are concepts that affect all activities of a company like Enexis. The ESG strategy is relevant to all Enexis' services, as well as to all customer groups and society as a whole. In the figure below, our material ESG topics are linked to the material ESRS. The different components of the ESG strategy are explained in more detail later in this chapter.

ESG strategy	Material ESRS	
E **Environmental** Achieve the energy transition Sustainable business operation	E1 Climate change	
	E5 Resource use and circular economy	
S **Social** Reliable and accessible energy infrastructure Attractive employment	S1 Own workforce	S3 Affected communities
	S2 Workers in the value chain	S4 Consumers and end-users
G **Governance** Fair business practices	G1 Business conduct	

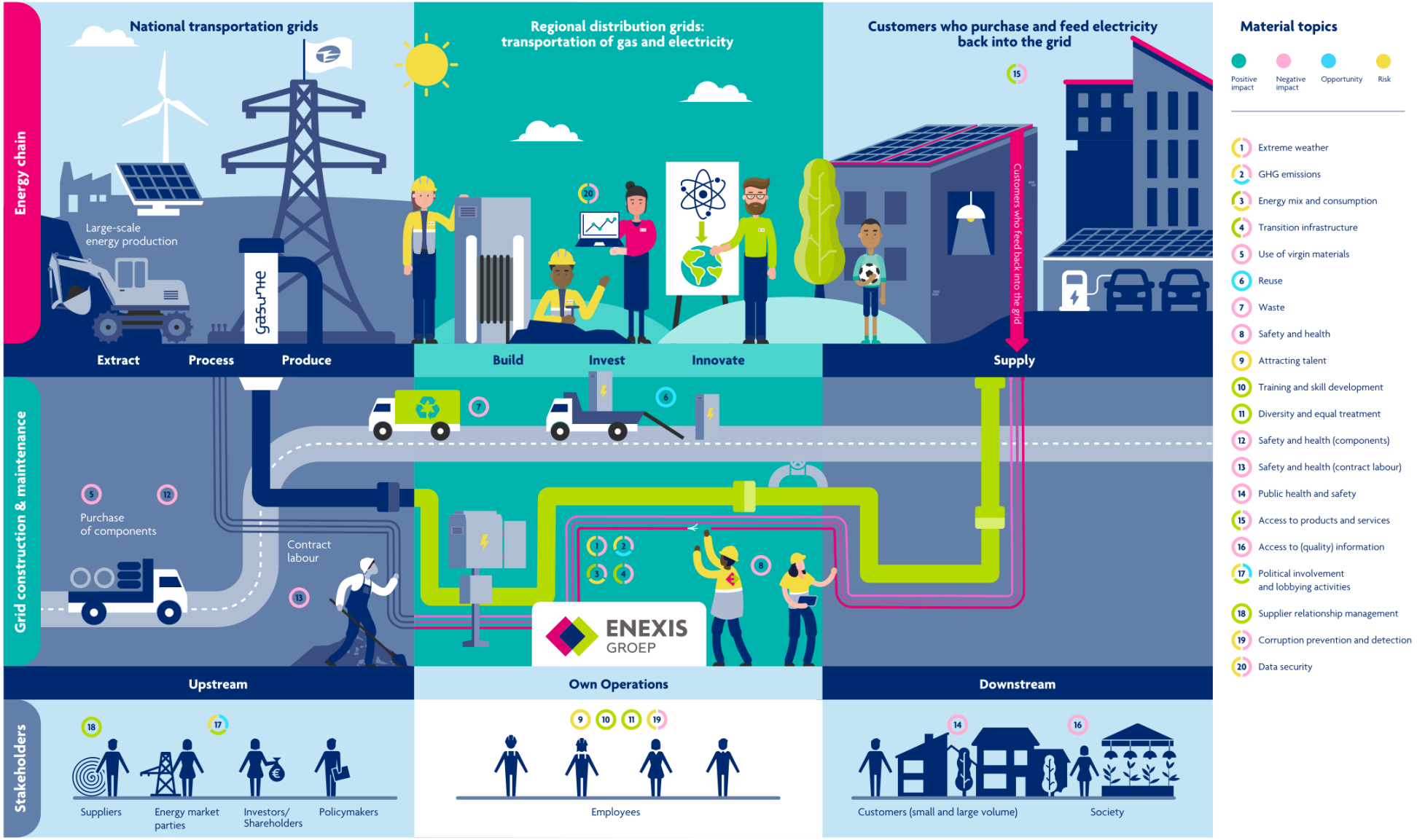
The implementation of the strategy and associated measures requires significant investments. These are financed partly with equity but mainly through external financing. Since 2020, external financing has included green bonds. Details on how Enexis expects to meet its future financing needs are discussed in note 30 'Financing policy and risks financial instruments' of the consolidated financial statements.

VALUE CHAIN AND BUSINESS MODEL

Enexis is one of the six regional network operators in the Netherlands, and its main task is to build, expand, improve and maintain the gas and electricity network. Enexis is a crucial link in the energy supply chain: all the energy in our regions converges in our electricity and gas network. We develop, build, manage and maintain these networks. For electricity, this involves low- and medium-voltage networks, and for gas, regional networks. The end product delivered by Enexis consists of the connections for both high-volume and low-volume consumers.

To fulfil our role in the energy chain, Enexis carries out a range of activities. This requires various resources and close relationships with stakeholders. The most important activities, resources and stakeholders related to our company's business model and the external environment in which we operate are described below. Our value chain includes both upstream and downstream activities. We also show below where our key impacts, opportunities and risks occur in the value chain. For a brief description of our material impacts, opportunities and risks and a complete overview of where they appear in the value chain, please refer to the sections of this report that cover material impacts, risks and opportunities.

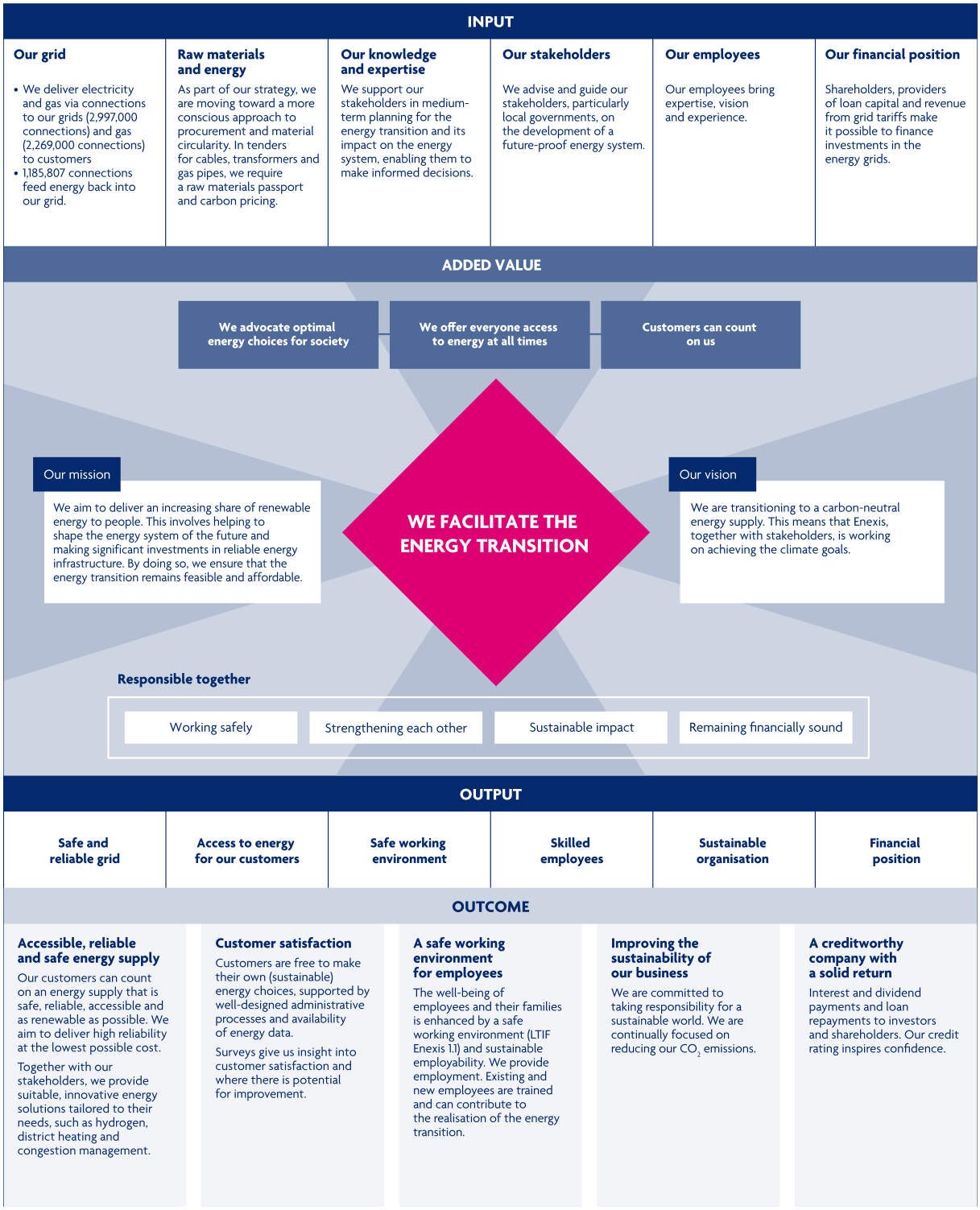
Based on the available information, we have identified a limited number of material topics related to our value chain. Through our due diligence efforts, we are gaining an increasingly detailed understanding of our chains. Our approach involves working backward from our operations to the beginning of the chain.


Energy chain
National transportation grids
Large-scale energy production
Regional distribution grids: transportation of gas and electricity
Customers who purchase and feed electricity back into the grid
Customers who feed back into the grid
Extract
Process
Produce
Build
Invest
Innovate
Supply
Grid construction & maintenance
Purchase of components
Contract labour
ENEXIS GROEP
Upstream
Own Operations
Downstream
Stakeholders
Suppliers
Energy market parties
Investors/ Shareholders
Policymakers
Employees
Customers (small and large volume)
Society
Material topics
Positive impact
Negative impact
Opportunity
Risk
1 Extreme weather
2 GHG emissions
3 Energy mix and consumption
4 Transition infrastructure
5 Use of virgin materials
6 Reuse
7 Waste
8 Safety and health
9 Attracting talent
10 Training and skill development
11 Diversity and equal treatment
12 Safety and health (components)
13 Safety and health (contract labour)
14 Public health and safety
15 Access to products and services
16 Access to (quality) information
17 Political involvement and lobbying activities
18 Supplier relationship management
19 Corruption prevention and detection
20 Data security

Value creation model

We use our energy networks, people and financial resources to drive societal progress. In other words, we create value for society. The way we do this is shown schematically in our value chain model. This model includes the following:

- The resources (inputs) we use to achieve our goals, such as our energy networks and our people.
- How we use these resources to create value for society (added value).
- The specific value we create (output).
- What we achieve for our customers, employees and other stakeholders (outcome).



RESILIENCE OF THE STRATEGY AND BUSINESS MODEL

Enexis has not conducted a quantitative analysis of the resilience of its strategy and business model. Legislation stipulates that Enexis' shares must be publicly owned and that Enexis has a monopoly within its service area. Enexis operates in a regulated market overseen by, among others, the ACM. The ACM also annually sets the maximum tariffs that Enexis is allowed to charge its customers. To implement its strategy and achieve its objectives, Enexis depends on third parties (e.g. the availability of raw materials and contractors) and society (e.g. energy consumption). However, even in the event of reduced supply and demand, Enexis will still be able to continue its operations and generate income from its existing assets. Indeed, these assets are critical to the infrastructure in the Netherlands and are not readily offered by other parties.

STAKEHOLDER INTERESTS AND VIEWS

All stakeholders are urgently needed to achieve the climate targets. We are therefore in constant dialogue with our stakeholders. We identify eight stakeholder groups. Here is a summary of our interaction with stakeholders in 2024:

Stakeholder group	Our stakeholders	Interaction with Enexis
Customers	Low-volume customers (consumers and SMEs), high-volume customers (corporates)	Periodic customer satisfaction surveys, customer service, account managers
Employees	Works Council, trade unions	Internal media, work consultations, consultation Works Council and Executive Board and directors/ managers of the business units, regular consultations between Works Council and management and trade union consultations
Shareholders	Provinces and municipalities in the role of shareholders	Annual General Meeting of Shareholders with Executive Board present, Shareholders' Committee meets with the Executive Boards 5 times a year, Strategic dialogue
Energy market parties	Energy supllers, grid operators, producers, balance responsible parties (BRPs), balance service providers (BSPs), congestion service providers (CSPs), aggregators and their stakeholder oganisations (e.g. Energie Nederland, NBNL)	Periodic consultations within the MFFBAS (Market Facilitation Forum), via account managers
Financial parties	Investors, banks, rating agencies	Green Finance Framework, Impact & Allocation report, investor relations presentations, annual report
Chain partners	Contractors, suppliers, infrastructure companies, technology companies	Periodic cable and pipeline consultations, structural consultations with suppliers in the form of business review meetings and management consultations with our strategic component suppliers
Policymakers	Political parties, the Dutch Ministry of Economic Affairs and Climate Policy, the Netherlands Authority for Consumers and Markets (ACM), State Supervision of the Mines, the Dutch Data Protection Authority, Uneto-VNI and KVGN, provinces and municipalities (governments)	Consultations, public affairs, periodic consultation with supervisors
Local energy transition partners	Municipalities, energy cooperatives, water authorities, project developers, housing associations	Regional teams, stakeholder managers, regional scouts, FD Energy debate

To develop our strategy, we spoke to stakeholders about societal developments and our role in addressing them. Together, we identified which topics are essential and how Enexis can make a meaningful impact. The most important topics included a reliable and accessible energy network, a secure energy network, a sustainable energy supply, an affordable energy supply and customer-focused services.

Stakeholders explicitly ask us to share our vision and to use our knowledge and expertise to ensure the energy transition remains feasible and affordable. We fully embrace this invitation to work with our stakeholders to realise the energy system of the future.

The EB will regularly inform the SB of the views and interests of relevant stakeholders regarding sustainability impacts.

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

METHODOLOGIES AND ASSUMPTIONS

in 2024, Enexis Groep identified and assessed impacts, risks and opportunities materiality for the first time, in line with ESRS requirements. This approach is referred to as 'double materiality'. It considers factors such as the value chain, relevant stakeholders, the context of activities, key business relationships and the geographical dimension, as explained above. This process did not result in any changes to the strategy.

The double materiality analysis determined, on the one hand, which sustainability topics Enexis Groep has a positive or negative impact on ('impact materiality'). On the other hand, it determined which topics present a financial opportunity and/or risk ('financial materiality'). A topic is considered 'material' if it is significant from either an impact and/or a financial perspective.

The following steps were used to identify the material sustainability topics for 2024:

- Identification of sustainability topics (creation of a 'long list') based on the list of topics in the thematic ESRS (as outlined in TV16 of ESRS 1), supplemented by potential entity-specific topics derived from previous reports and peer disclosures.
- Analysis of sustainability topics that are clearly irrelevant for Enexis Groep and their subsequent exclusion from the assessment (creation of a 'medium list').
- Analysis of impacts, risks and opportunities per sustainability topic based on existing internal/external documentation and knowledge of internal experts, as well as an initial assessment of materiality.
- Work sessions with internal experts in daily contact with key stakeholders. Aim: To refine the impacts, risks and opportunities and discuss the materiality assessment. This included the use of:
  - the climate risk analysis;
  - a study of the degree of circularity of components. The study is based on, among other things, the amount of raw materials in our components and the outflow of materials;
  - a risk scan (human and environmental) of the main value chain, based on OECD guidelines;
  - the TNFD sector guide 'Electric utilities and power generators';
  - Enexis' SRA.
- Interviews and follow-up talks with individual internal experts (after the work sessions).
- Preparation of an overview of material sustainability topics and association impacts, risks and opportunities ('shortlist').
- Validation of the 'shortlist' by the EB, after which the SB is informed of the outcomes.
- Validation of the results by internal stakeholder representatives.

Enexis Groep uses quantitative and qualitative thresholds to determine which impacts, risks and opportunities are material and which sustainability topics to report. All impacts, risks and opportunities are scored as 'gross' and considered material if the score exceeds the impact or financial materiality threshold. The applied model was developed with the Risk Management department. It scores all negative impacts on a five-point scale. Positive impacts have two variables (scale and scope) in addition to likelihood, so the maximum score for positive impacts is 10. Negative impacts also consider irreversibility, resulting in a maximum score of 15. To ensure a balanced report (based on prudence), the threshold for materiality is set at ≥ 8 for both types of impacts. This means that all negative impacts with a score of 'medium' and all positive impacts with a score of 'high' are considered 'material'. We have followed the existing SRA methodology with a three-point scale for financial materiality. The results therefore fall between 0 and 3. This means that if the threshold is set at ≥ 1.5, all topics with a 'high' score are considered 'material'.

Decision-making process and internal control procedures

At the request of the EB, the External Reporting department coordinated the 2024 double materiality process. Key decisions included identifying stakeholders, scoring impacts, risks and opportunities, and determining material sustainability topics and associated disclosure requirements. The CSRD Steering Committee made these decisions based on a detailed internal record of deliberations and supporting documentation. The results were discussed and validated with the EB.

Integration into processes

The identification, assessment and management of impacts and risks arising from the double materiality analysis have not yet been formally integrated into the risk management process; this is scheduled for 2025. See the note under 'Risk management and internal control for the sustainability statement' for more information on how Enexis Groep has designed its risk management.

The same applies to the risk management process for integration into the overall management process: the identification, assessment and management of opportunities arising from the double materiality analysis have not yet been formally integrated into the overall management system; this is also scheduled for 2025. However, the opportunities identified in this report are already included. This means that they are reported to the EB and SB regularly.

Input parameters

Enexis used various sources in the study, as summarised above under methodologies and assumptions, and has taken into account all of Enexis' activities.

Enexis relied primarily on existing internal data (reports, figures), supplemented by internal experts with knowledge of the current situation to identify and assess the impacts, opportunities and risks. This included support from various departments, including Strategy, Internal Audit & Risk and Business Control.

Changes from previous reporting periods

In 2024, Enexis conducted its first double materiality analysis conform ESRS. Previous materiality analyses were based on the Global Reporting Initiative (GRI) standards and focused mainly on impact materiality. The double materiality analysis will be reviewed periodically and published in the sustainability statement.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

In the figure below, the ESRS topics identified as material for Enexis are positioned in the quadrants belonging to Impact material, Dual material and Financial material. The corresponding notes below the figure detail for each category which ESRS (sub)subject it concerns and whether it concerns an impact, opportunity or risk.

Impact materiality

E1 Climate change
- Transition infrastructure

E5 Resource use and circular economy
- Material inflows
- Material outflows: waste

S1 Own workforce
- Health and safety
- Training and skill development
- Equal treatment and opportunities / diversity

S2 Workers in the value chain
- Health and safety

S3 Affected communities
- Public health and safety

S4 Consumers and end-users
- Access to (quality) information
- Access to products and services

G1 Business conduct
- Supplier relationship management

Double materiality

E1 Climate change
- Extreme weather
- GHG emissions
- Energy mix and consumption

G1 Business conduct
- Political engagement and lobbying activities
- Corruption prevention and detection
- Data security

Financial materiality

E5 Resource use and circular economy
- Resource outflows: reuse

S1 Own workforce
- Attracting talent

Positive impact
Opportunity
Negative impact
Risk

Entity-specific impacts, risks and opportunities

In addition to the material topics directly linked to the ESRS, Enexis has identified several entity-specific topics. These entity-specific topics are listed below, with a reference to their respective locations in the report.

Entity specific material impacts, risks and opportunities	Classified as
Transition infrastructure	Environmental information (ESRS E1)
Attracting talent	Social information (ESRS S1)
Public health and safety	Social information (ESRS S3)
Data security	Governance information (ESRS G1)

The material IROs summarised in the tables below relate to Enexis' strategy and business model. In the remaining sections of the sustainability statements, the IROs are further explained, including the financial implications.

Environmental Material topic	Impact, risk or opportunity	Value chain ◆ Upstream ◆ Own operations ◆ Downstream	Time frame ◔ Short ◔ Medium ◔ Long
Climate change adaptation **Extreme weather events**	**Potential negative impact:** Flooding and/or extreme rainfall can disrupt the supply of materials needed for investments and grid expansion, cause equipment failure or damage, and lead to delays or interruptions in energy supply to customers.	◆ ◆ ◆	◔
	Potential risk: Flooding and/or extreme rainfall can cause damage to above-ground assets (particularly pipes, cables and transformer stations). This may result in higher operating costs, the deployment of emergency response services and/or potential reputational damage.	◆	◔
Climate change mitigation GHG emissions	**Actual negative impact:** GHG emissions from gas leakages, grid losses and emissions from value chain components and internal operations have a negative impact on climate and biodiversity.	◆	◔
	Potential risk: Reducing GHG emissions requires investment in measures that put pressure on achieving the 'affordable energy grid' target and on feasibility (availability of materials). Failure to meet GHG reduction targets and the resulting reputational damage may lead to reduced access to capital and higher interest/cost of capital.	◆ ◆	◔
	Potential opportunity: Reducing GHG emissions could have a positive impact on attracting financing by demonstrating environmental responsibility.	◆ ◆	◔
Energy Energy mix and consumption	**Actual negative impact:** Grid losses are associated with greenhouse gas emissions.	◆	◔
	Actual positive impact: Expanding the electricity grid helps improve the energy mix, resulting in lower GHG emissions.	◆	◔
	Actual positive impact: The transition from fossil fuels to sustainably generated electricity requires grid expansion as well as alternatives such as district heating.	◆ ◆ ◆	◔
	Actual risk: The inability to meet the growing demand for green energy transmission and the expansion of the electricity grid could result in the loss of investors and/or access to capital.	◆ ◆	◔
Climate change Transition infrastructure	**Actual negative impact:** Accelerating the replacement of infrastructure leads to higher costs and increased waste for society in the short term.	◆ ◆	◔
	Potential negative impact: Delays in upgrading or reinforcing infrastructure could have a negative impact on the pace of the energy transition and the achievement of Europe's climate change targets.	◆ ◆	◔
	Potential positive impact: Expanding and reinforcing the electricity grid enables the phasing out of fossil fuels, contributing to the sustainability of the Netherlands.	◆ ◆ ◆	◔

Environmental Material topic	Impact, risk or opportunity	Value chain ◆ Upstream ◆ Own operations ◆ Downstream	Time frame ◔ Short ◔ Medium ◔ Long
Circular economy Resource inflows, including material use	**Actual negative impact:** Enexis procures resource-intensive components, resulting in a significant raw material footprint and potential environmental impacts within the upstream value chain.	◆	◔
Circular economy Resource outflows: waste and reuse	**Actual negative impact:** Waste of materials leads to the unnecessary loss of resources, downcycling and the generation of waste that must be transported and processed. This results in avoidable greenhouse gas emissions and potential other environmental damage.	◆	◔
	Actual opportunity: Reusing materials reduces the cost of purchasing new materials (avoided procurement costs) and extends the life of previous investments.	◆	◔

Social Material topic	Impact, risk or opportunity	Value chain ◆ Upstream ◆ Own operations ◆ Downstream	Time frame ◔ Short ◔ Medium ◔ Long
Working conditions Health and safety	**Actual negative impact:** Safety incidents can lead to serious or fatal accidents among employees.	◆	◔
Working conditions Attracting talent	**Potential risk:** A significant shortage of technically skilled employees threatens the ability to cope with an increasing large work package as a result of the energy transition.	◆	◔
Equal treatment and opportunities for all Training and skills development	**Actual positive impact:** In order to maintain the quality of work, Enexis offers training programmes to all its employees. These programmes increase the knowledge and skills of employees for current and future tasks and improve their position on the labour market.	◆ ◆	◔
Equal treatment and opportunities for all Diversity and non-discrimination in the workforce	**Actual positive impact:** Enexis does not discriminate on the basis of gender, sexual orientation or origin and works to create a socially safe working environment. Through the 'An Enexis for everyone' programme, Enexis promotes diversity and inclusion and creates equal opportunities for all. This includes promoting access for different groups, such as refugees with residence status. This approach creates a culture where everyone's contribution counts, where employees can be themselves and where their efforts are valued.	◆	◔ ◔

Social Material topic	Impact, risk or opportunity	Value chain ◆ Upstream ◆ Own operations ◆ Downstream	Time frame ◔ Short ◔ Medium ◔ Long
Working conditions Health and safety (components)	**Potential negative impact:** Lack of safety measures and/or awareness could lead to health risks and absenteeism among supply chain workers.	◆	◔
Working conditions Health and safety (contractors)	**Potential negative impact:** A lack of safety measures and/or awareness among contractors could lead to health risks and absenteeism among contractor employees.	◆	◔

Social Material topic	Impact, risk or opportunity	Value chain ◆ Upstream ◆ Own operations ◆ Downstream	Time frame ◔ Short ◔ Medium ◔ Long
Communities' economic, social and cultural rights Public health and safety	**Potential negative impacts:** The business activities of Enexis or its subcontractors could lead to harmful and/or dangerous situations that affect public health and safety.	◆ ◆	◔

Social Material topic	Impact, risk or opportunity	Value chain ◆ Upstream ◆ Own operations ◆ Downstream	Time frame ◔ Short ◔ Medium ◔ Long
Information-related impacts for consumers and/or end-users Access to (quality) information	**Access to the grid** **Actual negative impact:** Uncertainty for our customers, end users and society arises when Enexis cannot provide a clear course of action. This can lead to delayed or postponed investments, jeopardising societal sustainability and the energy transition.	◆	◔
Social inclusion for consumers and end-users Access to products and services	**Reliability** **Potential negative impact:** Increased strain on our electricity grid increases the likelihood of major energy supply disruptions.	◆	◔
	Affordability **Actual negative impact:** An increase in grid tariffs, combined with other factors, could put pressure on our customers' disposable income.	◆	◔
	Access to the grid **Actual negative impact:** Large business customers face long delays in obtaining connections or transmission capacity, preventing them from starting up, expanding or transitioning to sustainable operations.	◆	◔
	Access to the grid **Actual negative impact:** Small customers have to wait longer for new connections or upgrades due to shortages of staff, materials or network capacity.	◆	◔
	Reliability **Actual positive impact:** Our customers can count on a reliable energy grid.	◆	◔

Governance Material topic	Impact, risk or opportunity	Value chain Upstream Own operations Downstream	Time frame Short Medium Long
Management of relationships with suppliers, incl. payment practices	**Actual positive impact:** To support the financial stability of its suppliers, including small and medium-sized enterprises, Enexis has a policy of paying for delivered goods and services within 30 days.	◆ ◆	◔
Corruption and bribery Prevention and detection, including training	**Potential negative impact:** Bribery of employees (e.g. by criminal organisations or in procurement processes) undermines public confidence in Enexis' independent position.	◆ ◆ ◆	◔
	Potential negative impact: Internal pressure on employees to prioritise customers on waiting lists, followed by external pressure/bribery/conflicts of interest, has negative consequences for employees as well as for society's loss of trust in Enexis' independent position.	◆ ◆ ◆	◔
	Potential risk: Bribery may result in limited access to financial resources from investors due to reputational damage.	◆ ◆ ◆	◔
Political engagement and lobbying activities	**Potential positive impact:** Enexis works to achieve societal goals and needs the right (legal) resources to do so. By influencing new policies, laws and regulations at an early stage, Enexis can ensure that they fit well with the practical needs of a grid operator. In this way, we ensure that social value is optimised.	◆ ◆ ◆	◔
	Potential risk: Due to the political-administrative climate with many changing majorities, policy changes or amendments to laws and regulations may be delayed or change direction. As grid operators have to plan their investments well in advance, policy changes/laws and regulations may be delayed or become inappropriate. In the latter case, there is a potential risk of impairment.	◆ ◆ ◆	◔
	Potential opportunity: A strong and continuous dialogue with policymakers and stakeholders is essential. The better Enexis aligns laws and policies with the practical needs of a grid operator, the more effectively it can fulfil its role - to develop, manage and maintain energy infrastructure efficiently and at the lowest cost to society.	◆ ◆ ◆	◔
Data security	**Potential negative impact:** As a result of inadequate information security, unauthorised persons could gain access to Enexis' systems and customer and employee data, resulting in negative consequences for Enexis, its employees and customers due to misuse of systems and data.	◆ ◆	◔
	Potential negative impact: Inadequate information security could allow unauthorised persons to access the energy infrastructure and potentially disrupt or damage it. This could result in temporary loss of data and/or energy for Enexis and its customers.	◆ ◆	◔
	Potential risk: Unauthorised system access and data breaches could result in high ransomware costs, fines from authorities, customer claims for damages and reputational damage, which could hinder access to capital markets.	◆ ◆	◔

APPLICATION OF ESRS DISCLOSURE REQUIREMENTS IN THIS REPORT

The reference table and list of data points resulting from other EU legislation are included in the appendix 'Additional information'.

For each disclosure requirement, consideration has been given to the information relevant to the topic and the related material impacts, risks or opportunities. At the same time, the information needs of the most important stakeholders have been taken into account so that they can have a good idea of Enexis' impact and, if necessary, take this information into account in their decision-making. Departments within Enexis that are in (daily) contact with stakeholders provided input. This included looking at external reports from recent years and giving feedback on them. No direct input from stakeholders was sought.

This first report only covers the mandatory 'shall disclose' ESRS provisions, with the exception of the voluntary 'may disclose' reporting items, which Enexis has also reported on in previous reports.

The minimum reporting requirements (MDR) for policies (MDR-P), actions and resources (MDR-A), metrics (MDR-M) and targets (MDR-T) are detailed for the material sustainability topics in the relevant chapters of the sustainability statements. They are specifically mentioned in the reference table as part of the Additional information.

Unless explicitly stated otherwise, the results included in the sustainability statement have not been validated by any external body other than the assurance provider.

EU Taxonomy

In accordance with the EU Taxonomy ('Taxonomy') for sustainable activities, we report explicitly on our sustainable activities in this annual report. The Taxonomy is a classification system for economic activities that arose from the EU Action Plan on Sustainable Finance. The Taxonomy clarifies which activities can be classified as sustainable based on scientific criteria for preventing or mitigating climate change.

THE CRITERIA

An economic activity qualifies as sustainable if it meets the criteria in the Taxonomy Delegated Regulation. The criteria focus on six environmental objectives:

- Climate change mititgation;
- Climate change adaptation;
- Sustainable use and protection of water and marine resources;
- Transition to a circular economy;
- Pollution prevention and control; and
- Protection and restoration of biodiversity and ecosystems.

The Taxonomy refers to 'Taxonomy-eligible' and 'Taxonomy-aligned' economic activities. If an economic activity matches the description of an activity in the Taxonomy, then the activity is Taxonomy-eligible. If the eligible activity meets the technical screening criteria and is carried out in accordance with the minimum social safeguards prescribed in the Taxonomy, then the activity is Taxonomy-aligned. The technical screening criteria consist of criteria to determine whether the activity contributes substantially to one of the environmental objectives and criteria to determine that the activity do no significant harm to the other environmental objectives. When an activity is classified as Taxonomy-aligned, it meets the criteria for being considered sustainable under the Taxonomy framework.

For 2024, we report on three key performance indicators (KPIs), namely the share of revenue, capital expenditure (CapEx) and operational expenditure (OpEx) associated with eligible economic activities and the share of these that are considered aligned.

OUR SUSTAINABLE ACTIVITIES IN 2024

The following paragraphs explain how Enexis has applied the Taxonomy.

ELIGIBILITY

We have compared our business activities – electricity, gas and other – with the descriptions in the Taxonomy. Enexis reports on these five eligible activities in 2024:

- 4.9 Transmission and distribution of electricity;
- 4.14 Transmission and distribution networks for renewable and low-carbon gases;
- 4.15 District heating/cooling distribution;
- 6.5 Transport by motorbikes, passenger cars and light commercial vehicles; and
- 7.7 Acquisition and ownership of buildings.

Enexis has determined that these activities are in accordance with the description as set out in the Taxonomy. The above activities can contribute to the first two environmental objectives: climate change mitigation and climate change adaptation. Enexis assessed these activities against climate change mitigation criteria. The descriptions of these activities in the taxonomy do not overlap, so there is no risk of double counting.

We do not carry out activities that contribute to the other four environmental objectives.

In 2024, Enexis also recognized activity 4.14 'Transmission and distribution networks for renewable and low-carbon gases' for the first time. This includes Enexis' activities related to green gas. It is currently not possible to break down this activity in our accounts. All expenditure on activity 4.14 is included under 'non-eligible activities'.

ALIGNMENT

Technical screening criteria

Of the five activities mentioned above, activity 4.9 'Transmission and distribution of electricity' is the most important to us. This activity pertains to one of our core tasks: the distribution of electricity. Our electricity grid is part of the European network of electricity grids and thus substantially contributes to climate change mitigation. In addition to customers who purchase electricity from our grid, a growing number of customers feed electricity back into the grid. This electricity is mainly generated from solar and wind energy, though in some cases also from natural gas through combined heat and power (CHP) systems. As natural gas is a fossil fuel and does not contribute to climate change mitigation, these connections are excluded from alignment. This also applies to conventional meters, as they do not meet the requirements of the Taxonomy for smart metering systems and therefore do not satisfy the alignment criteria. Therefore, the revenue, OpEx and CapEx related to Activity 4.9 qualify for alignment, with the exception of the revenue, OpEx and CapEx attributable to CHP connections and conventional meters. Activity 4.9 is an enabling activity in the Taxonomy.

Activity 4.15 'District heating/cooling distribution' oversees the heat network of Mijnwater Warmte Infra B.V. for Enexis. We cannot yet demonstrate that this activity meets all the technical screening criteria in the Taxonomy. This is mainly related to proving the sustainability of components in the network that were purchased in the past.

For activity 6.5 'Transport by motorbikes, passenger cars and light commercial vehicles', Enexis relies heavily on information provided by lease companies to meet the technical screening criteria. For 2024, the relevant information is (partially) unavailable. In addition, part of the fleet does not comply with the maximum emissions of 50 grams CO_2-eq/km. Activity 6.5 is therefore not considered to be aligned.

For activity 7.7 'Acquisition and ownership of buildings', Enexis met the technical screening criteria in 2024 for the investments in its head office in Den Bosch. The investments in this specific building are therefore classified as aligned. The other investments in buildings do not meet the requirements and therefore do not qualify for alignment.

Minimum social safeguards

A key requirement of the EU Taxonomy is that companies do not violate minimum social safeguards. These minimum social safeguards in the Taxonomy focus on ethics and human rights and are based on OECD and United Nations treaties and guidelines. Companies must have policies and procedures that comply with these treaties and guidelines and be transparent about violations. Because we believe in equal rights for all and a safe working environment, we have established policies, including codes of conduct and whistleblowing arrangements. You can read more about how we implement these measures in the chapters 'S1 Our employees' and 'S2 Workers in the value chain'.

				SCC criteria (Substantial Contribution Criteria)						DNSH criteria (Do No Significant Harm)									
	Code(s)	Turnover 2024	Proportion of Turnover 2024	Climate Change Mitigation	Climate Change Adaptation	Water and marine resources	Circular Economy	Pollution	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adoptation	Water and marine resources	Circular Economy	Pollution	Biodiversity and ecosystems	Minimum Safeguards	Taxonomy aligned or eligible proportion of turnover 2023	Category enabling activity	Category transitional activity
Economic activities		EUR x m	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-Eligible Activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Transmission and distribution of electricity	4.9	2,069	80%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	75%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**2,069**	**80%**	**80%**	**0%**												**75%**		
Of which Enabling			100%	100%	0%						Y	Y	Y	Y	Y	Y	100%	E	
Of which Transitional			0%	0%													0%		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL										
Transmission and distribution of electricity	4.9	6	0%	EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
District heating/cooling distribution	4.15	1	0%	EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
Turnover of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**7**	**0%**	**0%**	**0%**												**0%**		
Total (A.1 + A.2)		**2,076**	**80%**	**80%**	**0%**												**75%**		
B. Taxonomy-Non-Eligible Activities																			
Turnover of Taxonomy non-eligible activities (B)		520	20%																
Total (A + B)		**2,596**	**100%**																

Y: Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N: No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL: Non-eligible activity for the relevant environmental objective
EL: Taxonomy-eligible activity for the relevant environmental objective

				SCC criteria (Substantial Contribution Criteria)						DNSH criteria (Do No Significant Harm)									
Economic activities	Code(s)	CapEx 2024	Proportion of CapEx 2024	Climate Change Mitigation	Climate Change Adaptation	Water and marine resources	Circular Economy	Pollution	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adoptation	Water and marine resources	Circular Economy	Pollution	Biodiversity and ecosystems	Minimum Safeguards	Taxonomy aligned or eligible proportion of CapEx 2023	Category enabling activity	Category transitional activity
		EUR x m	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-Eligible Activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Transmission and distribution of electricity	4.9	1,108	72%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	70%	E	
Acquisition and ownership of buildings	7.7	25	2%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0%		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**1,133**	**74%**	**74%**													**70%**		
Of which Enabling			100%	100%	0%						Y	Y	Y	Y	Y	Y	100%	E	
Of which Transitional			0%	0%													0%		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL										
District heating/cooling distribution	4.15	7	0%														1%		
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	48	3%	EL	EL	N/EL	N/EL	N/EL	N/EL								2%		
Acquisition and ownership of buildings	7.7	23	1%	EL	EL	N/EL	N/EL	N/EL	N/EL								2%		
CapEx of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**78**	**4%**	**4%**	**0%**												5%		
Total (A.1 + A.2)		**1,211**	**78%**	**78%**	**0%**												**75%**		
B. Taxonomy-Non-Eligible Activities																			
CapEx of Taxonomy non-eligible activities (B)		332	22%																
Total (A + B)		**1,543**	**100%**																

Y: Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N: No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL: Non-eligible activity for the relevant environmental objective
EL: Taxonomy-eligible activity for the relevant environmental objective

				SCC criteria (Substantial Contribution Criteria)						DNSH criteria (Do No Significant Harm)									
	Code(s)	OpEx 2024	Proportion of OpEx 2024	Climate Change Mitigation	Climate Change Adaptation	Water and marine resources	Circular Economy	Pollution	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adoptation	Water and marine resources	Circular Economy	Pollution	Biodiversity and ecosystems	Minimum Safeguards	Taxonomy aligned or eligible proportion of OpEx 2023	Category enabling activity	Category transitional activity
Economic activities		EUR x m	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-Eligible Activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Transmission and distribution of electricity	4.9	106	69%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	69%	E	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**106**	**69%**	**69%**													**69%**		
Of which Enabling			100%	100%	0%						Y	Y	Y	Y	Y	Y	100%	E	
Of which Transitional			0%	0%													0%		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL										
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	14	9%	EL	EL	N/EL	N/EL	N/EL	N/EL								9%		
Acquisition and ownership of buildings	7.7	2	1%	EL	EL	N/EL	N/EL	N/EL	N/EL								1%		
OpEx of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**16**	**10%**	**10%**	**0%**												10%		
Total (A.1 + A.2)		**122**	**79%**	**79%**	**0%**												**79%**		
B. Taxonomy-Non-Eligible Activities																			
Turnover of Taxonomy non-eligible activities (B)		33	21%																
Total (A + B)		**155**	**100%**																

Y: Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N: No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL: Non-eligible activity for the relevant environmental objective
EL: Taxonomy-eligible activity for the relevant environmental objective

CALCULATION OF THE EU TAXONOMY

REVENUE

Of the total revenue in 2024, 80% (2023: 75%) was related to Taxonomy-eligible activities. Revenue classified as eligible includes revenue related to the distribution of electricity and heat (NACE code 35.13 and NACE code 35.30). The percentage of eligible revenue that cannot be qualified as aligned is zero (2023: 0%), amounting to € 7 million. This revenue pertains to CHP connections, conventional meters, and the transmission and distribution of heat (activity 4.15). The remaining 20% pertains mainly to revenue associated with the transmission and distribution of natural gas. Of the total revenue, 80% (2023: 75%) can be qualified as aligned. The increase is primarily because the aligned revenue related to activity 4.9 increased faster than the other revenue. This increase mainly reflects a rise in the periodic transmission and connection fee for electricity for both high-volume and low-volume consumers. See the table below for a breakdown of the aligned revenue.

€ Million	2024	2023
Periodic transmission- and connection fees for electricity High-volume	756	530
Periodic transmission- and connection fees for electricity Low-volume	1,198	868
Metering services - electricity	69	74
Amortised contributions- electricity	30	24
Other revenues	16	17
Total aligned revenues	**2,069**	**1,513**

The determination of total revenue under the Taxonomy is in line with IFRS reporting standards and therefore corresponds to net revenue in the financial statements (note 1 'Revenue').

CAPITAL EXPENDITURE (CAPEX)

Of the total capital expenditure, 78% (2023: 75 %) was related to eligible activities under the Taxonomy. Eligible capital expenditure is defined as: all investments in tangible fixed assets related to our electricity grid (activity 4.9/NACE code 35.13), all investments in tangible fixed assets related to pipelines and installations in the heating and cooling systems network (activity 4.15/NACE code 35.30), all investments in our vehicle fleet (activity 6.15) and in office and industrial buildings (activity 7.7). 4% (2023: 5%) of total CapEx was eligible but not aligned because it was concluded that the technical screening criteria were not satisfied, leaving 74% (2023: 70%) of total CapEx in Taxonomy-aligned activities. The percentage of aligned CapEx increased by 4 percentage points this year. This is due to an increase in investments related to 4.9 and, for the first time this year, part of activity 7.7 was also classified as aligned.

The CapEx KPI also shows that most non-eligible and non-aligned capital expenditures pertain to investments in the natural gas network.

Investments in CHP connections and conventional meters were nil in 2024 (2023: nil). Investments related to activity 6.5 and some in activity 7.7 did not meet the alignment criteria in 2024.

Total capital expenditure under the Taxonomy was in line with the IFRS reporting standards and includes:

- Investments in tangible fixed assets (note 12 of the financial statements);
- Investments in intangible fixed assets (note 13 of the financial statements); and
- Additions to the right of use assets (note 14 of the financial statements).

OPERATIONAL EXPENDITURE (OPEX)

Of the total operational expenditure, 79% (2023: 79%) was related to Taxonomy-eligible activities. 10% (2023: 10%) of total operational expenditure was eligible but not aligned because it was concluded that the technical screening criteria were not satisfied. Of the total operational expenditure, 69% (2023: 69%) was related to Taxonomy-aligned activities. The eligible and aligned percentages in relation to the operational expenditure in 2024 were in line with 2023.

According to the Taxonomy, operational expenditures are defined as direct, non-capitalised costs related to the maintenance of assets. Based on this definition, Enexis determined the operational expenditure for activities 4.9 and 4.15 as maintenance and outage costs.

In determining the eligible operational expenditure, the existing breakdown by activity and the existing NACE coding system were again followed. The operational expenditure included under NACE code 35.13 and NACE code 35.30 pertains to maintenance and outage costs for assets used to maintain our electricity grid.

The maintenance and outage expenses related to the district heating grid (activity 4.15) are not further specified and are therefore included under the non-eligible OpEx. The operational expenditure related to activities 6.5 and 7.7 concerns all expenditures pertaining to the daily maintenance of the vehicle fleet and buildings that have not been capitalised.

Activities related to nuclear energy and fossil gas

In the table below, Enexis reports on the extent to which nuclear and fossil gas are part of its business activities.

	Activities related to nuclear energy	Yes/No
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
	Fossil gas related activities	No
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

E1 Climate change

To meet the commitments of the Paris Climate Agreement, we need to switch to renewable energy sources. As a grid operator, we are helping to make this happen. At the same time, we emit greenhouse gases ourselves when we build a new energy system. By making sustainable choices and setting clear reduction targets, we are reducing our own CO_2-eq footprint.

Climate change is one of the most pressing challenges of our time. Transforming the energy system is essential to addressing this challenge, and as a grid operator, we are an indispensable link in the chain. Our most significant contribution to sustainability lies in ensuring that our grids enable our customers to adopt more sustainable practices. This is how we support the Paris climate goals. At the same time, we also emit greenhouse gases and impact the environment. We take responsibility for this impact and make sustainable choices in our operations. One of the ways we contribute to climate change mitigation is by setting greenhouse gas (GHG) reduction targets. We are also constantly seeking more sustainable alternatives to improve our energy mix.

The changing climate also directly impacts our business operations. Extreme weather events can disrupt the supply of energy to our customers. We therefore take measures to mitigate this risk.

This chapter explains our transition plan for climate change mitigation. It includes an explanation of our policies, measures and targets for climate change mitigation and adaptation. We also report on our CO_2-eq footprint and energy consumption and mix.

Within the climate change topic, we see the following impacts, risks and opportunities:

Environmental Material topic	Impact, risk or opportunity	Value chain ◆ Upstream ◆ Own operations ◆ Downstream	Time frame ◔ Short ◔ Medium ◔ Long
Climate change adaptation **Extreme weather events**	**Potential negative impact:** Flooding and/or extreme rainfall can disrupt the supply of materials needed for investments and grid expansion, cause equipment failure or damage, and lead to delays or interruptions in energy supply to customers.	◆ ◆ ◆	◔
	Potential risk: Flooding and/or extreme rainfall can cause damage to above-ground assets (particularly pipes, cables and transformer stations). This may result in higher operating costs, the deployment of emergency response services and/or potential reputational damage.	◆	◔
Climate change mitigation GHG emissions	**Actual negative impact:** GHG emissions from gas leakages, grid losses and emissions from value chain components and internal operations have a negative impact on climate and biodiversity.	◆	◔
	Potential risk: Reducing GHG emissions requires investment in measures that put pressure on achieving the 'affordable energy grid' target and on feasibility (availability of materials). Failure to meet GHG reduction targets and the resulting reputational damage may lead to reduced access to capital and higher interest/cost of capital.	◆ ◆	◔
	Potential opportunity: Reducing GHG emissions could have a positive impact on attracting financing by demonstrating environmental responsibility.	◆ ◆	◔
Energy Energy mix and consumption	**Actual negative impact:** Grid losses are associated with greenhouse gas emissions.	◆	◔
	Actual positive impact: Expanding the electricity grid helps improve the energy mix, resulting in lower GHG emissions.	◆	◔
	Actual positive impact: The transition from fossil fuels to sustainably generated electricity requires grid expansion as well as alternatives such as district heating.	◆ ◆ ◆	◔
	Actual risk: The inability to meet the growing demand for green energy transmission and the expansion of the electricity grid could result in the loss of investors and/or access to capital.	◆ ◆	◔
Climate change Transition infrastructure	**Actual negative impact:** Accelerating the replacement of infrastructure leads to higher costs and increased waste for society in the short term.	◆ ◆	◔
	Potential negative impact: Delays in upgrading or reinforcing infrastructure could have a negative impact on the pace of the energy transition and the achievement of Europe's climate change targets.	◆ ◆	◔
	Potential positive impact: Expanding and reinforcing the electricity grid enables the phasing out of fossil fuels, contributing to the sustainability of the Netherlands.	◆ ◆ ◆	◔

STRATEGY

TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

We are committed to reducing GHG emissions and have set targets to reduce these emissions in the transition plan [1] approved by the EB. Our target is to reduce GHG emissions in scope 1 and 2 by 25% in 2030 compared to the base year 2024. The target is based on a linear reduction from 2024 to 2050. In 2025, we expect to set a 2030 scope 3 target.

The Policy, Measures and Metrics and targets sections explain how these scope 1 and 2 GHG emission reduction targets will be achieved, including the operational and capital expenditure that additional measures will entail and how this relates to the EU Taxonomy.

In the 2025 annual report, we will report for the first time on the progress of the transition plan. Enexis' strategic plan serves as the foundation for our ESG strategy and the Transition plan for climate change mitigation. The measures included in the transition plan are part of the ESG strategy. Financial planning for the measures is included in the business plan and investment plan.

CLIMATE RISK ANALYSIS

In the double materiality analysis, we identified three climate risks in addition to impacts and opportunities. These include a distinction between climate-related physical risks and climate-related transition risks.

Climate-related physical risk:

- Potential risk: Flooding/extreme rainfall can cause damage to above-ground assets (particularly pipes, cables and transformer stations). This may result in higher operating costs, the deployment of emergency response services and/or potential reputational damage.

Climate-related transition risks:

- Potential risk: Reducing GHG emissions requires investment in measures that put pressure on achieving the 'affordable energy grid' target and on feasibility (availability of materials). Failure to meet GHG reduction targets and the resulting reputational damage may lead to reduced access to capital and higher interest/cost of capital.
- Actual risk: The inability to meet the growing demand for green energy transmission and the expansion of the electricity grid could result in the loss of investors and/or access to capital.

In 2024, we conducted a climate scenario analysis with the help of experts. We used the Intergovernmental Panel on Climate Change (IPCC) scenarios, also known as Representative Concentration Pathways (RCPs). We assumed two scenarios: a 1.5 degree Celsius (optimistic) and a 4.0 degree Celsius (pessimistic) increase in global temperature by 2100. To determine the impact on our service area, we follow the KNMI scenarios. [2]

This broad-based climate scenario analysis considered the chronic and acute effects of heat, drought and flooding. The physical climate risk arising from this climate scenario analysis relates to a potential risk of increased flooding. In addition, climate-related transition risks have been identified in this climate scenario analysis.

In the short to medium term (0-5 years), we do not expect an increase in the risk of flooding. However, there may be an increase in the long term. Our infrastructure is well-designed to withstand many extreme weather events such as flooding. Historically, the probability of a (minor) flood in our service area is less than once in ten years. And in recent floods, outages have been limited, making the acute risk (and potential financial impact) acceptable for the time being.

The rate of climate change and the pace and direction of the energy transition are uncertain. Therefore, in addition to these different climate scenarios, we also consider energy transition scenarios. This includes the activities of our own operations, particularly the use of our physical assets such as the network of pipes, cables, transformers and stations in Enexis' service area. The analysis also takes into account the upstream and downstream value chains. The scenarios for the 2024 investment plan cover the period until 2035. The scenarios of the Integral Infrastructure Reconnaissance 2030-2050 (II3050-2), which focus on the development of a fully climate-neutral energy system by 2050, also served as a source for scenario development up to 2035 and for aligning these with the 2050 projections.

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1 *Enexis' transition plan for climate change mitigation: www.enexisgroep.nl*

2 *For the KNMI used, see: https://cdn.knmi.nl/system/data_center_publications/files/000/071/901/original/KNMI23_klimaatscenarios_gebruikersrapport_23-03.pdf*

LOCKED-IN GHG EMISSIONS

Locked-in GHG emissions are an estimate of what we will emit in the future. We have a risk of potential locked-in GHG emissions in our natural gas network: gas leaks release methane, a potent greenhouse gas. We are taking measures to reduce gas leaks. In addition, we no longer install new gas connections for low-volume consumers.

It is our legal duty to maintain the natural gas network during the transition period. Green gas and hydrogen can also be transmitted over this network. This can still lead to greenhouse gas emissions in and after 2050. A complete phase-out of these locked-in GHG emissions will not be possible. Note 13 ('Intangible fixed assets') of the consolidated financial statements further explains our future vision of the gas network.

INVESTMENTS IN ECONOMIC ACTIVITIES RELATED TO GAS AND ELECTRICITY

In 2024, we made significant investments in economic activities related to gas and electricity.[1]

€ Million	Gross investments 2024	2023
Total Electricity (incl Smart meters, Low-volume electricity)	1,107	822
Total Gas (incl Smart meters, Low-volume gas)	215	217
Total	**1,322**	**1,039**

POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

We have established a policy on climate change mitigation and adaptation. This policy applies to Enexis Groep as a whole. Climate change mitigation means working to limit global warming. And climate change adaptation means all measures that make us more resilient to the effects of a changing climate. Based on our regular climate scenario assessment and CO_2-eq footprint, we are refining our strategies to manage the impacts, risks and opportunities of climate change mitigation and adaptation. We do this in line with climate objectives and risk mitigation policies.

Our material topics related to the environment focus on sustainable operations and achieving the energy transition. Within these topics, climate change mitigation, climate change adaptation and the introduction of renewable energy into the regional energy system are important components. The key elements of the policy are set out below.

CLIMATE CHANGE MITIGATION

Our core activities enable the energy transition. We have the greatest sustainable impact when we ensure that our networks enable our customers to achieve sustainability. This contributes to a better energy mix, lower greenhouse gas emissions and an energy-neutral Netherlands by 2050. But there is a flip side. Our business activities and use of raw materials result in GHG emissions and thus a negative impact on the climate.

Reducing these GHG emissions requires investments that put pressure on the affordability and feasibility of the energy transition. This is a dilemma. Therefore, we seek a balance between making a difference by making the energy transition affordable and taking responsibility for our own footprint. To encourage the reduction of CO_2-eq emissions, we use internal carbon pricing. Our policy aims to minimise environmental impact and seize opportunities:

Electricity grid loss policy

During the transmission of electricity, energy is lost due to resistance and heat. In addition to this 'technical grid loss', there is also 'administrative grid loss': loss due to theft and administrative errors, for instance in measuring energy consumption. We cannot prevent technical grid losses, but we can reduce them. For example, we can use our network as efficiently as possible and choose power cables that cause less loss. However, more or different raw materials are used to produce these cables. We aim to reduce the use of raw materials (see Resource use and Circular economy).

The electricity grid losses are part of scope 2, indirect emissions from our operations. In recent years, we have significantly reduced our scope 1 and 2 emissions by purchasing 100% green electricity for our grid losses. To help meet the Dutch climate targets, we buy some of this in the Netherlands. This will increase to 55% by 2030, and if the Dutch climate targets change, we will adjust accordingly regarding the share of our electricity grid losses purchased as green electricity in the Netherlands.

1 *NACE code: D.35.1, D35.2, D.35.3, en G.42.2*

Gas leakage loss policy

Much of our footprint comprises methane emissions from gas leaks (scope 1). We can reduce but never entirely eliminate these. We have a legal obligation to distribute gas, and there are still many uncertainties in making the energy system gas-free by 2050. We are committed to EU legislation, which means that from 2025 we will be looking for gas leakages more frequently. As a result, we will find and fix gas leakages sooner and reduce our methane emissions. It is also our policy to replace fragile pipes, which we have done in recent years for asbestos and grey cast iron.

Mobility policy

Since early 2025, our employees can only lease 100% electric cars. We are also gaining experience through pilots and a leadership group to develop an ambitious and feasible scale-up plan to make company cars, vans and heavier equipment more sustainable.

Electricity grid expansion policy

Our focus is on expanding the electricity grid. We are significantly scaling up and building additional infrastructure. But more is needed: we must speed up implementation. We are doing this by working differently with grid operators, contractors, customers and public authorities. In the National Implementation Agenda,[1] we outline how we aim to achieve this acceleration by 2035-2040.

To ensure smooth and expedited permitting processes for expansions, we will engage with communities and residents at an earlier stage.

Sulphur hexafluoride (SF_6) policy

Many of our mid-voltage switchgear installations contain sulphur hexafluoride (SF_6). The good insulating and extinguishing properties of this gas contribute to a safe and reliable power supply. However, malfunctions can sometimes cause leakages, releasing this potent greenhouse gas into the atmosphere. Therefore, we only intend to install new SF_6-free switchgear from 1 January 2026.

CLIMATE CHANGE ADAPTATION

In the longer term, global warming will increase the risk of flooding, severe droughts, prolonged heat and high wind speeds. Our infrastructure is resilient to these kinds of events. Flooding could potentially lead to power outages for customers. Our climate change adaptation policy aims to prevent this:

- High-voltage substations (HVS) that are at risk of flooding are built in partnership with TenneT on an elevated site, behind our own dykes and/or equipped with manually attached bulkheads to keep water out.
- Mid-voltage substations (MVS) and low-voltage substations (LVS) are resistant to fresh water; they remain operational even when submerged. In the event of salt water flooding, we switch off equipment as a precaution. Salt water is a good conductor, which significantly increases the risk of short circuits.
- Nationwide, the government is taking measures to minimise the risk of large-scale flooding. We are following the government's lead.

If extreme weather conditions do cause power outages, we have a process and incident management organisation in place to restore security of supply.

This policy applies both to our own operations and to (part of) the value chain.

ENERGY EFFICIENCY

To improve energy efficiency, we aim to maximise the sustainability of our office and business accommodation. In 2025, we will review our accommodation policy (Location Policy 2030), including policy targets for energy savings, CO_2-eq emissions and circularity. In 2026, we will set concrete targets for 2030, 2040 and 2050.

We are committed to the goals of the Paris Climate Agreement for office and business buildings: by 2050, energy consumption should not exceed 70 kWh/m² for offices and 100 kWh/m² for business premises. The current Location Policy 2030 includes the target for all (larger) office and business buildings to achieve energy label A by 2030. Currently, 18 of the 20 larger locations already have this energy label, and 4 already meet the energy consumption requirements of the Climate Agreement.

1 *National Implementation Agenda for Regional Infrastructure | Netbeheer Nederland*

Renewable energy

In the energy system of the future, sustainable molecules such as collective heat, green gas, and hydrogen will complement electricity. As a grid operator, we play a role in the distribution of renewable energy. We develop visions and roadmaps to facilitate and promote sustainable molecules through (innovative) projects. With our renewable energy policy, we commit ourselves to the national targets for these energy carriers.

For example, we connect wind turbines and solar panels to our grid. In doing so, we are helping to meet the national target set out in the Climate Agreement, which stipulates that by 2030 at least 35 terawatt hours must come from onshore renewable energy production facilities. We are aligning our efforts with this national target and have an important role in helping achieve it.

Our business unit, Enpuls Warmte Infra, focuses on developing, constructing and operating heat networks. Together with our partners, we aim to provide 50,000 additional homes with heat in our service area by 2030. The national target is an increase of 500,000 homes. This all depends on the development of the new Collective Heat Supply Act (*Wet collectieve warmtevoorziening*, Wcw) and the Municipal Instruments for Heat Transition Act (*Wet gemeentelijke instrumenten warmtetransitie*, Wgiw). These laws aim to establish the right frameworks: a grid operator may fully participate in a heat company, there must be a reasonable return and a municipality can designate a heat company.

In 2024, around 250 million m^3 of green gas was produced in the Netherlands. By 2030, this should be 2 billion m^3, according to the Climate Agreement. We are preparing for this growth by investing in, among other things, connections and boosters, enabling local producers to feed their gas into our grid.

Green hydrogen production is still in its infancy. We advocate a regulated role for regional grid operators in the distribution of hydrogen. For now, we align with the hydrogen vision and strategy as agreed with Netbeheer Nederland in 2023. Hydrogen is applicable in many sectors, but we are initially focusing on connecting industry and heavy mobility. Currently, we are carrying out several feasibility studies, which will serve as the foundation for further policy development.

MEASURES AND RESOURCES IN RELATION TO CLIMATE CHANGE

We are implementing measures to achieve our climate goals. Unless otherwise specified, these measures apply to Enexis Groep as a whole.

To achieve the climate mitigation goals, we are taking some additional measures in addition to the existing measures:

Scope[1]	Decarbonisation levers	Share in footprint scope 1 & 2 in base year 2024	Measure	Expected CO_2 -saving in 2030 as opposed to 2024[3] GHG	Absolute	Relative	CapEx/ OpEx 2024 (€ million)	CapEx/OpEx 2025 till 2030[3] (€ million)
1	Leakages gas grid	90%	Increasing frequency looking for gas leakages	CH_4	17,436	16.3%	€-	OpEx: € 7
1	Leakages gas grid		Replacement fragile pipes	CH_4			€-	CapEx: € 211
1	Leased cars and company cars	8%	Electrification (incl. home and office charging stations)	CO_2	7,817	7.3%	€-	OpEx[4]: € 16 CapEx[2]: € 2
1	SF_6	0.2%	New SF_6-free switchgear from 1 January 2026	SF_6		-	€-	-
Total savings scope 1 (direct emissions)						**23.6%**		
2	Leased cars and company cars	1.3%	Electricity consumption of lease and service vehicles will be sourced entirely from green energy (GoO)	CO_2	1,427	1.3%	€-	OpEx[2]: € 0
Total savings scope 2 (indirecte emissions electricity)						**1.3%**		
Total savings scope 1 and 2					**26,680**	**25%**		**CapEx: € 213** **OpEx: € 23**

1 The boundaries and scope for these objectives are consistent with the boundaries and scope of the emission inventory in the CO_2-eq footprint.

2 Although individually not significant, the total estimated future costs are listed here per measure. CapEx refers to one-time investments, OpEx are recurring operational costs.

3 The presented CO_2 reduction and related CapEx and OpEx are estimates. See also ESRS 2 under "Sources of estimation and outcome uncertainty."

4 This also includes leases that fall under IFRS 16, which are capitalized in the financial statements.

Explanatory notes:

- None of the measures in the table are nature-based solutions, that is, solutions that use nature to solve multiple problems and improve nature at the same time.
- The measures do not require any changes to our products and services and do not require any new technologies in our organisation or in the upstream and/or downstream value chains.
- We use the market-based method to set scope 2 emission reduction targets. In developing these targets, we only consider the climate scenario of global warming of up to 1.5 degrees Celsius.

- As the baseline year is 2024, we cannot yet report on actual GHG emission reductions, only on expected reductions for each measure.
- These measures require significant investment (see table). We are financing these investments partly with equity but mainly through external financing. How we expect to meet our future financing needs is explained in our financing policy, which is outlined in below sections of note 30 to the consolidated financial statements.
  - General financing policy
  - Borrowed capital
  - Liquidity risk and contractual term analysis
  - Capital management
  - Group funding
- The significant CapEx and OpEx requirements will be reflected in the following notes to the consolidated financial statements:
  - Note 2 Costs of transmission services and distribution losses
  - Note 7 Other operating expenses
  - Note 12 Property, plant and equipment
  - Note 14 Right-of-use assets
- The EU Taxonomy (see also 1.6) defines which economic activities are sustainable (Taxonomy-aligned). The proposed measures do not fall under this category. Measures for gas grid leakages are also not Taxonomy-eligible, meaning they do not meet the EU criteria for sustainable investments. The measures related to mobility are eligible but not aligned, as there is insufficient information available to assess the technical screening criteria. We depend on suppliers for this and will continue to request information from them so we can assess the technical screening criteria in the future.

Below is an explanation of the above and other climate change mitigation measures.

MEASURES FOR ELECTRICITY GRID LOSSES

With the electrification of households and businesses, we will distribute more electricity, which will also increase grid losses. We will continue to minimise these losses by purchasing the right materials and buying green electricity for our grid losses, ensuring they do not negatively impact our net footprint. This measure is ongoing.

MEASURES FOR GAS LEAKAGE LOSSES

We aim to reduce gas leakage losses, not only to lower our emissions but also to ensure public and employee safety. Starting in 2025, in line with EU legislation, we will increase the frequency of gas leakage inspections and replace leakage-prone pipelines. By 2030, we will accelerate the replacement of low-pressure steel gas pipelines. The financial impact of these measures is detailed in the table.

MEASURES FOR MOBILITY

In 2025, we will limit the lease options for employees to 100% electric passenger cars. From 2025 onward, the electricity consumption of lease and service vehicles will be sourced entirely from green energy. The financial impact of this measure is shown in the table.

MEASURES FOR THE EXPANSION OF THE ELECTRICITY GRID

In the coming years, we will invest heavily in the maintenance and management of the current infrastructure (see S4 - consumers and end-users). We will scale up significantly and add as much infrastructure as possible. This measure is ongoing involves significant operational and capital expenditure (see Metrics and targets).

MEASURES RELATED TO SULPHUR HEXAFLUORIDE (SF_6)

From 1 January onwards, we only intend to install SF_6-free switchgear, unless construction constraints prevent this. We will not accelerate the replacement of existing SF_6-containing installations because the CO_2 impact is minimal, the costs are high and we need the limited personnel capacity to support the energy transition.

MEASURES FOR CLIMATE ADAPTATION, ENERGY EFFICIENCY AND RENEWABLE ENERGY

No additional policy measures are needed in the area of climate change adaptation. This is because the likelihood of flooding in our operating area is low and losses from recent floods have been limited. We consider the residual risk acceptable for now and monitor it through our Risk and Opportunity Based Asset Management (ROBAM) system. This involves regularly assessing and weighing assets, risks and opportunities to invest and maintain them effectively.

The policy described above outlines our energy efficiency and renewable energy measures. There are no additional action plans.

METRICS AND TARGETS TO REDUCE GREENHOUSE GAS EMISSIONS

We have set the following targets for scopes 1 and 2:

- Our greenhouse gas emissions will be 25% lower in 2030 than in 2024.
- We will be carbon neutral (our net footprint will be zero):
  - 100% of the electricity we purchase will be green, and 55% of this will be generated in the Netherlands in 2030. We will adhere to the Dutch climate targets.
  - We offset what we cannot buy green by investing in solid, CO_2-eq projects that also contribute to the sustainable development of local communities.

The above is based on a linear reduction from 2024 towards 2050. Assuming a base year of 2024, we propose a total reduction of 25% by 2030 across scopes 1 and 2. There is no sectoral decarbonisation pathway. In setting the targets (including the allocation of financial resources), we have taken into account the sustainability improvements we have already achieved up to 2024, as well as the expected growth of the organisation as a whole. No separate assurance engagement has been provided on these targets.

We expect to set a 2030 target for scope 3 emissions (including commuting, capital goods (network components), purchased goods and services from suppliers, and processing company waste) in 2025. We do not have a 2050 target for our scope 1 and 2 emissions. Most of our remaining Scope 1 and 2 footprint consists of gas leakages. We can reduce these but never entirely eliminate them. Indeed, we have a legal obligation to distribute gas, and there are still many uncertainties about making the energy system gas-free by 2050. Because we want to stand by our commitments, we have decided not to set a 2050 target at this time.

TRACKING EFFECTIVENESS OF MEASURES

KPI	Target 2024	Realisation 2024	Target 2025	Target 2026
Annual outage time	≤ 17.5 min	**22.5 min**	≤ 23 min	≤ 23 min
CO2eq-saving (scope 1&2)	-	**-**	≥ 9%	-
Technical realised grid capacity	≥ 2,000 MVA	**1,920 MVA**	≥ 1,200 MVA	Annual ≥ 1,000 MVA

We track effectiveness of our measures to assess whether sustainability measures are working, identify areas for improvement and ensure we meet our goals on time. To this end, we use KPIs and metrics:

- We do not have a target for electricity grid losses beyond the policy we are already implementing. We buy green and will continue to do so. This is reflected in our CO_2-eq footprint. This includes all greenhouse gas emissions.
- We track the effectiveness of the measures against gas leakage losses with the KPI on CO_2-eq savings,[1] which is calculated for Enexis Groep as a whole. This KPI is expressed as a percentage reduction compared to scope 1 and 2 CO_2-eq emissions in the baseline year 2024. The 2023 footprint is ISO-14064 verified, the methodology of which serves as the starting point for the 2024 baseline year footprint. The target for 2025 is a 9% reduction compared to the 2024 baseline year. We are monitoring this KPI against the target. As 2024 is the baseline year, we cannot report on progress yet. We have not yet set a target for 2026.
- Performance in the area of mobility is reflected in the KPI for CO_2-eq savings.
- We track effectiveness of electricity grid expansion and reinforcement with the KPI on technical realised grid capacity, which we express in megavolt amperes (MVA). For an explanation of the methodology, target and achievement of technical realised grid capacity, see S4 – Consumers and end-users.

1 *The KPI CO_2-eq savings have not been validated by an external body other than the assurance provider for the annual report. However, the baseline, which is the CO_2-eq emissions in 2024 footprint, has been subject to ISO 14064 verification.*

- Policy and measures for climate change adaptation (effects of extreme weather events) are, among others, reflected in the KPI Annual Outage Time (AOT). We aim for high reliability in our grid. Enexis' infrastructure can withstand a wide range of extreme weather conditions. Floods can potentially lead to interruptions in the supply of electricity to customers. This outage is then reflected in the AOT, calculated for Enexis Groep as a whole. An explanation of the methodology, objective and implementation of the AOT can be found in S4 - Consumers and end users.
- The metrics we use to track effectiveness for our material impacts, risks and opportunities in renewable energy are still under development. For renewable heat, we have set a target with partners to deliver 50,000 additional homes with heat in our service area by 2030. For green gas, we monitor the volumes of green gas transmitted in million cubic metres (Mm^3). In 2024, 280 Mm^3 of green gas was injected into the grid operators' networks. In our service area, this was around 118 Mm^3. Our target for 2025 is to increase this figure to 140 Mm^3.

ENERGY CONSUMPTION AND MIX

Our energy consumption and mix are shown in the table below:

Energy consumption and mix (in MWh)	2024
Energy consumption from fossil sources	
(1) Fuel consumption from coal and coal products	-
(2) Fuel consumption from crude oil and petroleum products	33,994
(3) Fuel consumption from natural gas	399
(4) Fuel consumption from other fossil sources	-
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	5,583
(6) Total fossil energy consumption	39,976
Share of fossil sources in total energy consumption (%)	3%
Energy consumption from nuclear sources	
(7) Consumption from nuclear sources	-
Share of consumption from nuclear sources in total energy consumption (%)	0%
Energy consumption from renewable sources	
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	10,582
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	1,242,314
(10) The consumption of self-generated non-fuel renewable energy	644
(11) Total renewable energy consumption	1,253,540
Share of renewable sources in total energy consumption (%)	97%
Total energy consumption	**1,293,516**

METHODOLOGY AND KEY ASSUMPTIONS:

The energy consumption and mix are taken from the scope 1 and 2 source data of the CO_2-eq footprint. Focus points and assumptions in the applied methodology include:

- Fugitive emissions (such as technical gas leakage, refrigerants and SF_6) do not involve energy consumption and are therefore not included in the table.
- Our purchased electricity on line 9 includes Guarantees of Origin (GOs).
- The conversion factors used are from DEFRA (Greenhouse gas reporting: conversion factors 2024 - GOV.UK) and the Regional Climate Monitor of the Dutch government (Renewable energy report – Amersfoort)

Based on our NACE codes[1] , we qualify as a high climate impact sector. This is our energy intensity:

Energy intensity per net revenue in MWh/mln euro	2024
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	498

The net income from activities in sectors with a significant climate impact is derived from revenue as reported in note 1 to the consolidated financial statements.

OUR GREENHOUSE GAS EMISSIONS

We report our greenhouse gas emissions in accordance with the GHG Protocol, broken down into scope 1, scope 2 and significant scope 3 emissions:

			Retrospective		Milestones and target years			
	Base year	Comparative[1]	Reporting period	% change 2024 - 2023	2025	2030	2050	Annual target (%)
	2024	2023	2024					
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions (tCO_2eq)	105,574	105,179	105,574	0%				
Leakages gas grid	96,788	97,198	96,788	0%				
Leased cars and company cars	8,180	7,342	8,180	11%				
Natural gas consumption and buildings	81	72	81	12%				
Leakages SF_6 from switch gear installations	228	236	228	-3%				
Leakages refrigerants (HFC/PFC)	247	283	247	-13%				
Aggregates	50	48	50	4%				
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0%	0%	0%					
Gross location-based Scope 2 GHG emissions (tCO_2eq)	452,294	394,744	452,294	15%				
Grid losses electricity transmission	449,116	390,508	449,116	15%				
Electricity consumption buildings	1,751	2,787	1,751	-37%				
Leased cars and company cars	1,427	1,449	1,427	-2%				
Gross market-based Scope 2 GHG emissions (tCO_2eq)	1,427	1,987	1,427	-28%				
Grid losses electricity transmission	0	0	0	-				
Electricity consumption buildings	0	538	0	-100%				
Leased cars and company cars	1,427	1,449	1,427	-2%				
Total Scope 1 & 2					-9%	-25%	n/a	n/a

1 *NACE D35.1, D35.2 en F42.2 (ESRS E1 par. 42)*

	Base year	Comparative[1]	Retrospective Reporting period	% change 2024 - 2023	Milestones and target years 2025	2030	2050	Annual target (%)
	2024	2023	2024					
Scope 3-emissions								
Total Gross indirect Scope 3-emissions (tCO_2eq)	615,444	550,799	615,444	12%				
1. Purchased goods and services	161,810	100,684	161,810	61%				
2. Capital goods	369,758	393,603	369,758	-6%				
3. Fuel and energy-related activities (not included in Scope1 or Scope2)	66,490	42,197	66,490	58%				
4. Upstream transportation and distribution	3,267	2,132	3,267	53%				
5. Waste generated in operations	4,628	5,365	4,628	-14%				
6. Business traveling	1,491	1,117	1,491	33%				
7. Employee commuting	2,084	1,830	2,084	14%				
8. Upstream leased assets[2]								
9. Downstream transportation[3]								
10. Processing of sold products[4]								
11. Use of sold products[5]								
12. End-of-life treatment of sold products[6]								
13. Downstream leased assets[7]								
14. Franchises[8]								
15. Investments	5,916	3,871	5,916	53%				
Total GHG emmisions								
Total GHG emmisions (location based) (tCO_2-eq)	**1,173,312**	**1,050,722**	**1,173,312**	**12%**	**n/a**	**n/a**	**n/a**	**n/a**
Total GHG emmisions (market based) (tCO_2-eq)	**722,445**	**657,965**	**722,445**	**10%**	**n/a**	**n/a**	**n/a**	**n/a**

1 Total emmissions over 2023 have been restated compared to our Annual report 2023. For further explanation reference is made to "Changes in estimates and errors CO2-eq-footprint 2023" under the table.

2 Not applicable, all leased assets are included in Scope 1 en 2.

3 Not applicable, Enexis does not sell physical products or services for distribution.

4 Not applicable, Enexis does not sell physical products for processing by third parties.

5 Not applicable, Enexis does not sell products which generate indivdual user emmissions.

6 Not applicable, Enexis does not sell physical products, so there are no End-of-life emmissions to report.

7 Not applicable, Enexis does not have any downstream leased assets.

8 Not applicable, Enexis does not have any franchises.

METHODOLOGY AND KEY ASSUMPTIONS

In order to report greenhouse gas emissions, we follow the standards of ISO 14064-1 and the international Greenhouse Gas Protocol Corporate Standard, including associated guidelines.

We derive the emission factors from various public and non-public sources, such as the website www.co2emissiefactoren.nl and DEFRA. We regularly check these factors and update them annually. In some cases, we receive emission data directly from external suppliers who determine them using their own calculations. We report in CO_2 equivalents. We explain the methodology and assumptions for the most significant categories per scope.

Scope 1: Direct emissions

Scope 1 includes the direct emissions of greenhouse gases from sources owned or controlled by the company. The breakdown of these emissions is visible in the table above. The largest components in this scope are the technical leakages from the gas grid and the fuel consumption of leased cars and company cars.

The carbon emissions resulting from technical gas leakages are calculated based on OGMP2.0. This methodology is managed by Kiwa. Important variables we provice are lengths and the type of materials of the pipe lines. Also (average) number of leaks, faults, and damages are part of the calculation. The numbers and lengths of our gas grid do not differ significantly year on year. The conversion factor and emission factor used are sourced from www.co2emissiefactoren.nl. Calculations are based on 2023 data.

Regarding the CO_2 emissions from leased cars and company cars, we use data received directly from the suppliers. This data includes the amount of fuel in liters per type of fuel. Using www.co2emissiefactoren.nl, we calculate the CO_2-eq emissions per type of fuel.

Scope 2: Indirect emissions – electricity and heat

Scope 2 refers to all greenhouse gas emissions from the generation of electricity and heat. As a grid operator, we distribute electricity. During the distribution of electricity, energy is always lost, for example, as a result of resistance. This is reflected in the electricity grid losses. Additionally, we also use electricity in our buildings, and a portion of our leased cars use electricity. We present our CO_2 emissions both on a market-based and location-based approach. Location-based represents the CO_2 emissions based on the physical energy mix on the grid. Market-based represents the CO_2 emissions based on the purchased energy mix.

The majority of our location-based CO_2 emissions relate to electricity grid losses. Electricity grid loss is the difference between the input and output due to distribution. We purchase the grid losses from various suppliers. The consumption is expressed in GWh and converted to CO_2 equivalents using an emission factor that we calculate based on the most recent electricity labels of the specifically purchased energy from the respective suppliers. Through the purchase of Guarantees of Origin (GoOs), we reduce the CO_2-eq emissions of grid losses.

Scope 2 also includes the electricity usage of the buildings. The electricity consumption of the buildings we own, is purchased as green energy. Additionally, we lease several buildings where we do not have authority over energy procurement, which means that energy is not always purchased as green. We also use heat from a local district heating network in two buildings. The electricity consumption that is not purchased as green by us is reduced through GoOs. The electricity usage of the buildings is measured in GWh, and the data is provided by an external party based on metering services. The emission factors are sourced from electricity labels and www.co2emissiefactoren.nl.

Finally, scope 2 includes the electricity usage of leased cars and company cars. Since this electricity is charged at charging points where Enexis has no control over the energy procurement, we assume that the national energy mix is used. The emission factor is sourced from www.co2emissiefactoren.nl.

Scope 3: Other indirect emissions

Scope 3 emissions encompass the release of all greenhouse gases resulting from our activities in the value chain, both upstream and downstream. The GHG Protocol categorizes scope 3 emissions into 15 categories, designed to provide companies with a systematic framework for organizing, understanding, and reporting the diversity of scope 3 activities within a company's value chain. Categories 8 through 14 are not applicable due to the nature and organization of our business activities, as we do not sell goods and services. The emissions in scope 3 are calculated based on spend, unless specific information is available per category, for example from supplier data. We are working on obtaining more specific data with respect to Scope 3.

Category 1, Purchased Goods and Services, includes, among other things, network components from our suppliers, ICT, and other services. The emissions in this category are calculated based on spend and supplier-specific information. For each item in this category, the most appropriate emission factors have been selected, based on DEFRA factors and supplier-specific emissions. The CO_2-eq emissions for transport services are calculated based on spend, multiplied by a DEFRA emission factor with a service-oriented character. A more suitable specific emission factor for this item is not yet available.

Category 2, Capital Goods, consists of emissions related to the procurement of assets such as cables and transformers. Based on Life Cycle Assessments (LCAs) conducted by CE Delft, the emissions per component are converted to CO_2. If LCA data is not available, the calculation is supplemented based on investment amounts. Contracting also falls under this category. The emissions from contracting are calculated based on spend, multiplied by an emission factor based on information from our contractors.

Category 3, Fuel- and Energy-Related Activities, consists of administrative gas leakages ad the chain emissions from fuel consumption of leased cars and company cars, generators, buildings. Administrative gas leakages are calculated by reducing out total gas leakages by technical leakages. The remaining part is our administrative leakage, which is calculated to carbon emissions with a factor of www.co2emissiefactoren.nl. We calculate the fuel consumption based on consumption information multiplied by emission factors from www.co2emissiefactoren.nl. A limited part of this category is calculated based on spend.

EXPLANATION OF INCREASES AND DECREASES:
Compared to the year 2023, the following significant developments have occurred in 2024.

Scope 1: Direct emissions
The total CO_2-eq emissions in scope 1 show a very slight decrease (0.4%). When we take a closer look at our individual direct emissions, we observe several developments. Leakages from gas grid has remained almost unchanged compared to 2023 (0.4% decrease). This item represents 92% of the emissions in scope 1.

The emissions resulting from fuel consumption by leased cars and company cars increased by 11% due to an increase in the number of employees and consequently an increase in the vehicle fleet and fuel consumption. This item represents 8% of the emissions in scope 1.

Scope 2: Indirect emissions – electricity and heat
The electricity grid losses show a 15% increase in CO_2-eq emissions (location-based). The increase in CO_2-eq emissions is explained by the fact that the energy mix we purchased has a higher weighted average CO_2 emission factor than in 2023. The electricity grid losses are 100% reduced through GoOs, resulting in 0 tons of CO_2-eq emissions market-based.

The CO_2 emissions from the electricity consumption of our buildings decreased by 37% (location-based). This is explained by a significant 39% reduction in the CO_2 emission factor and an 8% decrease in electricity consumption. Market-based, we also achieve 0 tons of CO_2-eq emissions in 2024 due to reducing through GoOs.

Scope 3: Other indirect emissions
The 61% increase in category 1 (purchased goods and services) is partly explained by a more than 30% increase in CO_2 emission factors and partly by an approximately 30% increase in purchased goods and services. The CO_2 emission factors of components have been adjusted to the most recent insights after recalculation by the manager of the respective factors, CE Delft. The increase in goods and services aligns with the intensification of our activities and the growth of the work package. However, the change in category 2 (capital goods) shows a slight decrease of 6% compared to 2023, which is explained by an exceptionally high procurement of capital goods in 2023 to build up inventory, ensuring material availability does not become a bottleneck in the energy transition. The 58% increase in category 3 (fuel- and energy-related activities) is explained by a 55% rise in the volume of our administrative gas grid losses.

CHANGES IN ESTIMATES AND ERRORS CO_2-EQ-FOOTPRINT 2023

The total market-based emissions for 2023 amounted to 657,965 tons CO_2-eq. In our 2023 Annual Report, 216169 tons CO_2-eq were reported. Through a thorough review of the CO_2-eq-footprint, we have gained better insight into our emissions. We have expanded and detailed our footprint and improved our calculation methodologies by making them more specific. The impact of these changes per scope is visible in the table below.

Marketbased in tons of CO_2-eq

Scope	Annual Report 2023	Adjusted comparatives	Impact adjustments
1	64,022	105,179	41,157
2[1]	428	1,987	1,559
3	151,719	550,799	399,080
Total	**216,169**	**657,965**	**441,796**

1 Location-based, the reported figure was 378,554 tons CO_2-eq in scope 2. After revision, it amounts to 394,744 tons CO_2-eq. The impact of the revision is 16,190 tons CO_2-eq in scope 2.

Below, we explain the restatements with the most significant impact for each scope:

Scope 1 Gas Grid Losses: The emissions in this category have increased due to a revision of the methodology used, which is a combination of changes in estimates and errors. Leakages from the gas grid are no longer solely based on leaks in our main pipelines using the national average for gas distribution. Since mid-2023, we calculate methane emissions based on the OGMP2.0 methodology. This is a more precise and comprehensive method developed in collaboration with the sector and Netbeheer Nederland. In this methodology, we also include the service lines. Consequently, the network over which we calculate losses has expanded. This change in methodology results in an increase in CO_2-eq emissions of 42 kilotons.

Scope 2 Electricity Grid Losses: Due to an error in the calculation of electricity grid losses, resulting from the incompleteness of the volume of grid losses from one of the energy suppliers, the location-based CO_2-eq emissions have increased by 12 kilotons. Market-based, this revision has no impact on the CO_2-eq footprint since the grid losses are 100% reduced with green energy purchases.

Scope 3: The CO_2 emissions resulting from purchased goods and services (category 1) were not included in the 2023 annual report, making this category incomplete. This category includes goods and services that we purchase, such as ICT and network components that suppliers procure. We are retrospectively supplementing this category in the comparative information. The CO_2-eq emissions in this category are based on spend-based emissions and specifically calculated CO_2-eq emissions with information from suppliers. Consequently, scope 3 is expanded by 101 kilotons.

In category 2 concerning capital goods, the emissions are calculated for, among other things, our network components such as cables, gas pipelines, transformers, and gas stations. This category is based on spend-based emissions combined with specifically calculated emissions. The source from which we derive the CO_2 emission factors for our assets, CE Delft, has adjusted the emission factors based on the latest insights, resulting in an increase of CO_2-eq in component emissions. In addition, the expansion of the included network components through extrapolation has led to an increase in emissions in 2023. These revisions lead to an increase of 249 kilotons CO_2-eq in scope 3, which have been adjusted in the comparative information

Category 3, fuel- and energy-related activities, was incomplete and has been added. This category consists of components such as administrative grid losses and WTT emissions from emergency power generators. This results in an increase of 42 kilotons CO_2-eq.

GREENHOUSE GAS INTENSITY

The table below shows the energy intensity per net output:

GHG intensity per ton CO_2-eq/mln euro	2024	2023	% change
GHG emissions (location-based) Scope 1 & 2	215	248	-13%
GHG emissions (location-based) Scope 3	237	273	-13%
Total GHG emissions (location-based)	**452**	**522**	**-13%**
GHG emissions (market-based) Scope 1 & 2	41	53	-23%
GHG emissions (market-based) Scope 3	237	273	-13%
Total GHG emmisions (market-based)	**278**	**327**	**-15%**

The net income from activities in sectors with a significant climate impact is derived from revenue as reported in note 1 to the consolidated financial statements.

E5 Resource use and circular economy

Our grid requires many cables, pipes, transformers and other products made from valuable resources. Indirectly, this means we use a lot of resources. We want to increase our circularity to reduce our negative impact and make the most of our opportunities.

Negative environmental impacts can occur in the production of components (the upstream value chain). Raw materials can also be lost unnecessarily or lose their value through waste (the downstream value chain). Within the topic of material use and the circular economy, we identify the following negative impacts and opportunities:

Environmental Material topic	Impact, risk or opportunity	Value chain ◆ Upstream ◆ Own operations ◆ Downstream	Time frame ◔ Short ◔ Medium ◔ Long
Circular economy Resource inflows, including material use	**Actual negative impact:** Enexis procures resource-intensive components, resulting in a significant raw material footprint and potential environmental impacts within the upstream value chain.	◆	◔
Circular economy Resource outflows: waste and reuse	**Actual negative impact:** Waste of materials leads to the unnecessary loss of resources, downcycling and the generation of waste that must be transported and processed. This results in avoidable greenhouse gas emissions and potential other environmental damage.	◆	◔
	Actual opportunity: Reusing materials reduces the cost of purchasing new materials (avoided procurement costs) and extends the life of previous investments.	◆	◔

POLICY: TOWARDS CIRCULARITY

In a circular economy, primary materials, also known as virgin materials, are used as little as possible, and the value of resources is retained for as long as possible. In a circular economy, there is also little or no waste. The Dutch government is working towards a circular economy. Enexis also considers it important to contribute to a circular economy. This is why we encourage our suppliers to use fewer raw materials and more recycled materials, and work to optimise the life span of components, products and materials through reuse and reduce waste. In this way, we reduce negative environmental impacts, move away from the use of primary materials and encourage the use of secondary materials. Reuse is also a financial opportunity as we save significant procurement costs.

THE 10 STEPS IN THE R LADDER

The R ladder inspires us to contribute to the circular economy. This ladder consists of 10 Rs, with Refuse being the highest step on the ladder and Recover the lowest.

- Refuse: make raw materials **redundant;**
- Rethink: **more intensive use** of the same raw materials;
- Reduce: **reduce** the amount of raw materials per unit of product;
- Reuse: **reuse** raw materials;
- Repair: **repair** raw materials;
- Refurbish: **refurbish** raw materials;
- Remanufacture: **remanufacture** raw materials for the same purpose;
- Repurpose: **repurpose** raw materials for a new purpose;
- Recycle: **recycle** raw materials;
- Recover: **recover** energy from materials by incineration/digestion.

The higher the strategy on the R ladder, the fewer (primary) raw materials are needed, and the better the value of raw materials and materials is maintained. In this way, products have a longer life cycle. We have identified actions for the different R strategies. More can be found in the section 'Measures that promote circularity'.

RAW MATERIAL REDUCTION IN PROCUREMENT

Our main goal in sourcing materials is to reduce the amount of primary raw materials per product unit. We focus on the components with the greatest environmental impact: low-voltage (LV) and medium-voltage (MV) cables, gas pipes and distribution transformers. These components consist of the following commodity groups:

Low-volume cables	Mid-volume cables	Gas pipes	Distribution transformers
Copper	Copper	PE	Steel
Rubber	PE	Copper	Oil
PVC	Aluminum	PVC	Copper
Aluminum	Rubber	Steel	Transformer steel
	XLPE		

To enable the energy transition, we are significantly expanding our grid and require substantially more materials. We focus on purchasing materials that use less virgin material. Our emphasis is on sourcing components made from secondary raw materials. We call on our direct suppliers in the upstream value chain in the European Union, Switzerland, and Turkey to stand out positively in terms of sustainability, and we factor this into our purchasing decisions. We monitor the results using our circularity model. This tool, developed in collaboration with an external circularity specialist, provides insights into the proportion of primary raw materials in the components and the share of secondary raw materials per product.

REUSE PREVENTS WASTE AND SAVES MONEY

Reuse is essential for achieving our circular ambitions. Reuse also touches on several R strategies in the R ladder. With reuse, we bring resources from old products back into our operations, preventing them from becoming unnecessary waste. This is done after rigorous testing and under specific conditions to make sure that functionality and safety are never compromised. Reuse avoids the use of virgin raw materials. This not only benefits the environment but also saves on procurement costs. We can see what reuse is worth by measuring the avoided procurement value.

INCREASE THE APPLICATION VALUE OF RAW MATERIALS

When products leave our operations, we aim to maximise the application value of the raw materials. This means ensuring high-quality processing: raw materials are reused, remanufactured or, at the very least, recycled. We try to avoid landfill as much as possible. These activities take place in our own operations, in cooperation with suppliers and waste processors (upstream).

PREVENTING WASTE

Despite our best efforts, waste is generated in our operations. Naturally, we want to prevent this. We do this by focusing on optimal inventory management (to avoid unnecessary purchases), by being conscious of resources, and by preventing (residual) waste. We do not (yet) measure the impact of waste and the effects of policies to reduce it.

MEASURES TO PROMOTE CIRCULARITY

MEASURES ON THE INFLOW OF RESOURCES

We are constantly looking for ways to become more circular without compromising the quality and speed of our grid construction and maintenance. In 2021, we worked with a circularity expert to explore promising measures to reduce the environmental impact of components. Some of these measures are outlined in the table below. The measures are implemented in the upstream value chain and in our operations.

The degree of circularity is one of the award criteria in the component procurement process. We also request raw material passports from our component suppliers. These specify the materials used in the product and how much is made from secondary raw materials.

To enhance circularity in the sector, we work with other grid operators and knowledge partners, such as the Groene Netten[1] consortium and the CE Delft knowledge institute. We have also commissioned KiWa to independently verify the raw material data provided by suppliers in the raw material passports. And we are exploring ways to improve the data.

The table below shows an overview of some of our measures regarding the inflow of materials. It outlines the targets they contribute to, what we aim to achieve with the measures, the planned completion dates and our progress. It also shows the R strategies the measures support. Where the column refers to 'process', this pertains to measures related to optimising the organisation for circularity and reducing the use of primary materials. As 'process' is not a formal R strategy, it is shown in italics.

1 *Groene Netten is a consortium of infrastructure operators in the Netherlands: Alliander, Enexis, Gasunie, KPN, ProRail, Rijkswaterstaat, Stedin and TenneT. The participants are working on four core themes: climate, circularity, biodiversity and impact measurement.*

Inflow **Target**	Measures taken	R-strategy	Time horizon completion	Intended result	Progress of measures and actions
Insight into the amount of primary material per unit product of components	Development and rollout of the Circularity Model with which we map both inflow and outflow, as well as progress on our circular ambitions.	*Process*	Continuous	Insight into the degree of circularity and being able to manage circularity.	Circularity model will be used as a measuring instrument for the third year in a row in 2024.
Insight into component composition	Register raw material passports for purchased components within the four component groups in scope.	*Process*	Continuous	Focus on reducing the use of primary material per unit of product.	- Registration of raw material passports improved - Raw materials passport template standardised with fellow grid operartors - Raw materials passports from 4 cable suppliers certified in accordance with the Kiwa convenant.
Optimize insight into the degree of circularity	(Further) development of the Asset Tool and use it in tenders.	*Process*	Continuous	Insight into the degree of circularity and being able to manage circularity.	The Asset Tool is being developed together with Stedin, Alliander and CE Delft and is used as a tendering tool to assess circularity, among other things.
Reducing the amount of primary material per unit of product	Apply Sustainable Procurement Policy towards suppliers. Document contains requirements regarding: circularity and dematerialization.	Refuse Rethink Reduce	Continuous	Decrease % primary material per unit product.	See progress per component in the Measuring Sustainability Goals chapter.
Reducing the amount of primary material per unit of product	Increasing the weighting of sustainability (CO2 and circularity) in the award of tenders for cables and distribution transformers in 2024.	Recycle	Applied in 2024 and will also be used in future tenders.	Decrease % primary material per unit product.	In the tender for cables in 2024, sustainability weighed 16% in the award model, of which 10% related to circularity.

PLANNED MEASURES TO REDUCE MATERIAL USE

We will investigate whether materials can be eliminated in the design of components. We will also explore the feasibility of adjusting the material composition of components. We plan to use both measures to reduce the use of primary raw materials per product unit.

MEASURES ON THE OUTFLOW OF RESOURCES

We aim to handle materials that leave our processes in a responsible way. The measures we take mainly affect the downstream value chain. Indirectly, they also affect the upstream value chain as we avoid sourcing new materials through reuse.

The table below shows an overview of some of our measures related to the outflow of materials. It outlines the targets they contribute to, what we aim to achieve with the measures, the planned completion dates and our progress. It also shows the R strategies the measures support. When the column refers to 'process', it pertains to measures not directly related to an R strategy but which focus on enhancing circularity and reducing the use of primary materials within the organisation.

Reuse, waste and waste materials					
Target	Measures taken	R-strategy	Time horizon completion	Intended result	Progress of measures and actions
Preventing waste	Optimizing inventory management.	Refuse	t.b.d.	Preventing unnecessary ordering of new materials.	
Preventing waste	Pilot Protection of materials against UV radiation at outdoor locations.	Rethink	2025	Extend shelf life and prevent waste.	On schedule, expected completion of pilot in Q1 2025
Optimizing reuse	Reuse of products and materials.	Recover Reuse	Continuous	Preventing the purchase of new materials (and the resulting environmental impact). Measurable via avoided purchasing value.	Avoided purchase value of € 15,350,647 in 2024 (versus € 14,893,252 in 2023).
Optimizing reuse	Withdraw parts from retired assets[1] and stock them to keep other assets in service longer.	Refuse Reuse	Continuous	Postponing investments and/or replacements. Scarce resources (materials and man-hours) are saved.	
Optimizing reuse	Expanding the range of components that are eligible for reuse.	*Process*	Continuous	More types of components and parts can be reused.	The expansion of the range involved offering gas stations in 2024.
Optimizing reuse	Monitoring provides insight into the demand and need for types of components, allowing control to take place.	*Process*	Continuous	Annual increase in reusable assets. Measurable via avoided purchasing value.	Avoided purchasing value of € 15,350,647 in 2024. 3% increase compared to 2023.
Increase application value	Focus on optimal separation, as much as possible into mono streams.	Repurpose Recycle and Recover	Continuous	Raw materials retain their value and are returned to the chain as much as possible.	92 different waste flows (mono flows).
Increase application value	Collaboration with waste processor for high-quality applications of phased-out material.	Repurpose Recycle and Recover	2025	Raw materials retain their value and are returned to the chain as much as possible.	
Preventing landfill	We look for the best possible processing of waste such as asbestos.	Recover	Continuous	Waste flows that fall under landfill are processed according to a higher R strategy.	

1 Reuse focuses on the reuse of components and parts thereof. Retired assets are different types of products and materials.

PLANNED MEASURES FOR REUSE, WASTE AND WASTE MATERIALS

To optimise the use of raw materials, we plan to work with suppliers to return unused materials for reuse or recycling. This planned measure aligns with the R strategies of Reuse, Refurbish, Remanufacture and Repurpose. It is a measure that we aim to launch and ideally develop into a continuous process.

Another measure we want to implement for optimal use of raw materials is the redeployment or repurposing of products and materials. This will help avoid the purchase of new materials. This measure applies to elements other than the components already in scope for reuse. This measure aligns with the R strategy of Reuse. This will also be a continuous process.

To prevent waste, we will continue taking steps to optimise inventory management in the future.

TARGETS INSPIRE AND PROVIDE DIRECTION

Sustainability targets provide direction, motivate us to be more circular and encourage improvement.

TARGET ON THE INFLOW OF RESOURCES

The inflow target is to reduce primary raw materials per product unit for the components in scope by 50% by 2030 compared to 2014.

Specifically, this target for in-scope components means the following:

	Unit	Base year 2014	Target 2030
Transformer	kg/ kVA	3.62	1.81
LV-Cable	kg/m	2.31	1.16
MV-Cable	kg/m	3.31	1.66
Gas pipe	kg/m	1.02	0.51

This target was set in 2021, in line with the policy to use less raw materials and buy more recycled materials. The target is inspired by the Dutch government's circularity target and was set with the advice of an external circularity expert. It is not based on scientific research and is voluntary. The scope of the target is the four component groups: low-voltage cables, medium-voltage cables, gas pipes and distribution transformers. The target covers the upstream value chain.

The 2014 baseline measurement assumed that all components were made from 100% primary materials. We use raw material passports to calculate the degree of circularity of the four components in scope. Where these are not available, we rely on the knowledge of internal experts on material composition. Our aim is for all component suppliers to provide raw material passports.

TARGET ON OUTFLOW OF RESOURCES

- **Reuse**: We do not yet have a formal target for this. The aim is to set one within the next three years. We monitor the effectiveness of our approach using the 'Avoided purchase value' indicator (see 'Measuring sustainability targets: staying on track'). We aim to increase both the number of components reused and the avoided purchase value.
- **Waste**: While we are doing a great deal to prevent waste, we do not yet have a specific target for this either. In the coming years, we will explore the possibility of developing a meaningful target and measuring waste prevention.
- **Waste materials**: These targets are under development. In practice, we are constantly working on waste separation. We aim to reduce our residual waste to less than 10% and increase our separation rate to at least 85%.

TRACKING THE EFFECTIVENESS OF SUSTAINABILITY TARGETS

TRACKING INFLOW OF RESOURCES

To track the effectiveness on our inflow targets, we use the circularity model. This shows the amount of primary material in a product. We also request raw material passports from suppliers of low-voltage (LV) cables, mid-voltage (MV) cables, gas pipes and distribution transformers. If they cannot provide these, we rely on our component specialists' knowledge about the composition and weight of the components. If we have not received a raw material passport, we qualify materials as primary, although it is very assumable that secundary material is used .

PRIMARY RAW MATERIALS PER PRODUCT UNIT:

	Unit	Base year 2014	Realisation 2024 in absolute numbers	Realisation 2024 in percentage compared to 2014	Target 2023	Target compared to 2014
Transformer	kg/ kVA	3.62	3.35	-7%	1.81	-50%
LV-Cable	kg/m	2.31	2.29	-1%	1.16	-50%
MV-Cable	kg/m	3.31	3.48	5%	1.66	-50%
Gas pipe	kg/m	1.02	1.29	26%	0.51	-50%

In 2024, we achieved a reduction in the amount of primary raw materials per unit of product for two components, namely 7% (transformers) and 1% (LV cables), compared to 2014. For the other components, we see an increase in the amount of material per unit of product. This is due to the need to standardize (we order less small exception cables) to ensure building progress. Another reason is our gas pipes are replaced by pipes made of PE and PVC, which according to the standard must be made of 100% primary material. And lastly market tightness lead to the situation that we were not all the time in a position to set requirements for the composition of the cables we ordered. Therefore, we are not yet on track towards our 2030 goal.

Based on the data from the circularity model, we report the material composition and the percentage of secundary material used for each component. This results in the following table for LV cables, MV cables, gas pipes and distribution transformers:

Material type	Material used in Components:	kg inflow	Primary material in %	Secundary material in %
Copper	LVS-cables, MV-cables, Gas pipes, Transformers	3,182,443	84.2%	15.8%
Rubber	LV-cables, MV-cables	1,105,106	100.0%	0.0%
PVC	LV-cables, Gas pipes	2,662,644	96.5%	3.5%
Aluminum	LV-cables, MV-cables	9,671,205	95.7%	4.3%
PE	MV-cables, Gas pipes	4,621,457	99.4%	0.6%
XLPE	MV-cables	1,544,412	99.5%	0.5%
Steel	Gas pipes, Transformers	432,700	90.8%	9.2%
Oil	Transformers	658,025	100.0%	0.0%
Transformer steel	Transformers	2,036,359	84.5%	15.5%
Total quantity		**25,914,351**		

In addition to copper and aluminium, our components are likely to contain other critical materials and rare earth metals. For example, we know that iron ore mining can result in impurities, which may lead to the presence of silicon (≤ 0.4%) and titanium (≤ 0.04%) in our gas pipes. Trace amounts of nickel (≤ 0.5%) and niobium (≤ 0.06%) may also be present in steel pipes.

Our transformers contain silicon metal in addition to copper and aluminium. Similarly, our MV and LV cables contain critical materials such as copper and aluminium.

TRACKING OUTFLOW OF RESOURCES

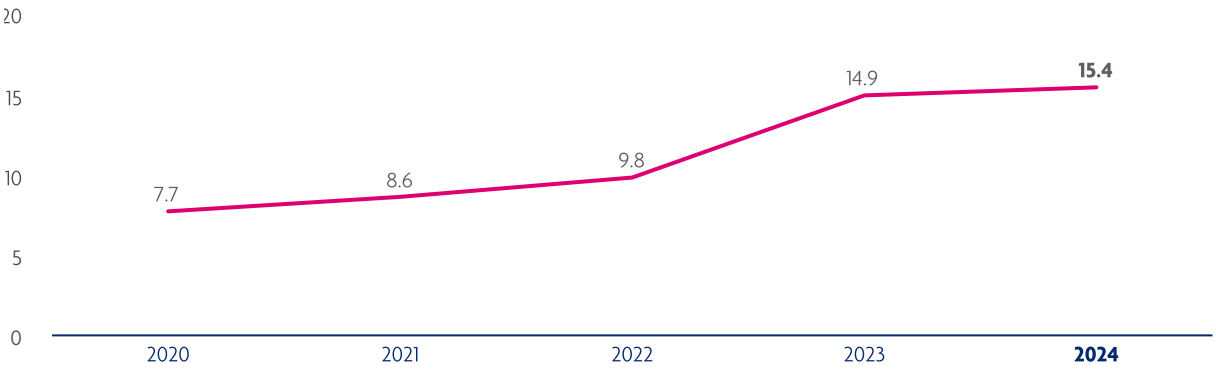
Waste occurs when we buy more than we need, use materials inefficiently, do not separate waste optimally or when materials unnecessarily become waste. For now, we can only track the amount of waste in terms of discarded materials (see later in this chapter). Waste cannot be entirely avoided. For example, there will always be cutting losses and small cable lengths that are no longer usable.

We see **reuse** as part of the material outflows, even though, in practice, it takes place in our operations, and materials and components flow back into the system. We consider reuse as outflow because we can only assess the reusability of materials and components once they leave the operation. We cannot (yet) predict this in advance during the inflow phase.

Since 2017, we have been monitoring the purchase value that we avoid through reuse. This is an entity-specific metric related to IRO reuse. That is why this metric has been included in the sustainability statements. Thanks to reuse, we are saving more and more money because the number of components and parts we reuse is increasing, and new components have become more expensive.

The avoided purchase value is calculated by determining the replacement value of the component or part that is being reused. By reusing, we save the costs of a new component or part. The costs incurred to make the product reusable are deducted from the replacement value.

Avoided purchase value by reuse (in € mln)



We expect the avoided purchase value to continue to grow in the coming years. We cannot accurately predict what the financial benefits will be in the future, as it is difficult to estimate how many components and elements will flow out our grid that will be suitable for reuse.

WASTE

We use raw materials from our processes as carefully as possible. The total amount of waste in 2024 was 22,1 million kilograms. We seperated our waste into 92 streams. This information is provided by the company that collects, treats and processes our waste streams.

	2024		2023	
Waste in kg.	Regular waste	Hazardous waste	Regular waste	Hazardous waste
Total waste	**22,133,086**		**22,922,386**	
Of which hazardous waste		1,036,029		1,379,946
Soil qualified as hazardous waste		8,600,280		4,634,570
Waste diverted for recovery				
Of which preparation for reuse	-	-	-	-
Of which recycling	11,167,281	9,438,457	15,687,346	5,853,375
Of which other recovery types (total of biomass fermentation and composting)	59,804	-	43,687	
Waste to disposal				
Of which incineration	1,269,692	35,726	1,174,357	34,776
Of which landfill	-	162,125	-	126,365
Of which other types of disposal	-	-	-	-
Total non- recycled waste	**1,329,496**	**197,851**	**1,218,044**	**161,141**

CLASSIFICATION OF WASTE

Hazardous waste contains substances that are or may be harmful to human health or the environment. The European Waste List (EURAL) determines which waste streams are classified as hazardous.

PRODUCTS IN WASTE STREAMS SPECIFIC TO US AS A GRID OPERATOR:

Waste stream	Materials available
Cables	Copper, Aluminum, PVC, Rubber, PE
Gas pipes	PE, Copper, PVC, Steel
Distribution and power transformers	Steel, Oil, Copper, Transformer steel

We occasionally dispose radioactive waste. This may occur during the decommissioning of power transformers.

S1 Own workforce

Our employees are crucial to achieving Enexis' sustainability goals. They are the driving force behind our success. That is why we want to create a work environment where everyone feels heard and can develop, and where safety comes first.

OUR THREE CORE VALUES

Three core values are central to our work: clarity, inclusiveness and continuous learning. This is the only way to implement our strategy in a rapidly changing environment successfully.

CLARITY

We need to double our electricity grid in the coming years. Therefore, we need to be clear about what we expect from our employees and what they expect from each other. We must be clear about what is going well and what is not and open to discussing these matters. We need to make bold decisions, even if they are not easy and the outcomes are uncertain. Being clear makes us more productive. Because there is no need to read between the lines, we know exactly what our colleagues mean, what they expect and that we can rely on each other.

INCLUSIVENESS

The energy transition requires us to solve problems. That is why we take an inclusive approach. We believe bringing together different perspectives from inside and outside Enexis leads to innovative solutions. No one has all the answers, so every opinion matters. We seek and strengthen partnerships with colleagues from all parts of our organisation and with people outside our company. We genuinely listen to each other. Working inclusively also means that we are a good reflection of society. Everyone is welcome, regardless of age, background, religion, sexual orientation or philosophy.

CONTINUOUS LEARNING

Employees have the space and support to learn, reflect, experiment and strengthen each other. As an organisation, we become better at handling our mistakes and successes, grow every day and achieve better results – precisely what the energy transition demands of us. We seek each other out and are open to feedback. Learning also means asking questions, daring to experiment and not being afraid to make mistakes – while respecting the safety of our working environment. Only by being curious and inquisitive can we learn.

We have assessed the following topics as material to our own Enexis employees:

Social Material topic	Impact, risk or opportunity	Value chain ◆ Upstream ◆ Own operations ◆ Downstream	Time frame ◔ Short ◔ Medium ◔ Long
Working conditions Health and safety	**Actual negative impact:** Safety incidents can lead to serious or fatal accidents among employees.	◆	◔
Working conditions Attracting talent	**Potential risk:** A significant shortage of technically skilled employees threatens the ability to cope with an increasing large work package as a result of the energy transition.	◆	◔
Equal treatment and opportunities for all Training and skills development	**Actual positive impact:** In order to maintain the quality of work, Enexis offers training programmes to all its employees. These programmes increase the knowledge and skills of employees for current and future tasks and improve their position on the labour market.	◆ ◆	◔
Equal treatment and opportunities for all Diversity and non-discrimination in the workforce	**Actual positive impact:** Enexis does not discriminate on the basis of gender, sexual orientation or origin and works to create a socially safe working environment. Through the 'An Enexis for everyone' programme, Enexis promotes diversity and inclusion and creates equal opportunities for all. This includes promoting access for different groups, such as refugees with residence status. This approach creates a culture where everyone's contribution counts, where employees can be themselves and where their efforts are valued.	◆	◔ ◔

The identified material topics align seamlessly with our core values and have not led to any adjustments to our strategy. The impacts and risks apply to the more than 5,500 employees and 1,500 contractors of Enexis Groep. The positive effects of training and development only apply to our own employees. The current negative impact of safety incidents is incidental.

We adhere to the International Labour Organization (ILO) guidelines on working conditions and labour standards and recognise and subscribe to the United Nations Universal Declaration of Human Rights.

POLICY FOR OWN EMPLOYEES

HEALTH AND SAFETY

Our safety policy aims to provide the safest and healthiest work environment possible. Safety incidents can result in serious or fatal accidents that have a negative impact on both employees and the company. The safety policy minimises this impact through proactive measures such as risk assessment, incident reporting systems, education and training, the use of personal protective equipment and effective emergency response procedures.

The safety policy applies to all activities and employees of Enexis Groep, as well as contractors, subcontractors and visitors to Enexis sites (see also S2 Employees in the value chain). Safety aspects are also part of our Code of Conduct for internal and external employees. This includes our standards and values.

In implementing our safety policy, we adhere to external standards and initiatives, including Netbeheer Nederland's BEI (Operational Procedures for Electrical Installations) and VIAG (Safety Instructions for Natural Gas), the GVE (Code of Conduct for Safety in Energy Companies) and the NTA (Dutch Technical Agreement) 8120 and ISO 55001 standards for asset management. We have also achieved Safety Culture Ladder Level 4 certification from NEN (the Royal Netherlands Standardization Institute) for parts of the organisation in 2024 and comply with VCA** (Safety, Health and Environment Checklist for Contractors) certification.

ATTRACTING TALENT

The sweeping changes to the energy system are creating a lot of additional work. We need large numbers of technical staff. Unfortunately, there is an unprecedented shortage of technical staff. That is why we no longer recruit new colleagues primarily based on qualifications and experience but focus instead on skills. We look at what someone can learn rather than what they cannot do. We are investing more in recruitment marketing to position ourselves as an attractive employer.

TRAINING AND SKILLS DEVELOPMENT

The energy transition places high demands on our organisation and the employability and vitality of the people who work for us. That is why 'continuous learning' is one of our core values and we invest in our people's sustainable employability and personal development. Sustainable employability means that employees enjoy their work, are healthy and perform at their best. It also means that they have the right skills and continue to develop so they remain attractive in the job market now and in the future. This is a shared responsibility between the employee and the manager: the employee actively works on his/her employability, while the manager supports and facilitates this.

The policy applies to all Enexis employees and is available on the intranet.

DIVERSITY AND NON-DISCRIMINATION

Enexis is characterised by highly engaged and supportive employees. This is one of the reasons why our network has been so reliable for so many years. However, implementing the energy transition requires more: a lot of extra people, different perspectives, and new ways of thinking and working. That is why inclusiveness is a core value at Enexis. Our diversity and non-discrimination policy focuses on eliminating discrimination and harassment and promoting equal opportunities, diversity and inclusiveness. We want to include all talents, opinions, backgrounds and ways of thinking and acting. Working inclusively also means that we are a good reflection of society. We want everyone to feel at home with us, regardless of where they were born, who they love, how they identify, their age, or whether they face physical or mental challenges. We stand for 'An Enexis for everyone'. The Executive Board adopted this policy in October 2022, which is available on the intranet.

Within the policy, we identify five specific target groups: age, gender, cultural diversity, employability and LGBTQ+. Specific targets are in place for gender and cultural diversity: to promote a balanced gender ratio in senior and middle management and ensure that 10% of new hires come from culturally diverse backgrounds. While no specific targets have been set for the other groups, they are supported through the activities of network groups, which have a budget at their disposal to carry out these activities.

Our Code of Conduct focuses on creating a socially safe work environment in the broadest sense of the word. It also includes our anti-discrimination procedure. In addition, we have a compliance protocol. This contains rules of conduct for our employees. When they join the company, employees sign a statement that they will abide by the protocol. They also complete an e-learning module. Every year, we publish a compliance report detailing how the compliance protocol has been implemented and what measures we have taken.

CONSULTATION WITH EMPLOYEES ON IMPACTS

HEALTH AND SAFETY

Enexis consults directly with its employees and with employee representatives through our VGWM (Safety, Health, Welfare and Environment) Committee and safety councils at the sites. Consultation occurs at various stages, including before tool and clothing wear trials. The VGWM Committee discusses draft procedures every six weeks, followed by informal feedback. Approved policies and procedures go through a formal process. Operational responsibility for consultation with the VGWM Committee lies with Enexis' HSEQ director and the chairs of the relevant clothing and tools committees. In addition, the VGWM Committee regularly consults with the Executive Board and the Central Works Council.

We evaluate the effectiveness of the dialogue through the reports and complaints in the Safety Compass and through the input of the branch representatives in the committees. We ensure that stakeholders are consulted and involved in the process. For example, non-managerial employees must be consulted on many activities, from health and safety policies and targets to incident investigations, audit programmes, and identifying and assessing risks and opportunities. The principle is that every employee can participate and is given the time, space and resources by the manager to do so.

TRAINING AND SKILLS DEVELOPMENT

Each employee develops an annual personal development plan with their manager. This process is part of the Energy Dialogue, an ongoing dialogue between the employee and manager that focuses on the employee's development, goals and vitality. Development goals are recorded and monitored in SuccessFactors, our HR system. For guidance on personal growth and vitality, employees can contact the Career and Mobility Centre, which also provides support for their Energy Dialogue.

DIVERSITY AND NON-DISCRIMINATION

Our employees are very committed - to their work and to each other. Every quarter, we conduct the online Enexis Employee Survey (EES). It enables us to measure the employer's Net Promoter Score (e-NPS), cooperation and engagement. In the first three quarters, one-third of Enexis employees are contacted each time. In the fourth quarter, all colleagues, both permanent and temporary, as well as external staff, are surveyed. The Executive Board, the Works Council, management, all leaders and HR business partners discuss the results of the surveys. We share the results of the overall measurement with everyone. The EES now only includes indirect questions on diversity and non-discrimination. In 2025, we will adjust the methodology to provide more data and better track progress against our objectives.

HEALTH AND SAFETY REMEDIATION PROCESSES

If someone's health is affected by their work, we have a wide range of options to help them. Employees can report their concerns or ideas for improvement through the Safety Compass. They can also approach the employee representation bodies or confidential advisors with their concerns or grievances. If an employee is not satisfied with the resolution of a complaint, he or she can appeal through a company procedure or file a claim with our insurance department. All regulations are available on our intranet.

Through the EES survey, Enexis periodically evaluates whether employees have confidence in the policies and procedures relating to health and safety. The company regulations protect employees who make reports.

MEASURES TO REDUCE RISKS AND PURSUE OPPORTUNITIES

HEALTH AND SAFETY

To protect employees, we try to minimise risks as much as possible. We do this by implementing safety standards, training and proactive measures, and promoting a safe work culture. We also closely monitor what is happening in our networks and continuously encourage safe behaviour. We do this through workplace visits, workshops, ongoing process improvement, learning from incidents and providing positive safety examples. Each year, we recognise colleagues who have made an exceptional or visible contribution to safety with our Health, Safety and Environment (HSE) Award.

Learning from (near) accidents is a priority, so we monitor and analyse all incidents. We share the results and incorporate lessons learned into our work protocols, team meetings, training programmes and learning sessions in the training hall. We also work closely with contractors to improve safety.

Working in more voltage-free and gas-free conditions to reduce safety risks is another priority. This is particularly important at a time of huge production growth and labour shortages. An added benefit is that new, less experienced employees can be safely integrated into our grid operations more quickly and safely.

Our health and safety measures are detailed in our safety policy, which is VCA and ISO 45001 certified. It covers the following aspects:

- Policy and organisation: procedures for requesting and issuing safety instructions (BEI and VIAG), risk inventory and evaluation (RIE), incident reporting and VGWM audits.
- Education and training: mandatory safety training, VGWM meetings and start-of-work meetings.
- Workplaces: workplace visits, vehicle inspection questionnaires and HSE site checklists.
- Work not primarily related to electricity and gas: instructions for waste management, handling hazardous substances, working in contaminated soil, asbestos management and PCB oil-containing equipment.
- Procedures under the site manager's responsibility: management of keys and seals, use of personal protective equipment (PPE) and reporting methods for specific sites.
- PPE: procurement, use and maintenance of PPE and safety clothing.
- Emergency response and first aid: HSE site policies and procedures in the event of a fire.
- For the meter company: entering and working in CO_2 operational areas.

ATTRACTING TALENT

In 2024, we broadened our focus on the labour market more than ever. This has resulted in a diverse influx of new colleagues, of which we are proud. This year, for example, we welcomed 13 people from South Africa, with a further 18 starting in January 2025. The project group where they will work pays particular attention to successful integration. To attract more talent, we launched the Young Talent Project. This pilot project aims to attract, retain and engage graduates and young professionals. They follow the Enexis Graduate Programme or department-specific career paths with a personal development programme, the Young Professional Programme.

Enexis is also one of the launching partners of the Labour Match Platform (LMP). Since its launch in late 2023, the LMP has been implemented in various locations across the country and helps to find more technicians by focusing on skills. The LMP also organises or supports regional ecosystems of businesses, trainers and institutions to create attractive offers for jobseekers, encourage cooperation and drive innovation. For example, companies refer rejected applicants to each other.

Recruitment marketing costs have been rising sharply since 2023. This is partly because the number of vacancies has risen to record levels and competition is fierce. Conversion rates on career websites have fallen from 4%-6% to 1%-3% since COVID-19. In addition, candidates are increasingly reluctant to apply through traditional methods (CV and cover letter). We therefore increased our budget to achieve the same number of applications in 2024. We are also using increasingly intelligent technologies:

- Since 2024, we have a single centralised solution (platform) for the full year. This platform ensures uniformity and consistency in campaigns, builds talent pools for specific target groups, and measures and visualises results. WhatsApp is also connected to the platform, allowing candidates to apply via this medium.
- A new assessment tool uses competency profiles (lenses). By selecting the right lens during a recruitment campaign, candidates' results are clearer and easier to interpret.
- For onboarding, we use a digital platform that ensures colleagues receive consistent information and a warm welcome.

TRAINING AND SKILLS DEVELOPMENT

Employees can explore our current offer of (multi-day) training courses, e-learning programmes and master classes on the digital platform 'Enexis learning'. They can register directly there. If a specific training course is not available, they can find and request a suitable course via the external platform Archipel. This platform also allows them to do self-assessments. Moreover, the Sustainable Employability Budget allows employees to follow any training they choose. In addition to our talent programmes, we offer specific leadership training (including leadership and intervision programmes) and resilience (internal career coaches, the vitality platform and the annual Energy Dialogue). Our 2024 management training programme won three awards at the Best Traineeship finals: Best Traineeship overall, an award in the Personal Branding category and Best Young Talent Manager.

In 2024, a new leadership programme was launched for Enexis' top 100 managers. Featuring 2 mandatory modules and 13 elective modules, this programme helps participants develop skills needed to tackle the challenges of the energy transition, such as results orientation, collaboration and agility.

Enexis will reimburse tuition costs for job or career-related training. Employees can use the Sustainable Employability Budget (SE budget) for training that does not fall under this scheme. This is an individual budget of EUR 500 gross per year. An employee can save up to EUR 1,500 for a maximum of three years.

DIVERSITY AND NON-DISCRIMINATION

Our Code of Conduct is essential for promoting diversity and tackling discrimination. It explicitly covers all grounds of discrimination, including race and ethnic origin, colour, gender, sexual orientation, gender identity, disability, age, religion, political opinion, national or social origin. In addition, the Code of Conduct addresses sexual harassment, aggression, bullying and violence, and explicitly refers to the Complaints Procedure for Sexual Harassment.

At Enexis, we are preparing for the European Pay Transparency Directive. This directive aims to promote equal pay for men and women for equal or equivalent work and to prohibit gender discrimination. To support this, we ensure that the recruitment process is conducted in a non-discriminatory manner. Employees are provided with insight into the criteria used to determine pay levels and trends, and they have the right to ask how their pay compares with that of colleagues in equivalent roles.

To promote 'An Enexis for everyone', we work with various network groups. Each network has a board and a community group where members share input and ideas. A well-functioning network makes a valuable contribution to our organisation's learning capacity. By sharing knowledge and encouraging new skills development, networks help strengthen internal relationships. They also help our organisation to innovate and grow. In addition to the 'ZIJ!' and 'Next' networks, 'Proud' and 'Connect' were launched in 2024 by a group of enthusiastic colleagues.

We promote diversity and inclusiveness through a diversity game that has been played in several teams. Employees can also participate in bias training to help identify and reduce bias. Together with Stedin, we have developed VR training. In addition, we conduct workshops and presentations to raise awareness of the policy and the related grievance mechanism, as well as raise awareness of a diverse and inclusive work environment and how to achieve it.

TARGETS FOR OWN WORKFORCE

HEALTH AND SAFETY

It goes without saying that we want to prevent accidents at work, both among our employees and our contractors. We continuously aim to create a safety-conscious environment. We align health and safety procedures with laws and regulations, improve safety culture and create a working environment where health and safety are a priority. We also increase employee involvement and responsibility in safety activities. Continuous evaluation and improvement of the system are essential to reduce risks and improve process effectiveness.

In such a safety-conscious environment, preventing work-related accidents is a natural goal, both among our own employees and contractors. The benchmarks and targets are set out in the Employee Key Figures section.

ATTRACTING TALENT

Enexis set the target of a gross increase of 365 FTEs in technical staff in 2024. We achieved this target: the gross increase was 375 FTEs. The net increase of 143 FTE was lower than the net target (≥ 200 FTE). This is because more colleagues took early retirement than expected. By 2025, we aim to achieve net growth of ≥154 FTEs.

TRAINING AND SKILLS DEVELOPMENT

One way we measure our positive impact is through the Employer Net Promoter Score (e-NPS). A high e-NPS means that many employees are also ambassadors for Enexis. The e-NPS score is a widely used method, where scores between +10 and +30 are considered good. The industry benchmark is +14. In the context of the great challenge we face and the consequent increasing pressure on employees, we consider +30 to be realistic and ambitious. With a score of +32, our e-NPS is slightly above our target of +30. With all the measures we are taking, our goal is to achieve a score of +40 by 2026.

DIVERSITY AND NON-DISCRIMINATION

Since 2023, we have been working with an annual plan to achieve diversity and inclusiveness targets. These include a gender balance KPI for all senior management positions by 2025 and a cultural diversity recruitment target.

Our gender target is closely linked to our broader goals of promoting equal opportunities and creating an inclusive working environment. Specifically, we aim to achieve a minimum gender ratio of 40% on the Executive Board and among directors, and 30% for other leadership roles. In the recruitment & selection process, we ensure that the longlist and shortlist include at least 50% women. the target value we have set for the sub-top and all other categories of executives ensure that we also encourage succession internally in order to achieve gender balance on the board of directors over time. We also want 10% of new employees from diverse cultural backgrounds. These targets apply to all business activities and run until 2030, with no specific baseline or base year. Starting in 2025, we intend to measure cultural diversity in new hires, but the methodology is still under development.

We analysed the targets and current status among fellow grid operators to establish these targets and held two meetings with the EB and one with the SB. Progress is being monitored via an internal diversity dashboard, which will also be reviewed quarterly with the SB.

KEY FIGURES EMPLOYEES

A full-time equivalent (FTE) or full-time employee works 40 hours a week; part-time employees have a contract for less than 40 hours a week, but not a zero-hours contract. On-call workers are those employed without a guaranteed minimum or fixed number of hours; this includes flex workers and those on zero-hours contracts. Gender is based on the employee's own declaration.

The total number and gender breakdown of employees is as follows:

Gender (# employees)	2024	2023
Male	4,635	4,299
Female	1,346	1,191
Other	-	-
Not reported	-	-
Total employees	**5,981**	**5,490**

The breakdown of the total number of persons employed by country is as follows:

Country (# employees)	2024	2023
The Netherlands	5,880	5,403
Belgium	71	59
Germany	30	28
Total employees	**5,981**	**5,490**

BREAKDOWN OF EMPLOYEES BY TYPE OF CONTRACT AND GENDER

The total number of employees by type of contract and by gender is as follows:

Number of employees, Year-end 2024	Male	Female	Other	Not reported	Total
Own employees	**4,635**	**1,346**	**-**	**-**	**5,981**
Permanent employees	4,009	1,161	-	-	5,170
Temporary employees	626	185	-	-	**811**
Non-guaranteed hours employees	-	-	-	-	**-**
Full-time employees	4,233	610	-	-	**4,843**
Part-time employees	402	736	-	-	**1,138**
Contractors	**1,261**	**334**	**-**	**10**	**1,605**
Temporary workers	34	35	-	-	**69**
Consultants	637	162	-	7	**806**
Call specialists	396	78	-	3	**477**
Fixed price[1]	194	59	-	-	**253**

1 Carrying out work in accordance with a preset price

The breakdown of employees by type of contract by country is as follows:

Number of employees, Year-end 2024	The Netherlands	Belgium	Germany	Total
Permanent employees	**5,085**	**57**	**28**	**5,170**
Temporary employees	**795**	**14**	**2**	**811**
Non-guaranteed hours employees	**-**	**-**	**-**	**-**
Full-time employees	4,759	60	24	**4,843**
Part-time employees	1,121	11	6	**1,138**

The total number of FTEs by type of contract and gender is as follows:

In FTEs, Year-end 2024	Male	Female	Other	Not reported	Total
Own employees	4,551	1,183	-	-	**5,734**
Permanent employees	3,955	1,019	-	-	**4,975**
Temporary employees	596	163	-	-	**759**
Non-guaranteed hours employees	-	-	-	-	**-**
Full-time employees	4233	610	-	-	**4,843**
Part-time employees	318	573			**891**

The number of FTEs is relevant to the disclosure of personnel expenses in note 4 to the consolidated financial statements.

EMPLOYEE TURNOVER

The average number of employees was determined by [the sum of the number of employees on 1 January and 31 December divided by two]. Employee turnover was calculated based on the number of employees who left Enexis Groep during the financial year (either through resignation, retirement or death during employment) divided by the average number of employees during the financial year.

The total employee turnover was as follows:

	in 2024
Number of employees who left Enexis	417
Average number of employees[1]	5,754
Employee turnover[2]	7%

1 Average number of employees calculation: the sum of the number of employees as at 1st of January and 31 December, devided by two.

2 Employee turnover calculation: the number of employees who left Enexis Groep voluntarily during the reporting period (due to dismissal, retirement or death in service), devided by the average number of employees in the reporting period.

DIVERSITY METRICS

At Enexis Groep, senior management means the lower management (N-1 positions). These are the positions (directors and managers) at a level directly below the Executive Board. The gender breakdown is as follows:

Gender diversity senior management[1] in number of employees	Year-end 2024	Percentage of total senior management
Male	13	54%
Female	11	46%
Other	0	0%
Not reported	0	0%
Total	**24**	**100%**

1 N-1 level (directors and managers one level below Executive Board).

For the diversity of the Board of Directors and the Supervisory Board, please refer to the explanation in GOV-1.
The breakdown of employees by age category is as follows:

Number of employees Year-end 2024	Male	Femal	Other	Not reported	Percentage of total number of emplyees
under 30 years	629	151	-	-	13%
from 30 - 50 years	2,315	667	-	-	50%
over 50 years	1,691	528	-	-	37%
Total	**4,635**	**1,346**	**-**	**-**	**100%**

TRAINING AND SKILLS DEVELOPMENT

As part of the Energy Dialogue, every internal employee discusses personal skills development and progress with their line manager once or more than once a year. For a breakdown of the number of internal employees by gender who have participated in the Energy Dialogue, see the table 'Breakdown of employees by type of contract and gender' in the section 'Key employee figures'.

Average number of hours of training	2024
Male	20
Female	9

The average number of training hours is calculated based on the number of employees (internal staff and contractors) employed throughout the year. To determine the average number of hours, an average time commitment per training course was first established based on our internal offerings. A total time commitment was then calculated for all training sessions (both internal and external). Long-term training courses were added separately.

HEALTH AND SAFETY

It goes without saying that we want to prevent accidents at work; every accident is one too many. We measure the effectiveness of our safety measures for internal employees and those of our contractors and other partners (workers in the value chain, see S2) by monitoring the number of lost time incidents and the Lost Time Injury Frequency (LTIF).

The LTIF reflects the number of incidents resulting in absence (at least 24 hours of complete absence, excluding fatal accidents while commuting) per 1 million hours worked. the method of calculating LTIF is the identical within the industry.

Accidents and LTIF[1]	2024	2023	2022	2021	2020	2019	2018
Accidents resulting in absence	12	6	18	11	7	10	12
Fatal accidents	-	-	-	-	-	-	-
LTIF Enexis	1.1	0.6	1.9	1.2	0.8	1.2	1.5

1 LTIF: the LTIF is the number of accidents resulting in absence per 1,000,000 hours worked.

In practice, the goal is always zero accidents. The number of accidents and reports of near misses are tracked daily. Our LTIF target for employees is <1. This year, it was not achieved. We had some serious incidents in 2024 and the LTIF safety rating has deteriorated from last year (1.1 compared to 0.6 in 2023). Although the figure is around our target for Enexis, we continue to improve safety.

In addition to incidents involving absence from work, we are also aware of incidents where an individual is temporarily assigned modified duties, and the absence does not exceed one working day or one shift. In such cases, the employee cannot perform his or her regular work but can carry out alternative tasks, thus remaining engaged. At Enexis, we aim to learn from all incidents to prevent future occurrences. Therefore, we report – and, if necessary – investigate every incident. This year, in addition to the LTIF, compliant to ESRS, we also report the number of "incidents resulting in restricted work or transfer to another job" which were 14. If these accidents were included the total number of incidents it will add up to 26 and the ratio of accidents per million hours worked,would be 2.4.

Safety is a core theme at Enexis. All internal employees (100%) are therefore covered by the safety management system. The HSEQ department analyses all safety reports and reports to the EB. The SB also discusses the reports regularly. In 2024, there were three reports of occupational diseases or related absences.

REMUNERATION

At Enexis, we believe it is important that everyone receives fair remuneration, regardless of gender. A collective bargaining agreement energy network company (CAO NWB) applies, thus all our employees receive an adequate wage. Based on our core value of inclusiveness, we go for equal opportunities as well as equal pay. Therefore, we took a thorough look at our own figures (reference date July 1, 2024) to see where we stand in terms of salary equality.

At Enexis, there is a 1% pay gap (in favor of men). Although arriving at exactly 100% equality is difficult, we believe every step is important. We therefore remain committed to a working environment in which everyone, at every level, is valued equally. Enexis now employs 22% women and 78% men. One of our goals is also to bring more balance to that. We realize that this is a long-term goal. That is why we are sector we are also working on a program and campaign to get more women interested in engineering. It also helps that we are a good employer for women in terms of remuneration.

Remuneration metrics	Year-end 2024
Pay gap between male and female employees[1]	1%
Ratio between the remuneration of the highest paid individual and the median	3.2

1 Gap between the average remuneration of female employees and male employees, as a percentage of the average remuneration of male employees.

INCIDENTS, COMPLAINTS AND SERIOUS IMPACTS ON HUMAN RIGHTS

	2024
Number of incidents of discrimination	2
Number of other incidents (incl. intimidation)	47
Formal complaints[1]	4
The total amount of fines, penalties, and compensation for damages in euro's	0

1 A complaint can also be an incident known by the confidant, but it doesn't necessarily have to be. Therfore a formal complaint can also be reported as an incident.

For reported incidents of ‘discrimination’ and ‘other incidents’, we record the individual's experience. If someone reports discrimination to the confidential advisors, this does not automatically mean that it is (legally) established discrimination. -

In 2024, there were no confirmed cases of forced labour, human trafficking or child labour, nor any related fines or sanctions.

S2 Workers in the value chain

To carry out our core tasks, we use the expertise and capacity of contractors and install components in the network. Enexis aims to comply with international human rights and labour standards. As a result of the energy transition, employees in our value chain may experience increased work pressure. This can lead to unsafe situations and health problems. Enexis aims to manage these risks and opportunities through targeted measures and cooperation in the sector.

In this report, we report on two value chains: first, the supplier chain, which includes workers of companies from which we buy components for our electricity and gas grid, such as cables, gas pipes and transformers. And second, the contractor chain, which includes the people we work with to build and maintain our grid. Currently, we have limited insight into the other value chains. In the coming years, we plan to map these additional chains (for example, other components, equipment and services). Where relevant, we will include them in future reports.

Our relationship with the two groups of workers is not identical. In the supply chain, we do not work directly with employees. In the contractor chain, however, there is close cooperation as Enexis employees and contractor employees carry out the same type of work. As far as health and safety are concerned, the interests and risks are the same.

For workers of suppliers and contractors, we see the following negative impact:

Social Material topic	Impact, risk or opportunity	Value chain ◆ Upstream ◆ Own operations ◆ Downstream	Time frame ◔ Short ◔ Medium ◕ Long
Working conditions Health and safety (components)	**Potential negative impact:** Lack of safety measures and/or awareness could lead to health risks and absenteeism among supply chain workers.	◆	◔
Working conditions Health and safety (contractors)	**Potential negative impact:** A lack of safety measures and/or awareness among contractors could lead to health risks and absenteeism among contractor employees.	◆	◔

ENERGY TRANSITION CREATES HEAVIER WORKLOAD

Due to the energy transition, our work package is growing, and we are forced to rely on the (timely) delivery of components and the use of contractors. We believe this is creating a heavier workload for our partners. This can lead to unsafe working conditions and stress-related health problems. This observation has not led to any changes in our strategy and business model, but it has led us to take action (see below).

We currently do not have sufficient understanding whether workers across the value chain are at risk of harm. We have carried out a study using industry data under the guidance of a specialist consultancy. This study found that the extraction of raw materials such as copper and aluminium carries a risk of negative impacts on workers, including human rights violations (including child, forced and bonded labour). We continue to monitor the potential effects and dependencies as part of our risk management and (sustainability) strategy. This is necessary in the context of responsible business and sustainable value creation.

WORKING ON HEALTH AND SAFETY

OUR POLICY

Our socially responsible procurement (SRP) policy addresses the health and safety of workers in the supply chain (see G1-2 for further explanation). This policy forms the basis for European tenders, and monitoring and discussing developments in this area is part of the work of contract managers at Enexis. All stakeholders have access to our SRP policy via our website; suppliers and partners are essential for the implementation of this policy.

In addition to the SRP policy, we have a code of conduct for suppliers. This code is incorporated into the general purchasing conditions or, when the purchasing conditions do not apply (for example, with European Tenders), it is provided as a separate document. In the latter case, the supplier must agree to its application. The code of conduct includes provisions for respecting human rights and labour rights. It requires suppliers to ensure that working conditions comply with all (supra)national laws, regulations and applicable collective labour agreements (CLAs). The code specifically addresses child labour but does not explicitly address human trafficking, forced labour or compulsory labour. In preparation for the implementation of the Corporate Sustainability Due Diligence Directive (CSDDD), we will amend the code of conduct accordingly in 2025. No cases of non-compliance with the code of conduct were reported in 2024.

We support the United Nations' Universal Declaration of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. Both the SRP policy and the code of conduct cover workers in the value chain and include elements consistent with the UN Guiding Principles on Human Rights and Business, the ILO Declaration and the OECD Guidelines for Multinational Enterprises.

CONSULTATION AND INTERACTION

We recognise the importance of consulting with workers in our value chain about the impact of our operations, but we do not currently have direct contact in this regard. We do interact in the following cases, however:

- Tendering processes with (potential) suppliers.
- Drafting new contracts and contract renewals (occasional, on average every 4-8 years). The focus during these discussions may include safety and working conditions.
- Regular structural consultations (ongoing). These operational and strategic discussions may also address safety and working conditions.
- Regular evaluations (periodic), such as reviews and discussions focused on compliance with contractual agreements and safety standards.
- Safety incidents (occasional). This involves communication with the relevant parties, with a focus on incident analysis and preventive measures.

Within our organisation, operational responsibility for carrying out these consultations lies with contract management for contractors, while Supply Chain Management, Asset Management and Procurement collectively manage them for grid components.

We do not yet have an overall formalised process for consulting with workers in the value chain and gaining specific insight into vulnerable workers. As part of the CSDDD, we aim to develop a method to assess and improve the effectiveness of interactions.

REMEDIATION PROCESSES

Our HSEQ department is informed about incidents and accidents involving employees of contractors and is involved in their resolution. Joint investigations are sometimes carried out. These processes are integrated into contract management discussions and our primary operations. HSEQ works with the contractor to address the situation, provide remediation and take measures to prevent recurrence. We regularly analyse (trends in) contractor incidents to ensure the effectiveness of these processes. We do not have specific remediation processes for employees of grid component suppliers beyond regular structural discussions with suppliers. This is expected to change with the introduction and further implementation of the CSDDD.

We do not currently have a dedicated complaints channel for supply chain workers. They can use our general complaint form on the website, but no one has done so to date. If a complaint is received, it will be forwarded to the Procurement department. In addition to the complaints channel, contractors' workers can voice their concerns or needs during daily interactions, such as workplace visits. We do not currently evaluate whether workers in the supply chain are aware of or trust the structures and processes to express their concerns or needs. Establishing a grievance remediation mechanism for supply chain workers will be part of implementing the CSDDD.

For safety incidents involving employees of contractors, we have put in place specific measures (see below) to report such incidents. We also have a whistleblower scheme, and the Whistleblower Protection Act applies in the Netherlands.

OUR MEASURES

As part of continuous improvement, we consider what measures are necessary and appropriate when there is a negative impact on employees in the value chain. Measures will depend on the severity of the effect. For employees of component suppliers, there are currently no measures in place to prevent adverse impacts other than general health and safety requirements. The situation is different for contractors' employees, including subcontractors, temporary workers, and self-employed workers. For them, we take measures based on safety provisions in laws and regulations, collective labour agreements and industry codes of practice. Examples of measures:

- Before hiring a contractor, we check their safety certification. Without this certification, we do not commission any work. We also process the expiry date in our systems. When a certificate expires, we are notified and contact the contractor.
- We only work with contractors who are at least level 3 on the safety ladder. This tool promotes safety awareness and measures conscious, safe behaviour in organisations.
- We promote voltage-free and gas-free working to reduce safety risks.
- We continuously analyse the risk of unsafe situations in the electricity and gas grid. We have a maintenance and replacement policy to minimise the risk of hazardous situations for contractor (and other) workers.

Safety has been a key issue in the sector for many years. Therefore, we have the necessary capacity in place (in the form of our HSEQ department) and do not expect to require significant investment in capacity expansion or collaboration with other parties in the short to medium term. Necessary measures to ensure or facilitate remediation will be taken on a case-by-case basis, depending on the severity of the incident. Across the sector, we take initiatives in the areas of health, workload and ergonomics.

OUR TARGETS

Every accident is one too many, and that includes our contractors. We measure the effectiveness of our safety measures for our own employees (see S1) and those of our contractors and other business partners by the number of serious incidents, the number of lost time accidents and the Lost Time Injury Frequency (LTIF). The methodology is the same in both cases. The LTIF reflects the number of incidents resulting in absence (at least 24 hours of complete absence, excluding fatal accidents while commuting) per million hours worked. HSEQ analyses all safety reports and reports to the EB. The SB also discusses the reports regularly.

Accidents and LTIF[1]	2024	2023	2022	2021	2020	2019	2018
Accidents resulting in absence	12	8	11	5	10	9	15
Fatal accidents	-	-	-	-	-	-	-
LTIF Contractors	2.2	1.7	3.0	1.2	2.6	2.6	4.5

1 LTIF: the LTIF is the number of accidents resulting in absence per 1,000,000 hours worked.

We compare our performance with that of other similar companies. Reported accidents and SAVE reports (near misses) are always investigated to identify lessons or improvements for ourselves and the contractor. Despite all measures, accidents can never be prevented entirely. Therefore, we have not formally set a target for the number of (fatal) accidents.

In practice, the target is always zero accidents, and the number of incidents and near-miss reports are tracked daily. Our LTIF target for contractors is <2, which is less than two lost time incidents per one million hours worked. We set this target independently, without consulting contractors. We did not meet our target by 2024. Our focus on safety will continue unabated in the coming years.

S3 Affected communities

Working on our energy grids can create harmful and/or dangerous situations. Our work, failing equipment or materials defects may pose serious safety risks for local residents, bystanders or other people in public places. Our safety policy addresses this extensively.

The distribution and handling of electrical power and pressurised natural and green gas also present safety risks to the surrounding area. In our safety policy, we distinguish between the safety of the area during the *operational phase* and safety after the work has been completed, the *management phase*. Our safety policy for employees and (sub)contractors further contributes to a safe public environment. More information can be found in 'S1 Our employees' and 'S2 Workers in the value chain'.

Social Material topic	Impact, risk or opportunity	Value chain ◆ Upstream ◆ Own operations ◆ Downstream	Time frame ◔ Short ◔ Medium ◔ Long
Communities' economic, social and cultural rights Public health and safety	**Potential negative impacts:** The business activities of Enexis or its subcontractors could lead to harmful and/or dangerous situations that affect public health and safety.	◆ ◆	◔

A SAFE ENERGY GRID FOR EVERYONE

Working on our energy grids can create harmful and/or dangerous situations. Our work, theft or failures in equipment or materials may pose serious safety risks for residents, bystanders or other people in public places. The negative impact can occur as a result of our own work but also in the value chain when (sub) contractors carry out work.

There is also a risk of harmful and/or dangerous situations in public spaces, even when we are not doing our work. Examples include vandalism, ageing cables or pipelines, and excavation work that damages cables or pipelines. These negative impacts are mainly confined to our own operations and are usually the result of isolated incidents. The incident register shows that there are no widespread or systematic impacts.

Working safely is a top priority at Enexis and an essential part of our strategy. By prioritising the safe practices of employees and contractors, we also enhance the safety of bystanders. Beyond this strategic focus, Enexis also has specific policies to ensure bystanders' safety.

POLICY: HOW WE KEEP PUBLIC SPACES SAFE

Safety is our top priority when carrying out our work. We take standard precautions to ensure the safety of bystanders. These are part of our operational policy.

OPERATIONAL PHASE

During the operational phase, we ensure that our people work safely see section 'S1 Our employees'. We also separate our work activities from public areas as deemed appropriate. This is done following the applicable laws and regulations. These laws and regulations include the correct use of barriers, safe covering of work sites and potholes in the road, and the installation of signage.

MANAGEMENT PHASE

During the management phase, we implement measures to ensure public safety in open spaces. Through regular maintenance in accordance with standards, laws and regulations, we monitor the grid and register (potentially) dangerous deviations or failures. If necessary, we take additional management measures such as extra maintenance, modifications and (preventive) replacement of components. For existing assets, we also take further measures to prevent the public from coming into direct contact with electricity and gas transmission risks. These include physical security measures, such as locks, fences and enclosures, and maintaining a minimum burial depth or covering cables and pipes.

The safety policy during the operational phase is the responsibility of the Health, Safety and Environment (HSE) department and Operations. The safety policy during the management phase is the responsibility of the Asset Management department. The policy covers all identified affected communities.

CONSULTATION WITH AFFECTED COMMUNITIES

We recognise the importance of consulting with residents and bystanders near our assets. Still, we do not maintain regular contact with these stakeholders about actual and potential impacts or the measures to mitigate them.

However, we communicate with nearby households before and during planned work. This communication aims to inform residents about our work in their neighbourhood. Residents can contact our customer service or the project's community enegagement manager for complaints, disruptions or incidents. This information is provided in the letter sent to residents. For details about the customer service process, see section 'S4 Consumers and end users'.

INCIDENT PREVENTION AND RESPONSE

We are committed to public safety in the distribution of gas and electricity. We measure the impact on public safety through the Public Safety Gas and Public Safety Electricity KPIs. Both consist of several components, with specific measurements for each component, compared against targets and threshold values. In addition to incidents involving bystanders, the KPIs also measure incidents causing damage to the public space. We only include incidents originating from our own assets or grid that affect the public. Incidents such as bystanders falling into a pit we have dug or injuries to people deliberately stealing or vandalising assets are outside the scope of these KPIs. Enexis keeps an incident register in which all incidents (for both gas and electricity) are recorded. The incident register forms the basis for the KPI. For gas, a national process agreed with regulator SodM (Staats toezicht op de Mijnen) whereby relevant gas incidents are reported by Enexis to SodM.

Our target for incidents with serious impact is zero. For incidents with a serious impact, the target is a maximum of two. For incidents with moderate or moderate impact, our target is a maximum of four. These are annual targets and therefore have no base year or baseline.The targets apply separately to gas and electricity (not the sum of both).

Since 2018, there have been no incidents with a severe or very severe impact. There was one incident in 2024. This was an incident with the lowest level of impact: 'moderate or considerable impact'. This is an incident requiring first aid or medical treatment, or damage to the surrounding area between € 10,000 and € 1 million. This particular incident only involved material damage. The definitions of the different categories are explained in the table below.

	Year-end 2024	
Public safety [1]	Gas	Electricity
Number of incidents with a moderate or considerable impact [2] ≤ 4	0	1
Number of incidents with a severe impact [3] ≤ 2	0	0
Number of incidents with a very severe impact [4] =0	0	0

1 The targets apply to Gas and Electricity separately (not to the total of both)

2 Moderate or considerable impact: Accidents requiring First Aid or treatment by medical staff (victim(s) among the public) or damage to the surrounding area amounting to between €10,000 and €1 million.

3 Severe impact: Accidents resulting in severe (permanent) injury (victim(s) among the public) or damage to the surrounding area amounting to between €1 million and €10 million.

4 Very severe impact: Accidents with one or several fatalties (victim(s) among the public) or damage to the surrounding area of at least €10 million.

EVALUATING AND REFINING POLICY

Enexis monitors incidents and any trends that emerge from them. When incidents or significant near-incidents occur, we evaluate whether an adjustment to the safety policy is necessary. If this is the case, we introduce additional measures into the policy.

REPORTING INCIDENTS AND COMPENSATING DAMAGES

If a bystander suffers damage or injury due to our activities, they can make a claim through our customer service department. In the case of personal injury and extensive and/or complex material damage, Enexis' liability and the amount of possible compensation will be determined together with a claims expert. Our Complaints & Claims department maintains contact with the affected person and coordinates further processing. We believe it is important that our technicians behave appropriately in incidents involving bystanders. We will launch a campaign in 2025 to raise awareness among our technicians. The campaign will emphasise the steps they should take in the event of an incident, such as providing first aid and informing bystanders that they can report (injuries) to our customer service.

S4 Consumers and end-users

Enexis' core task is to provide everyone with energy. The demand for electricity has risen sharply in recent years. Electric vehicles such as buses and trucks are gaining popularity; more households are opting for electric cooking and heat pumps; and factories are switching to electric production processes. In addition, the number of solar and wind parks is growing rapidly, and homeowners and businesses are installing solar panels on their roofs. Ambitious climate plans and rising energy prices are accelerating this process.

Unfortunately, (timely) **access to the grid** is no longer a given. We are faced with a saturated grid and insufficient labour capacity. The result is grid congestion, waiting lists and long lead times. In our service area, this is affecting households, small business customers (low-volume consumers) and large business customers (high-volume consumers).Communication with customers about connection times, grid congestion and waiting lists is becoming increasingly important.

In addition, Enexis identifies impacts related to grid **reliability** and energy **affordability**. These have also come under pressure due to the substantial increase in demand, while the availability of labour and materials is not improving, and prices are rising.

Social Material topic	Impact, risk or opportunity	Value chain Upstream Own operations Downstream	Time frame Short Medium Long
Information-related impacts for consumers and/or end-users Access to (quality) information	**Access to the grid** **Actual negative impact:** Uncertainty for our customers, end users and society arises when Enexis cannot provide a clear course of action. This can lead to delayed or postponed investments, jeopardising societal sustainability and the energy transition.	◆	◔
Social inclusion for consumers and end-users Access to products and services	**Reliability** **Potential negative impact:** Increased strain on our electricity grid increases the likelihood of major energy supply disruptions.	◆	◔
	Affordability **Actual negative impact:** An increase in grid tariffs, combined with other factors, could put pressure on our customers' disposable income.	◆	◔
	Access to the grid **Actual negative impact:** Large business customers face long delays in obtaining connections or transmission capacity, preventing them from starting up, expanding or transitioning to sustainable operations.	◆	◔
	Access to the grid **Actual negative impact:** Small customers have to wait longer for new connections or upgrades due to shortages of staff, materials or network capacity.	◆	◔
	Reliability **Actual positive impact:** Our customers can count on a reliable energy grid.	◆	◔

OUR CONSUMERS AND END USERS

Enexis has identified two main groups of affected stakeholders in the downstream value chain:

- Households and small business customers, or low-volume consumers with electricity connections up to and including 3x80 amperes and/or gas connections up to and including 40 m^3/h.
- Large business customers or high-volume consumers with electricity connections greater than 3x80 amperes and/or gas connections greater than 40 m^3/h.

The above groups essentially represent all customers in Enexis' service area. All these customers are entitled to access to energy and a reliable grid. Enexis is legally obliged to ensure the reliability of the grid. We are also obliged to provide a connection to anyone who requests one within the time limits set by the Dutch Authority for Consumers and Markets (ACM).

Although these groups include all our customers (customers with an electricity and/or gas connection), our grid access impacts are mainly on the electricity grid. Our impacts on reliability and affordability apply to both the electricity and gas grid.

OUR IMPACT: ACCESS TO THE GRID

IMPACT ON HIGH-VOLUME CONSUMERS: GRID CONGESTION, WAITING LISTS AND CONNECTION TIMELINES

Our customers' demand for and supply of electricity has grown immensely due to the energy transition. Businesses and households want to switch more quickly to renewable energy. As a result of the increased demand and supply of electricity, the grid is 'saturated' in many places; we call this grid congestion. In congested areas, large business customers seeking (additional) transmission capacity are placed on a waiting list. We expect such waiting lists to persist in the coming years. This can prevent companies from starting up, expanding or electrifying their operations. Plans for renewable energy generation are also being delayed. We are aware that this is having a significant impact on businesses and society.

Most of our service area is experiencing grid congestion, and the impact on our customers is widespread.

The situation on the electricity grid has led grid operators to call for more realistic connection timelines for high-volume consumers. In 2024, large electricity connections were still subject to a maximum connection period of 18 weeks based on the 1998 Electricity Act. Following the ruling by the Court of Justice of the European Union in 2021, the ACM started a process to establish reasonable connection timelines. Grid operators played an active role in this, alongside market parties representing business customers. In April 2024, the ACM published an amendment to the code for high-volume consumer connection timelines. This new code has been in force since 1 January 2025 and is based on predictable timelines for the customer and realistic timelines for the grid operator. For high-volume consumers, the timelines are 26 weeks, 52 weeks or project-specific timelines, depending on the complexity of the project, with additional weeks for regional dynamic waiting times. There is also an exception for congested areas. Here, the connection timelines are linked to the amount of time needed to resolve the congestion.

IMPACT ON HIGH-VOLUME CONSUMERS: OPTIONS FOR ACTION

Customers and stakeholders are seeking clarity to achieve their own goals. However, we cannot always provide the transparency they demand. The planning and implementation of grid investments are uncertain due, among other things, to long lead times and dependence on the national grid operator. This creates uncertainty for our high-volume customers. They do not know where they stand, when they will receive transmission capacity or what other solutions might be available. This uncertainty can cause companies to postpone or cancel investments, jeopardising the sustainability of society, economic growth and the energy transition.

IMPACT ON LOW-VOLUME CONSUMERS: CONNECTION TIMELINES AND WAITING TIME

Households are also increasingly suffering from the effects of the congested power grid. Their demand for electricity is growing rapidly, as is electricity feed-in due to their use of solar panels. As a result, pressure on the electricity grid in residential areas is rising sharply, and grid reinforcement or expansion is increasingly required before a household can get the new or heavier connection it wants. The increased volume of work, combined with limited labour availability, also means that households sometimes have to wait longer for a connection or upgrade.

Until the summer of 2024, small electricity connections were subject to a maximum connection period of 12, 18 or 52 weeks, depending on the specifics of the application. In June 2024, these periods were abolished by the Trade and Industry Appeals Tribunal. Therefore, it is currently unclear what the applicable connection period is for low-volume consumers.

OUR IMPACT: RELIABLE ENERGY GRID

Grid congestion can also lead to a potential increase in electricity supply interruptions, which has a negative impact on our customers. These energy supply interruptions can have a significant impact on societal security. Despite these challenges, Enexis ensures the reliability of the grid for more than three million customers. Our stable electricity supply ensures that households and businesses can continue to use essential services without disruption. This contributes to people's quality of life and sustains economic activity. Moreover, confidence in our infrastructure provides a sense of security in daily life. A reliable grid has a broad and positive impact on our customers and society. In contrast, negative impacts related to reliability are rare and isolated.

TRANSLATING OUR IMPACTS INTO STRATEGY

To meet growing customer demand and maintain the reliability of our grid, Enexis focuses on implementing the energy transition. This results in the following key strategic objectives: we ensure that everyone has access to energy at all times and customers know what to expect from us. We are working towards an energy infrastructure that is accessible and safe for all, while maintaining a high level of supply security. We also provide clear, predictable and efficient support to customers and market participants.

For a more detailed explanation of our strategy and business model, see the '**Strategy chapter**'.

GRID ACCESS POLICY

As described above, we do not always manage to connect customers within the deadlines set by the ACM and to provide them with the desired transmission capacity. In this situation, Enexis has a policy regarding waiting lists and prioritising grid extensions and customers on the waiting list. Our policy aligns with the legal framework and the guidelines of the ACM.

WAITING LISTS AND CONGESTION MANAGEMENT

To meet customer demand for electricity consumption and/or feed-in, the grid needs to be reinforced. Until this reinforcement is complete, we cannot allocate (additional) transmission capacity. When we identify congestion on the grid, we formally notify the ACM. We then carry out congestion studies. In the event of congestion, customer requests for transmission capacity from high-volume consumers are placed on a waiting list. As transmission capacity becomes available, it is offered to these customers in the waiting list order.

In addition, we use congestion management measures and flex products to encourage customers to adopt flexibility in their electricity consumption and/or feed-in, either voluntarily or, in some cases, compulsorily. Through contractual agreements, these customers adjust their consumption during peak periods to prevent overloading. With these so-called flex contracts, we reduce peak loads while allowing customers to buy or sell electricity at off-peak periods (see also the section on 'Making more efficient use of the grid').

WAITING LIST PRIORITISATION

From 1 October 2024, based on the ACM's social prioritisation framework, Enexis may give priority to specific customers in congested areas when scarce transmission capacity becomes available. Customers who believe they qualify for social priority have been able to apply to Enexis since 1 October 2024. To request priority, they must provide evidence in accordance with the guidelines outlined by the ACM in the code decision. Enexis evaluates these requests against the established guidelines and determines whether the customer's request qualifies as a priority. The customer is always informed of the decision. If priority is granted, the customer's transmission request is given a new, prioritised position on the waiting list. As a result, these customers gain access to a newly available transmission capacity earlier than those without a prioritised transmission request. Currently, the social prioritisation framework only applies to high-volume consumers.

Prioritisation therefore allows certain high-volume consumers to receive transmission capacity earlier and limits the negative impact on Enexis of not being able to offer transmission capacity to these customers. We recognise that this may negatively impact other customers, as it may result in longer wait times and increased uncertainty.

PROGRAMMING AND PRIORITISING GRID EXPANSIONS

As we rebuild the energy system, we are approaching the limits of our implementation capacity and available space. We need to choose where and when to start if we are to accelerate the development of the energy infrastructure we need. Societal developments take precedence, which is why we have adopted a new collaborative approach with various stakeholders, including the government, provinces, municipalities and market players. The aim is to create the best possible infrastructure for society by 2030. This will allow us to better deal with grid congestion and also to prevent future congestion. This collaborative process resulted in the pMIEK (Provincial Multi-Year Program for Infrastructure, Energy, and Climate). The pMIEK identifies spatial developments with high social priority and the necessary energy infrastructure. Where necessary, these investments are prioritised in planning and implementation. We incorporate the prioritisation in the pMIEK into the prioritisation of the investment portfolio when preparing the investment plan.

POLICY FOR A RELIABLE ENERGY GRID

The increased load on our grid has led to a growing probability of major interruptions. To prevent this, Enexis implements a robust maintenance and replacement policy. We maintain a stock of replacement equipment, including components for high-voltage, medium-voltage and low-voltage substations, for rapid deployment in emergency situations. We analyse major(er) outages to identify possible areas of improvement to improve our reliability performance and conduct regular crisis drills.

The rapid growth of solar panels on homes is also overloading our low-voltage (LV) networks, resulting in more frequent outages. In response, we have strengthened our policy on this. When LV grids fail due to generator overload, we install heavier LV fuses or medium-voltage (MV)/LV transformers wherever feasible. If these solutions are not possible, the incident management team may opt to increase the voltage in the LV grid. This ensures that customers' inverters to trip earlier, preventing further overloading and failure of the LV grid.

CONTACT WITH OUR CUSTOMERS

As a grid operator, we do not directly incorporate customers' views in our decision-making processes. Instead, we base our grid investments and customer connections on two main principles. First, we make risk assessments of the future load on the grid and the technical condition of the grid, as described in our investment plans. Second, we take into account our legal obligations, including connecting customers and resolving outages.

Customers with questions, complaints or concerns can contact our customer service team. This can be done through several channels: telephone, email, mail, chat or social media. Some of our high-volume customers with a connection can also contact the relationship manager. However, these customers should also contact our customer service department for formal complaints or claims.

For customers with specific requests for a connection and/or transmission capacity, we provide tailored information about their personal situation. If a connection with transmission capacity is feasible, we discuss the timeframe for achieving this and whether it fits into the customer's schedule.

INFORMATION ABOUT GRID CONGESTION

In the event of congestion, we inform customers about the situation. For high-volume consumers, this means that the requested transmission capacity cannot be provided immediately, and the customer will be placed on a waiting list. While Enexis cannot always offer an immediate solution in cases of congestion, we emphasise clear and transparent communication. We provide information about congestion through campaigns, media reports and our website. In customer communications, we explicitly address increasing congestion, extended connection timelines, the (in)direct impact on customers and possible alternatives. We also produce a monthly congestion newsletter specifically for our high-volume customers.

CUSTOMER SURVEYS

We measure the effectiveness of our communications and any solutions provided through various customer surveys. For structural processes in Customer Service and Production, for example, we have structural customer satisfaction surveys. We invite every customer who goes through one of these processes, both consumer and business, to participate. We also conduct structural customer surveys via the website and customer portals. We use the information from these surveys to improve our customer interaction, processes and information provision. We also use qualitative and quantitative customer research to improve our understanding of specific issues. For example, in 2024 we examined our high-volume customers' awareness of network congestion.

The customer satisfaction survey also assesses whether customers trust our complaints mechanism to effectively communicate their concerns or needs and find solutions. We do not evaluate the extent to which our customers are aware of our complaints procedures.

MEASURES: ACCESS TO THE GRID

To mitigate our negative impacts on network access, we focus on:

- expanding our grid;
- more efficient use of available transmission capacity; and
- transparent communication with our customers.

EXPANDING OUR GRID

The primary solution for grid congestion is to expand the grid. We are working hard to achieve this. We are investing heavily in increasing our network capacity. In November, we presented the 2024 investment plan. The plan shows where we will be working over the next 10 years. We gathered input from stakeholders such as provinces, municipalities and market players to develop the plan. For the first time, we included priority projects proposed by the provinces through the pMIEKs (see also the section 'Programming and prioritising network expansion'). In addition, we are coordinating the expansions with TenneT so our substations are ready as soon as TenneT completes its own expansions, allowing us to offer transmission capacity to our customers immediately.

We will spend more than € 3 billion between 2024 and 2026 on expanding our electricity grids. In addition, over the next 10 years we will invest nearly € 2 billion in the expansion of HV/MV substations. This includes upgrading all of Enexis' 125+ HV/MV substations and building dozens of new HV/MV stations.The substantial costs associated with grid expansion are reflected in 'note 12 Property, plant and equipment' and note 6 'Cost of subcontracted work, materials and other external costs' of the consolidated financial statements.

Planned expansion

To accelerate the expansion of our grid, we are also taking steps to increase production. We are setting up production lines for the planned expansion of our LV and MV grids, training staff together with contractors, accelerating land issues, reallocating contractor capacity, automating the production process and developing innovative solutions.

MAKING MORE EFFICIENT USE OF TRANSMISSION CAPACITY

We are committed to using the current grid as efficiently as possible. This applies to both the feed-in and consumption of electricity.

First, we approach high-volume customers as part of congestion management. We ask them to be more flexible with their consumption and to reduce the load on the grid at peak times. To support this, we enter into specific contracts with these customers, who receive compensation in return. In areas where a sufficient number of existing customers are willing to adopt flexible consumption, we can connect additional low-volume and high-volume customers. So far, an insufficient number of customers have shown a willingness to be flexible. We continue to explore ways of making congestion management more appealing and easier for high-volume customers.

Second, we offer customers alternative (flex) products such as ZonBalans and Blokstroom. These allow new high-volume customers to use the grid outside peak periods. The availability of ZonBalans and Blokstroom is limited, however. We have introduced these two products and offered them specifically to customers on the waiting list. For many customers, the current offerings do not fully meet their needs. We are therefore developing, within technical constraints, new flexible products that better align with our customers' needs.

COMMUNICATING TRANSPARENTLY WITH CUSTOMERS

Transparent communication is important to raise customer awareness of the potential impacts of the entire electricity grid. In 2024, we launched campaigns for both low-volume and high-volume consumers. With the 'Full of energy' campaign, we inform low-volume consumers about the challenges facing the electricity grid. The 'My power grid, your power grid' campaign for high-volume consumers was launched in October 2024. This campaign revolves around the questions: What is Enexis doing to tackle grid congestion? What can companies do themselves, and what can we do together? Both campaigns will be further developed based on outreach and customer feedback.

We want to inform customers as clearly as possible about developments, waiting lists and opportunities. National capacity maps were made available online with Netbeheer Nederland, TenneT, and the other regional grid operators. Enexis introduced similar maps in 2023, but Netbeheer Nederland's new capacity maps have replaced these. These maps provide insight into the available and required transmission capacity, the number of requests and capacity on the waiting list, and planned grid expansions. The capacity maps for electricity consumption and/or feed-in to regional grid can be accesed **here**.

In addition to the national capacity maps, we provide high-volume customers with a monthly congestion update. The update includes information on newly identified congestion, congestion studies and energy releases. We also send a quarterly newsletter to all business customers who have subscribed to it. In 2024, we held special customer days for high-volume consumers, allowing them to ask questions directly. We also communicate with them through employer and industry associations.

MEASURES: RELIABLE ENERGY GRID

To mitigate the potential adverse effects of large and frequent interruptions and to maximise the positive effects of a reliable energy grid, we are also focusing on expanding our grid and making more efficient use of the current one (see sections on 'Expanding our grid' and 'Making more efficient use of transmission capacity'). We also have an effective maintenance policy.

GRID MAINTENANCE

As well as expanding our grid, we continue to invest in maintaining and improving the reliability of our existing infrastructure. This includes replacing obsolete components, regular maintenance to prevent breakdowns, and rapid and effective fault repair. For example, we have extensive replacement programmes in place until 2030 to ensure the safety of the gas grid. Similarly, components in the electricity grid are regularly replaced to maintain safety and reliability. The table below shows the total investments Enexis expects to allocate to grid expansion and maintenance over three years:

€ Million		2024	2025	2026
Maintenance	Requested	490	477	511
	Potential	490	477	511
Expansion	Requested	1,120	1,242	1,326
	Potential	842	1,009	1,186
Other	Requested	93	89	93
	Potential	93	89	93

In addition to potential investments, the table also shows the required investments for which there is insufficient implementation capacity. The table shows that the investments needed to maintain the existing grid are all feasible, but those required to expand the grid are unfortunately not. Congestion management and other forms of flexibility could help to meet some of the customer demand (see also section 'Making more efficient use of transmission capacity').

We use KPIs to monitor the effectiveness of the above measures for grid access and a reliable energy network. See the following section on metrics and targets for more details.

METRICS AND TARGETS: ACCESS TO THE GRID

KPI	Target 2024	Realisation 2024	Target 2025	Target 2026
Date of standard connection in accordance with Code	≥ 65%	**67%**	-	-
Satisfaction with execution date Low volume customers[1]	-	**-**	≥ 65%	-
Connection term High volume customers in accordance with requested date[1]	-	**-**	≥ 65%	-
Adherence to plan[1]	-	**-**	≥ 80%	-
Technical realised grid capacity	≥ 2.000 MVA	**1,920 MVA**	≥ 1,200 MVA	Annual ≥ 1,000 MVA
Created grid capacity by Flex	≥ 500 MW	**498 MW**	≥ 500 MW	-

1 KPI's will be reported on from 1 January 2025

Our policy and measures aim to provide as many customers as possible with a connection or upgrade as quickly as possible – or at least within the time frame set by the ACM – ensuring we fulfil our legal responsibilities. Unfortunately, we do not always succeed with all connections or upgrades.

CONNECTION TIMELINES FOR LOW-VOLUME CUSTOMERS

In 2024, we set a target to complete standard connections (SC) within the ACM deadline in 65% of cases. We achieved this for 68% of customers. From January 2025, our KPI for low-volume customers (LV) will be adjusted to 'Satisfaction with execution date low volume customers'. Our target for this KPI will also be 65% in 2025. This means that we aim to complete the connection for 65% of LV connections to the customer's satisfaction.

The grid code for connection conditions for low-volume consumers adopted in June 2023 was overturned by the CBb in September 2024. This decision followed an appeal by grid operators because the grid code did not account for network congestion. As a result, it is currently unclear which connection timelines will apply to low-volume consumers. The ACM will have to adopt a new code in the near future. The impact on our 2025 targets is yet to be determined.

CONNECTION TIMELINES FOR HIGH-VOLUME CONSUMERS

From January 2025, a KPI will apply to high-volume (HV) customers to measure the timeliness of completing HV connections relative to the customer's desired date. In 2025, we will mainly complete connections that fall under the old legislation on connection timelines, and the definition of the KPI for 2025 has been adjusted accordingly.

From 2025, the target HV KPI is 65%. This means that we aim to connect 65% of customers according to their desired date. The targets have been designed to connect as many customers as possible on time, respond to customers who deliberately wish to be connected later than the legal deadline and prioritise the best use of available implementation capacity.

Large consumers in congested areas faced transmission capacity waiting lists during 2024. Currently, 4,845 high-volume customers are on the waiting list for consumption and 4,181 for electricity feed-in. This represents a total requested capacity of 6,003 MW, of which 3,650 MW is consumption capacity and 2,353 MW is the capacity resulting from electricity feed-in. There are a total of 8,545 individual applications on the waiting list. This is an increase of 3,358 customers and 2,279 MW capacity compared to 2023. Despite the growth in the waiting list, we were able to help 49 customers on the waiting list for electricity feed-in by releasing transmission capacity. In addition to an offer of transmission capacity without conditions, the larger customers on the waiting list (mostly > 1 MW) were approached for an offer of capacity with conditions through other contracts. In 2024, we completed contracts with 99 customers for 93.9 MW of capacity through Capacity Restriction Contracts, Bid Obligation Contracts, Blokstroom and ZonBalans.

After social prioritisation, we received 503 priority requests in 2024. Of these, 207 were congestion relief requests and 296 were in the security and basic needs category. From the safety and basic needs category, 163 customers were prioritised on the waiting list. These included primary schools, water authorities and police stations. None of these priority customers actually received capacity in 2024.

TRANSPARENCY TOWARDS CUSTOMERS

In 2024, we considered how to inform high-volume customers on the waiting list better about when it will be their turn. Capacity maps provide insight, but customers cannot always entirely rely on our planning. That is why, starting in 2025, we will introduce a new KPI: Adherence to plan. This KPI will measure how effectively we follow through on our investment plan for grid expansion. Our goal is to achieve 80% plan stability by 2025.

GRID EXPANSION

Expanding our grid is a key measure to address grid congestion. We measure this expansion, among other things, by the technical realised grid capacity. This consists of newly installed high/medium-voltage transformers, regardless of whether TenneT connected them. We do not deduct the replacement of old transformers from this metric. Enexis set a target to add at least 2,000 MVA of technical grid capacity by 2024 and at least 1,200 MVA by 2025. From 2026, this target is set at 1,000 MVA. The goals for 2024 and 2025 are set based on the planned expansions of HS/MS stations in those years. The goal for 2026 is determined based on the 5-year strategy for 2022-2026, which was established in 2022. By the end of 2024, we had reinforced nearly all of our substations and needed new sites to build on. Finding these new sites takes time and delays our grid expansion capacity. Unfortunately, this means our expansion targets for 2025 and 2026 are lower than in 2024.

In 2024, we built 1,920 MVA of grid capacity. The technical realised grid capacity was close to our target of 2,000 MVA. Enexis depends partly on the preparatory work required from TenneT to plan the work. Enexis and TenneT coordinate their schedules as closely as possible. However, mutual dependencies may still cause delays in the realisation of grid capacity over time.

MAKING MORE EFFICIENT USE OF THE GRID

We monitor how efficiently the grid is used with the KPI 'Created grid capacity by Flex'. Realisation occurs, among other things, through the conclusion of Flex contracts with restrictive conditions and the use of our grid's reserve capacity. Reserve capacity is utilised by using the 'escape lane' of the grid (i.e. the outage reserve) and by loading our assets more heavily than prescribed. By utilising the grid more intensively, we aim to extract an additional 500 MW of capacity from the existing grid. The 2024 and 2025 targets are established based on an estimate of the yet-to-be-developed flex capacity per HS/MS station.

By 2024, we achieved an additional 498 MW through grid usage and Flex. Although customers are increasingly aware that they can still obtain transmission capacity or contribute to resolving grid congestion using Flex contracts, we have narrowly missed our target of > 500 MW for 2024. On the one hand, this is due to the limited grid capacity that has become available to customers under these conditions. On the other hand, customers do not want to sign up because the flexible contracts do not sufficiently match their needs and capabilities.

All grid access targets and metrics are annual targets. No baseline or base year applies. The affected stakeholders are not involved in setting or monitoring targets or identifying improvements.

REALISTIC EXPECTATIONS

Despite all the measures and targets to connect customers on time, expand the grid as quickly as possible and use grid capacity as efficiently as possible, this will not help high-volume customers on the waiting list in the short term. They will experience the negative impact of grid congestion in the coming years. If the organic growth of our low-volume and high-volume customers is greater than expected, and they do not take steps to reduce their consumption or become more flexible, this could affect customers on the waiting list. Even if our grid investments are delivered as planned, they may not be sufficient to provide all customers on the waiting list with the transmission capacity they require. We are also heavily dependent on TenneT to release transmission capacity. In addition to using flexible solutions and adjusting their electricity consumption, customers will need to consider the energy mix they use in the short term, the timing of their move to electrification and the most appropriate energy mix in the longer term.

METRICS AND TARGETS: RELIABLE ENERGY GRID

KPI	Target 2024	**Realisation 2024**	Target 2025	Target 2026
Annual outage time	≤ 17.5 min	**22.5 min**	≤ 23 min	≤ 23 min

Our grid's reliability is monitored by the annual outage time (AOT). We calculate the AOT for Enexis Groep as a whole. The AOT is determined by the results of unforeseen interruptions (failures). It represents the average number of minutes (electricity) or seconds (gas) that customers are without energy supply in a calendar year.

For electricity AOT, the calculation is as follows: for each interruption, the product of the number of connected customers affected and the duration of the interruption in minutes, totalled across all interruptions and divided by the total number of connected customers in the relevant grid area for the year. The number of connected customers is adjusted and evaluated annually by Krado.

For gas AOT, the calculation is as follows: for each interruption, the product of the number of connected customers affected and the duration of the interruption in seconds, totalled across all interruptions and divided by the total number of connected customers in the year. The number of connected customers is adjusted and evaluated annually by Kiwa.

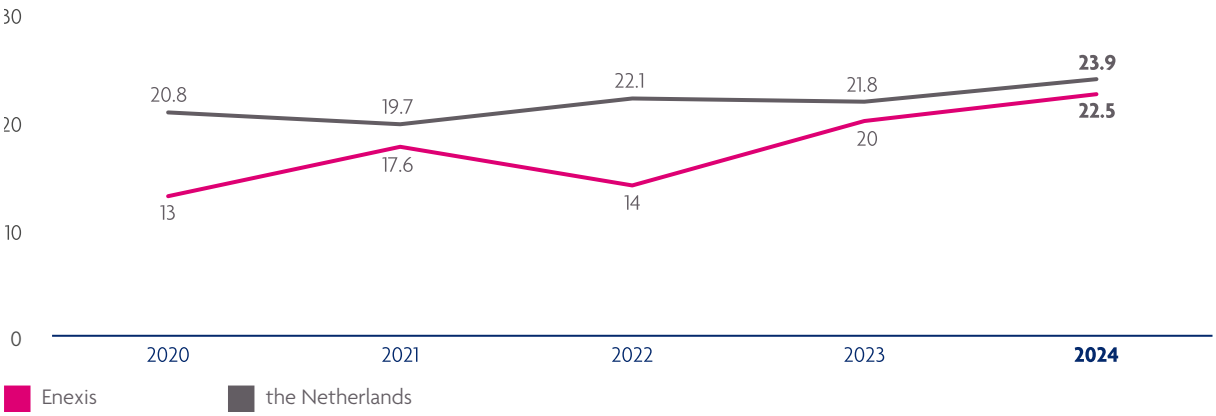
For electricity AOT, we aim for customers to be without electricity for an average of less than 23 minutes per year. There is no baseline or base year. Enexis' AOT target has been increased to 23 minutes for 2025 and 2026. This is because the current target is no longer realistic, given the increased load on our grid. Especially in the LV grid, the increase in renewable generation during the summer months leads to many outages due to overload. More prolonged outages due to congestion will also become more frequent on the MV network.

We monitored the AOT against our target from the previous year but also against the national average. In addition to our absolute target, we want to stay below the national average. We do not have a specific target for gas AOT, but we monitor the outage time in seconds compared to previous years and take action if warranted.

Outage duration	Electricity (in minutes)	Gas (in seconds)
Groningen/Drenthe	24.2	68.0
Overijssel	15.8	46.9
Noord-Brabant Oost	28.4	53.6
Noord-Brabant West	19.7	39.6
Limburg	20.2	72.9
High voltage[1]	0.5	-
Average	**22.5**	**55.8**

1 Unable to allocate geographically.

Electricity outage time compared to the national average



Our customers can continue to rely on a reliable energy grid. However, the average annual outage duration of 22.5 minutes was higher than the target of 17.5 minutes. This is partly due to several outages of long duration and high water levels in the spring, which led to failures in the MV grid. The gas supply was interrupted for 56 seconds in 2024 (2023: 137 seconds). This is mainly due to a limited number of major failures. The gas network is very reliable; in relative terms, annual outage duration does fluctuate widely.

AFFORDABILITY OF THE ENERGY GRID

Enexis operates in a regulated market. The maximum tariffs are set annually by the ACM. All grid customers (households and businesses) share the costs incurred by grid operators through transmission tariffs. Our work in the energy transition, the increased costs of purchasing transmission capacity from the national grid operator TenneT, and rising prices are driving the tariffs for our customers to become increasingly high.

Enexis estimates that the number of users of the gas network will decrease until 2050 due to the energy transition. Enexis will need to incur costs to remove these gas connections. These costs could amount to hundreds of millions of euros for Enexis until 2050. The removal costs are borne by society, as Enexis, based on tariff regulation, will be reimbursed for these costs through the tariffs. These removal costs are expected to contribute to a further increase in tariffs for our customers.

POLICY AND MEASURES

In everything we do, we are mindful of the need to spend our money wisely. This is part of our public duty and helps to keep energy affordable for everyone. That is why we make optimal choices and work efficiently and effectively.

For example, we implement best practices at our sites, such as smarter use of technology and IT, and we encourage our different sites to learn from each other. We also control our costs by monitoring our spending. We prepare annual budgets that require approval from the EB and SB, and we report on progress quarterly.

METRICS AND TARGETS

KPI	Target 2024	**Realisation 2024**	Target 2025
Controllable costs and revenues	≤ € 731 mln	**€ 779 mln**	≤ € 871 mln

We monitor cost control through the CCR (controllable costs and revenue). The CCR consists of the sum of Enexis Netbeheer's controllable costs and revenues, including staff departments. Each year, we set a target for the CCR. The target for 2024 was to limit costs to € 731 million. No baseline or base year applies.

In 2024, controllable costs exceeded our target by € 48 million. The growth of our work package and the associated development of the organisation have resulted in higher costs, while the scarcity of materials and services has driven up prices. By working efficiently, we can do more for our customers and limit our cost increases as much as possible. This helps to keep the energy supply as affordable as possible.

G1 Business conduct

BUSINESS CONDUCT

We believe that ethical business conduct is a fundamental part of sustainable business. Integrity, transparency and social responsibility are at the heart of everything we do. Through training, internal communication, and role models, we encourage our employees to embrace and promote our core values.

Within the business conduct topics, we identify the following impacts, risks and opportunities:

Governance Material topic	Impact, risk or opportunity	Value chain ◆ Upstream ◆ Own operations ◆ Downstream	Time frame ◔ Short ◔ Medium ◔ Long
Management of relationships with suppliers, incl. payment practices	**Actual positive impact:** To support the financial stability of its suppliers, including small and medium-sized enterprises, Enexis has a policy of paying for delivered goods and services within 30 days.	◆ ◆	◔
Corruption and bribery Prevention and detection, including training	**Potential negative impact:** Bribery of employees (e.g. by criminal organisations or in procurement processes) undermines public confidence in Enexis' independent position.	◆ ◆ ◆	◔
	Potential negative impact: Internal pressure on employees to prioritise customers on waiting lists, followed by external pressure/bribery/conflicts of interest, has negative consequences for employees as well as for society's loss of trust in Enexis' independent position.	◆ ◆ ◆	◔
	Potential risk: Bribery may result in limited access to financial resources from investors due to reputational damage.	◆ ◆ ◆	◔

Governance Material topic	Impact, risk or opportunity	Value chain Upstream Own operations Downstream	Time frame Short Medium Long
Political engagement and lobbying activities	**Potential positive impact:** Enexis works to achieve societal goals and needs the right (legal) resources to do so. By influencing new policies, laws and regulations at an early stage, Enexis can ensure that they fit well with the practical needs of a grid operator. In this way, we ensure that social value is optimised.	◆ ◆ ◆	◔
	Potential risk: Due to the political-administrative climate with many changing majorities, policy changes or amendments to laws and regulations may be delayed or change direction. As grid operators have to plan their investments well in advance, policy changes/laws and regulations may be delayed or become inappropriate. In the latter case, there is a potential risk of impairment.	◆ ◆ ◆	◔
	Potential opportunity: A strong and continuous dialogue with policymakers and stakeholders is essential. The better Enexis aligns laws and policies with the practical needs of a grid operator, the more effectively it can fulfil its role - to develop, manage and maintain energy infrastructure efficiently and at the lowest cost to society.	◆ ◆ ◆	◔
Data security	**Potential negative impact:** As a result of inadequate information security, unauthorised persons could gain access to Enexis' systems and customer and employee data, resulting in negative consequences for Enexis, its employees and customers due to misuse of systems and data.	◆ ◆	◔
	Potential negative impact: Inadequate information security could allow unauthorised persons to access the energy infrastructure and potentially disrupt or damage it. This could result in temporary loss of data and/or energy for Enexis and its customers.	◆ ◆	◔
	Potential risk: Unauthorised system access and data breaches could result in high ransomware costs, fines from authorities, customer claims for damages and reputational damage, which could hinder access to capital markets.	◆ ◆	◔

POLICY FOR BUSINESS CONDUCT AND CORPORATE CULTURE

Our policy for business conduct and corporate culture focuses on transparency, ethical behaviour, accountability and collaboration. The corporate culture is anchored in the Code of Conduct and core values such as safety, reliability and sustainability. Training, internal communications, and role models within the company consistently emphasise these core values. We believe it is important that employees not only embrace our core values but also promote them. This requires leadership. We believe that everyone has leadership potential, regardless of their job title, and we aim to inspire and motivate employees to demonstrate their personal leadership.

To maintain a dynamic corporate culture, we regularly organise workshops and team days, and employees can provide feedback through internal platforms. We also conduct annual employee satisfaction surveys and culture assessments. If necessary, we adjust our policies based on the outcomes. This process helps to promote and safeguard a culture of integrity and social responsibility. For reporting any violations, Enexis has a complaints procedure, confidential officers and whistleblower regulations.

The Executive Board (EB) and Supervisory Board (SB) play an important role in promoting good business conduct. More information on governance is provided in the paragraph 'General disclosures'.

MANAGING SUPPLIER RELATIONSHIPS AND PAYMENT PRACTICES

We purchase our goods and services mainly from suppliers in the Netherlands, France, Spain, Poland, Croatia, Slovenia and Turkey. We are bound by the Procurement Act 2012 and the Proportionality Guide. Our procurement policy is based on these regulations and applies, in principle, to all works, services and supplies. The policy specifies the procedures based on threshold amounts and provides guidance on transparency, equal treatment, and proportionality. For components with the greatest material and environmental impact – such as pipes, cables and transformers – we have set targets for the percentage of the product that is produced circularly.

Suppliers who work with us commit to our Supplier Code of Conduct and comply with applicable laws and regulations. The code of conduct outlines our principles on people, the environment, integrity and the execution of assignments. We have also included the right to conduct an audit (or have one conducted) on these topics. Suppliers agree to cooperate fully in this respect. We did not conduct any audits in 2024.

Social and environmental criteria may be considered when selecting suppliers based on our responsible procurement (SRP) policy. We developed this policy in 2018 and use it in our European tendering processes.

The following principles apply regarding the SRP policy:

1. We align with industry standards (compared with peers).
2. We ensure that feasibility and affordability are not compromised.

The Director of Procurement is responsible for developing the SRP policy, while the business is accountable for its implementation.

PAYMENT WITHIN 30 DAYS

We want to build long-term relationships with all our suppliers. Therefore, we pay our suppliers within 30 calendar days of receiving an invoice, provided that the invoice is accurate, complies with our invoice acceptance policy, and the order has been fully and correctly carried out. In 2024, we paid supplier invoices (including SMEs) after an average of 31 days, calculated by dividing the total number of early and late payment days by the number of invoices paid. In the financial year 2024, 88% of payments to suppliers were made within 30 calendar days of receipt of the invoice in accordance with the invoice acceptance policy.

No legal proceedings were pending against Enexis for late payment, including from suppliers that we classify as small and medium-sized enterprises were present on December 31, 2024.

PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

Enexis does not accept any form of corruption or bribery. Our policy to prevent corruption and bribery of employees is set out in the Code of Conduct for employees, the General Terms and Conditions of Purchase, and the Supplier Code of Conduct (part of the General Terms and Conditions of Purchase). These are available on our website. They set the ethical standards that form the basis for decisions and actions in line with the company's values. The implementation of the policy is the responsibility of the Human Resources Director. The (internal) pressure on employees to prioritise customers on waiting lists (through pressure or bribery) has our attention.

E-LEARNING ON INTEGRITY

We use monthly integrity alerts and annual mandatory e-learning to raise awareness and knowledge of integrity internally. The e-learning provides employees with insight into our ethical standards, codes of conduct and values. This goes beyond mere compliance with legal requirements; the aim is for employees to see integrity as a core value in their daily work. The mandatory annual e-learning course was completed by at least 95% of all employees in 2024, including members of the EB and senior management. In addition, all employees may voluntarily take additional training, such as resisting the temptations of crime.

PRE-SCREENING

Before hiring someone, we screen candidates to ensure they are sufficiently reliable and pose no threat to Enexis. We distinguish three levels of screening: basic, intermediate and extensive. The higher the sensitivity and vulnerability of the position, the more comprehensive the screening. Extensive screening applies to the following positions:

- Members of the Executive Board.
- N-1 positions (positions at a level directly below the Executive Board).

- Branch managers
- Contractor manager and his/her direct supervisor
- Integrity manager.
- Data protection officer
- Corporate information security officer.
- Senior security officer.
- Manager CISO Office.

PROCEDURES

Our procedures help us to prevent, detect and respond to allegations or incidents. These include the following:

- We may immediately terminate an agreement without compensation if the other party, or anyone on its behalf, has offered our employees or representatives a benefit in connection with that agreement.
- All new candidates whose positions are subject to intermediate and extensive screening, whether external or internal, are screened to prevent integrity and fraud incidents and ensure the candidate's reliability.
- We have a policy for the internal reporting and handling of suspected misconduct, such as fraudulent, unethical or illegal behaviour.
- Employees can use such a policy to object to decisions made by Enexis that harm their interests or rights.
- Enexis has several confidential counsellors and an anonymous reporting line where internal and external stakeholders can report suspected misconduct.
- Complaints procedure.

Incident investigators are independent of the managers involved in the case and ensure the timely resolution of incidents. An internal Integrity Committee discusses signals of integrity violations in the organisation and ensures that we continuously work to embed integrity in our culture.

The Integrity Committee reports quarterly on the number of reported incidents and conducted investigations. As a member of the Executive Board, the CFO is a member of the Integrity Committee.

If an investigation concerns the actions of a member of the Executive Board, the Integrity Manager also informs the Supervisory Board.

CONFIRMED INCIDENTS OF CORRUPTION OR BRIBERY

In 2024, there were no incidents or public court cases against Enexis or employees regarding corruption or bribery. Therefore, we did not have to take any action, and there were no fines. Nor were there any decisions on cases from previous years.

With the increase in grid congestion and the resulting waiting lists, we expect to be confronted with attempts at corruption and bribery in the future. We anticipate this by raising awareness among employees and helping them to see integrity as a core value in their daily work.

POLITICAL INFLUENCE AND LOBBYING

Energy justice, access to energy and livelihood security are essential social and political topics. Through established consultation structures, we discuss these issues with all levels of government: municipalities, provinces, the national government and European authorities. Our main dialogue partner is the Ministry of Climate Policy and Green Growth, but given the broadening of policy areas, we also consult with other relevant ministries, such as the Ministry of Infrastructure and Water Management, the Ministry of Social Affairs and Employment, and the Ministry of Housing and Spatial Planning. In all these discussions, we actively contribute our knowledge and expertise on the energy system. We are also members of organisations such as Netbeheer Nederland (NBNL) and the Dutch Association for Sustainable Energy (NVDE), and we form coalitions with stakeholders on important current topics, such as the Energy Act, the Municipal Instruments Heat Transition Act (Wgiw), the Collective Heat Supply Act (Wcw) and preparation for the 2026 investment plan. The Maatschappelijke Alliantie is another such coalition, where we have lobbied the Cabinet and the House of Representatives with a diverse group of stakeholders for continued energy and climate policies. We also contribute our knowledge and expertise through numerous thematic working groups with other (industry) organisations.

We cooperate mainly with other grid operators at the European level through the Alliander-Enexis-Stedin (AES) structure. By working together, we strengthen our message to policymakers. This is important to us because a significant part of Dutch (energy) legislation is based on European laws and regulations. Within the AES Europe team, Enexis pays particular attention to the topics of sustainable molecules and data interoperability (exchange of data between systems). To this end, we are active in various European interest groups such as the EU DSO Entity, E.DSO, GD4S and Eurogas.

The above activities aim to remove potential barriers in the political-administrative framework so we can achieve our societal goals with the right resources and speed, and make the right decisions for long-term investments. The better we align policies and regulations with grid operator practices, the more effectively we can achieve these goals. Enexis made no direct or indirect political contributions (financial or in-kind) in 2024.

OUR CORE MESSAGE TO POLICYMAKERS

Our mission is to achieve a climate-neutral, reliable and more independent energy supply by 2050. To accelerate the energy transition and scale up sustainable molecules (hydrogen, heat, green gas), we need the support of policymakers. Together with industry peers and Netbeheer Nederland, we have outlined several specific requests.

Requests to accelerate implementation:

- Faster allocation of space for energy infrastructure, streamlined permitting procedures and breaking the nitrogen deadlock.
- New contract forms and awareness campaigns for flexible energy use.
- Encouraging technical education, establishing an international skilled worker scheme and investing in labour market infrastructure to attract more technical professionals.

Requests to scale up sustainable molecules:

- **Green gas**: accelerating mandatory blending, adjusting regulations for gas quality and ensuring investment certainty.
- **Collective heat solutions**: creating a level playing field for heat networks and heat pumps, balancing affordability and investment potential, and speeding up the parliamentary process for relevant legislation.
- **Hydrogen**: assigning regional grid operators a role in developing water distribution networks, identifying promising areas for hydrogen development in collaboration with grid operators, mitigating financial risks for hydrogen distribution networks and promoting hydrogen production in the Netherlands.

OVERSIGHT BY THE PUBLIC AFFAIRS COMMITTEE

Our Public Affairs Committee is responsible for overseeing the exercise of political influence, including lobbying. Members include the CEO, the CTO, the Strategy Director, the Corporate and Legal Affairs Director, the Corporate Affairs Manager, the Regulatory Director, the Energy Transition and Systems Director, the Communications and Public Affairs Director, and the Public Affairs Advisors. The committee meets every six weeks to discuss relevant issues.

None of the Executive Board members has held a similar position in a government department (including regulators) two years before the start of the 2024 reporting period. Els de Groot, a member of the supervisory board, is a guest expert on the advisory council AMVI, which advises the Minister of Economic Affairs on tailor-made agreements with 20 major industrial polluters in the Netherlands.

Enexis Groep has been registered in the EU Transparency Register under the identification number 436152649102-96 since early 2023.

DATA SECURITY

Data security is essential in ensuring a reliable and resilient energy system. The threat of cyberattacks is real and growing in both frequency and complexity. These attacks are carried out by organised cybercriminals and state actors, among others, and pose risks of disruption and sabotage to critical infrastructure.

We take a proactive and comprehensive approach to data security to meet these challenges. This approach is based on three pillars: technology, people and processes. We continually strengthen our resilience to cyber threats to minimise risk and ensure business continuity. At the same time, we protect the confidentiality of customer and business information.

Our data security policy aligns closely with our business strategy and meets legal and societal requirements. Increasing European regulations, such as the NIS2 Directive and the existing Security of Network and Information Systems Act (Wbni), require us to strengthen further and expand our security measures. This will prepare us for future challenges and contribute to a secure and stable energy system.

COMPREHENSIVE STANDARDS FRAMEWORK

Enexis' information security policy covers the entire organisation, including Enexis Netbeheer and all external partners and suppliers. The policy and security risk management processes cover all processes, ICT systems, operational technology, buildings, premises and assets that are essential for business operations.

Our data security policy was developed within a comprehensive standards framework based on globally recognised standards and best practices. These include international standards such as ISO 27001 and ISO 27019, supplemented by specific requirements from NIS2 and other relevant laws and regulations. In addition, guidelines from the Royal Netherlands Institute of Chartered Accountants have been integrated to ensure a high level of maturity. The standard framework includes management measures in areas such as organisation, personnel, physical security, incident management, operational management and supplier relations. This approach ensures that security measures are implemented consistently and effectively, with a clear focus on the most critical risks to the organisation. This comprehensive standards framework provides the foundation for strong, future-proof data security that meets the needs of our organisation and the demands of the constantly evolving digital environment.

The chief information security officer (CISO) is the point of contact for data security and leads the CISO Office. A team of security specialists carries out second-line activities here, focusing on Enexis' digital resilience. The CISO reports to the CFO, who is the security portfolio holder within the Executive Board. First-line security activities are carried out within the organisational units and operational chains, under the ultimate responsibility of the business owners and directors. They are supported in this by security specialists.

OBJECTIVES AND REPORTS

The effectiveness of our data security policy is measured against a set of performance indicators. These indicators focus primarily on risk management and measure how control measures are implemented and comply with our policy and relevant laws and regulations, such as the Wbni. The target for 2024 was 100% implementation of a set number of security measures prioritised by business owners. This target was achieved.

We take a risk-based approach to evaluate and prioritise risks to our critical processes, considering their importance and the current threat landscape. Based on these evaluations, we implement targeted and appropriate measures to mitigate these risks effectively.

In addition to these measures, we conduct internal audits. The results are reported to the security steering group and relevant risk committees. We maintain control of our data security through clear objectives and regular reporting. This enables us to make timely adjustments where necessary, not only to meet legal requirements but also to maintain the confidence of customers, partners and society in the safety and reliability of our energy services.

PRIVACY

We are committed to protecting the personal data of our customers, employees and other stakeholders. We aim to continuously improve our data protection maturity level. We use a risk-based approach. All processes are subject to a Data Protection Impact Assessment (DPIA). This enables us to map the privacy risks of our data processing. Among other things, this means that processes and systems in which we process sensitive or large amounts of personal data are given the highest priority. We assess these and take additional security measures where necessary. We then manage and monitor the remaining processes.

GOVERNANCE AND PRIVACY

We are responsible for protecting our systems from hackers and information security incidents and managing the personal data of our customers, employees and suppliers. Our team of privacy specialists includes privacy officers and contacts in specific areas. The Corporate Affairs department has a corporate privacy lawyer and a data protection officer, who oversees compliance with the General Data Protection Regulation (GDPR). These specialists handle complex privacy issues, data breaches, policy development and awareness-raising activities. They also advise the business, which is responsible for implementation. Ultimate responsibility lies with the Board of Directors.

The general principle of propriety, and in particular the principle of integrity and confidentiality (Article 5 of the GDPR), requires us to take appropriate technical and organisational measures to protect personal data. To this end, various departments have been set up, and a central information security policy has been adopted (see the 'Comprehensive standards framework' section under 'Data security').

The responsibilities for implementing the data security policy are described in the 'Comprehensive standards framework' section under 'Data security'. We recently reorganised our privacy structure by integrating the role of privacy officer into the regular organisational structure. This change aims to improve visibility in the organisation and ensure earlier involvement in privacy issues.

RISK-BASED WORKING APPROACH

Data-driven initiatives in the energy transition are increasing. Examples include the use of smart meters, data exchange at energy hubs, and the use of data to make wind turbines and solar panels more efficient. This data often includes personal information. These developments require collaborative frameworks for large-scale data sharing, and the new Energy Act will require greater processing of customers' personal data. The societal importance of the energy transition and the speed at which developments are taking place call for an effective and risk-based organisation of data protection. Key principles include integrating privacy into processes and control measures where possible, prioritising high-risk processes and embedding a risk acceptance process. This approach also requires support from the various business areas.

We have developed an action plan for 2024-2025 to establish a widely supported, risk-based privacy organisation. Our efforts focus on:

- identifying privacy risks within processes and applications;
- monitoring relevant sector developments and potential threats;
- creating an Enexis Privacy Standards Framework that translates legal obligations into privacy control measures and subsequently determines the most material privacy measures; and
- defining the Executive Board's risk appetite regarding privacy and implementing a risk acceptance process.

We also use the Privacy Standards Framework to monitor compliance. This fulfils the accountability obligation under Artikel 5(2) GDPR. The framework was developed with reference to the NOREA Privacy Control Framework and our comprehensive data security standards framework. Wherever possible, we align with existing processes and controls. The Privacy Standards Framework consists of 81 control measures. Of these, 18 have been prioritised for implementation and monitoring. This selection is based on identified risks, organisational needs, the impact of implementation on the organisation and the focus of regulators. We will address the remaining measures starting in 2026.

POLICY AND OTHER ACTIONS TO SAFEGUARD PRIVACY

- Our privacy policy outlines the framework for the design, implementation, execution, management, monitoring, and continuous improvement of privacy.
- We have established privacy objectives, including meeting transparency obligations. In this context, we have privacy statements for employees and external parties. We have developed process descriptions for other objectives, such as timely incident response and conducting a (D)PIA.
- We integrate privacy into the development of products and services (Privacy by Design) as much as possible from the outset.
- We record processing activities and data breaches in an automated system. Incident reports for joint systems and processes of network operators are maintained centrally.
- In accordance with Article 33(1) of the GDPR, we report data breaches to the Dutch Data Protection Authority.
- We are working on a data protection roadmap, in which we include and monitor short, medium and long-term activities based on, among other things, high-risk processes and applications, the threat landscape, material privacy control measures and domain-specific topics.

Number of incident reports of data breaches	2024	2023
Incident reports in data breach register Enexis	47	54
Of which reported to the Supervisor (Autoriteit Persoonsgegevens)	2	6
Incident reports regarding shared systems and processes of network operators	3	5

SMART GRID CODE OF CONDUCT

Enexis adheres to Netbeheer Nederland's Smart Grid Code of Conduct. This code, approved by the Dutch Data Protection Authority, requires us to consider consumer privacy when collecting and using data. We must also clearly inform consumers about the data we collect and the reasons for doing so. In July 2023, the supervisory body for this code was accredited by the Dutch Data Protection Authority. As a result, the code officially became a GDPR Code of Conduct. In 2024, the joint network operators addressed and validated 12 use cases under this code. A use case describes the situation for which data from smart meters is needed and how the data will be used. Independent data protection experts test whether the use case complies with GDPR legislation by evaluating the following criteria:

- **Necessity:** is the data really needed for grid management?
- **Subsidiarity:** can the issue be solved without using the smart meter data?
- **Proportionality:** is only the data that is strictly necessary collected and processed?

Grid operators can use the data only after the use case has been approved.

Other information

REFERENCE TABLE

The following reporting requirements have been considered in preparing the sustainability statement, data points have been incorporated by reference are mentioned Italic(*) under comments: :

Disclosure #	Description	Explanatory note
ESRS-2	**General disclosures**	
BP-1	Basis for preparation	Enexis Group has not used the option to omit specific information elements that constitute ownership, know-how or the results of innovation. There are no impending developments or matters under negotiation that have been omitted from the sustainability statement.
BP-2	Disclosures in relation to specific circumstances	Enexis Group has an average of more than 750 employees on December 31, 2024 and as a result cannot use the phase-in provisions in accordance with Annex C to ESRS 1 that relate to the number of employees.
GOV-1	The role of the administrative, management and supervisory bodies	**CVs EB and SB members are on our corporate website*
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	
GOV-3	Integration of sustainability-related performance in incentive schemes	
GOV-4	Statement on due diligence	
GOV-5	Risk management and internal controls over sustainability reporting	

Disclosure #	Description	Explanatory note
ESRS-2	**General disclosures**	
SBM-1	Strategy, business model and value chain	*'Note 1 Net sales' of the consolidated financial statements.*
SBM-2	Interests and views of stakeholders	*'note 30 Financing policies and risks financial instruments' of the consolidated financial statements.*
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Phased-in growth option used in accordance with ESRS 1 Appendix C:
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	All disclosure requirements from the ESRS can be found through this reference table
MDR-P MDR-A MDR-M MDR- T	Policies adopted to manage material sustainability matters Actions and resources in relation to material sustainability matters Metrics in relation to material sustainability matters Tracking effectiveness of policies and actions through targets	The highest body in the organization responsible for policy implementation is the Board of Directors.
	EU Taxonomy	*'note 1, note 12, note 13, note 14' of the consolidated financial statements.*
ESRS-E1	**Climate change**	
ESRS-2 GOV-3	Integration of sustainability-related performance in incentive schemes	See GOV-3
E1-1	Transition plan for climate change mitigation	*The approved climate mitigation transition plan is available on our corporate website.* *'note 13, intangible assets' of the consolidated financial statements.*
ESRS-2 / SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	
ESRS-2 / IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	
E1-2	Policies related to climate change mitigation and adaptation	
E1-3	Actions and resources in relation to climate change policies	*'Note 30 Financing policies and risks financial instruments', 'Note 2 Cost of transportation services and of distribution losses', 'Note 7 Other operating expenses', 'Note 12 Property, plant and equipment', 'Note 14 Right-of-use assets' of the consolidated financial statements.*

Disclosure #	Description	Explanatory note
E1-4	Targets related to climate change mitigation and adaptation	
E1-5	Energy consumption and mix	
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	*'Note 1 Net sales' of the consolidated financial statements.*
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	Not material under DMA
E1-8	Internal carbon pricing	Not material under DMA
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Phased-in growth option used in accordance with ESRS 1 Appendix C:
ESRS-E5	**Resource use and circular economy**	
ESRS-2 / SBM-2	Interests and views of stakeholders	For the targets set in E5, no stakeholders were involved in setting these targets other than the external circularity specialist.
ESRS-2 / IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	
E5-1	Policies related to resource use and circular economy	
E5-2	Actions and resources related to resource use and circular economy	
E5-3	Targets related to resource use and circular economy	No target has yet been set on Reuse and Waste. This opportunity and negative impact have not previously been defined as material themes. Therefore, a target has yet to be developed.
E5-4	Resource inflows	Measured in the units: kilograms of primary material per Kva or kilograms per meter.
E5-5	Resource outflows	
E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Phased-in growth option used in accordance with ESRS 1 Appendix C:

Disclosure #	Description	Explanatory note
ESRS-S1	**Own workforce**	
ESRS-2/ SBM-2	Interests and views of stakeholders	
ESRS-2 /SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	
S1-1	Policies related to own workforce	**Our safety policy and code of conduct are on our corporate website*
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	
S1-6	Characteristics of the undertaking's employees	
S1-7	Characteristics of non-employees in the undertaking's own workforce	
S1-8	Collective bargaining coverage and social dialogue	Phased-in growth option used in accordance with ESRS 1 Appendix C:
S1-9	Diversity metrics	
S1-10	Adequate wages	See Targets (S1-5)
S1-11	Social protection	Phased-in growth option used in accordance with ESRS 1 Appendix C:
S1-12	Persons with disabilities	Phased-in growth option used in accordance with ESRS 1 Appendix C:
S1-13	Training and skills development metrics	
S1-14	Health and safety metrics	Phased-in growth option used in accordance with ESRS 1 Appendix C:
S1-15	Work-life balance metrics	Phased-in growth option used in accordance with ESRS 1 Appendix C:
S1-16	Remuneration metrics (pay gap and total remuneration)	
S1-17	Incidents, complaints and severe human rights impacts	

Disclosure #	Description	Explanatory note
ESRS-S2	**Workers in the value chain**	
ESRS-2 / SBM-2	'Interests and views of stakeholders	
ESRS-2 / SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	
S2-1	Policies related to value chain workers	
S2-2	Processes for engaging with value chain workers about impacts	
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	
S2-4	Taking action on material impacts on value chain workers,	
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	
ESRS-S3	**Affected communities**	
ESRS-2 / SBM-2	Interests and views of stakeholders	For the targets set in S3, stakeholders were not involved in setting or monitoring these targets.
ESRS-2 / SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	
S3-1	Policies related to affected communities	
S3-2	Processes for engaging with affected communities about impacts	
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	
S3-4	Taking action on material impacts on affected communities,	
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	
ESRS-S4	**Consumers and end-users**	
ESRS-2 / SBM-2	Interests and views of stakeholders	For the targets set in S4, stakeholders were not involved in setting or monitoring these targets.
ESRS-2/ SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	
S4-1	Policies related to consumers and end-users	

Disclosure #	Description	Explanatory note
S4-2	Processes for engaging with consumers and end-users about impacts	
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	
S4-4	Taking action on material impacts on consumers and end-users	*'note 12 Property, plant and equipment' and 'note 6 Cost of work contracted out, materials and other external costs' of the consolidated financial statements.*
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Targets related to a reliable energy grid Targets related to grid access
ESRS-G1	**Business conduct**	
ESRS-2 / GOV-1	The role of the administrative, supervisory and management bodies	
ESRS-2 / IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	
G1-1	Business conduct policies and corporate culture	
G1-2	Management of relationships with suppliers	** The SRP policy is available on our corporate website.*
G1-3	Prevention and detection of corruption and bribery	
G1-4	Incidents of corruption or bribery	
G1-5	Political influence and lobbying activities	
G1-6	Payment practices	
	Entitiy specifiek: Data security	

LIST OF DATA POINTS RESULTING FROM OTHER EU LEGISLATION

Data points resulting from other EU legislation are included in the sustainability statements as follows:

Until the Corporate Sustainability Reporting Directive (CSRD) has been implemented in Dutch law, Enexis must continue to comply with the Decree on the Disclosure of Non-Financial Information (Bbnfi). With this sustainability section, prepared in accordance with the ESRS guidelines, we meet the disclosure requirements referred to in the Bbnfi.

Limited assurance report on the sustainability statement

LIMITED ASSURANCE REPORT OF THE INDEPENDENT AUDITOR ON THE SUSTAINABILITY STATEMENT

To: the shareholders and the supervisory board of Enexis Holding N.V.

OUR CONCLUSION

We have performed a limited assurance engagement on the consolidated sustainability statement for 2024 of Enexis Holding N.V. based in 's-Hertogenbosch (hereinafter: 'Enexis' or the company) in section sustainability statement of the accompanying management report including the information incorporated in the sustainability statement by reference (hereinafter: the sustainability statement).

Based on our procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the sustainability statement is not, in all material respects:

- prepared in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission and compliant with the double materiality assessment process carried out by the company to identify the information reported pursuant to the ESRS; and
- compliant with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

Our conclusion has been formed on the basis of the matters outlined in this limited assurance report.

BASIS FOR OUR CONCLUSION

We have performed our limited assurance engagement on the sustainability statement in accordance with Dutch law, including Dutch Standard 3810N, "Assurance-opdrachten inzake duurzaamheidsverslaggeving" (Assurance engagements relating to sustainability reporting), which is a specified Dutch standard that is based on the International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance engagements other than audits or reviews of historical financial information".

Our assurance engagement was aimed to obtain a limited level of assurance that the sustainability statement is free from material misstatements. The procedures vary in nature and timing from, and are less in extent, than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities in this regard are further described in the section 'Our responsibilities for the limited assurance engagement on the sustainability statement' of our report.

We are independent of Enexis in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants). The ViO and VGBA are at least as demanding as the International code of ethics for professional accountants (including International independence standards) of the International Ethics Standards Board for Accountants (the IESBA Code) as relevant to limited assurance engagements on sustainability statements of large undertakings in the Netherlands.

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

EMPHASIS OF MATTER

The sustainability statement has been prepared in a context of new sustainability reporting standards, requiring entity-specific interpretations and addressing inherent measurement or evaluation uncertainties. In this context, we want to emphasize the following matters:

EMPHASIS ON THE MOST SIGNIFICANT UNCERTAINTIES AFFECTING THE QUANTITATIVE METRICS AND MONETARY AMOUNTS

We draw attention to section 'Risk management and internal controls for the sustainability statement' in the sustainability statement that identifies the quantitative metrics and monetary amounts that are subject to a high level of measurement uncertainty and discloses information about the sources of measurement uncertainty and the assumptions, approximations and judgements the company has made in measuring these in compliance with the ESRS.

The comparability of sustainability information between entities and over time may be affected by the lack of historical sustainability information in accordance with the ESRS and by the absence of a uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques, especially in the initial years.

EMPHASIS ON THE DOUBLE MATERIALITY ASSESSMENT PROCESS

We draw attention to section 'Impact, risk and opportunity management' in the sustainability statement. This disclosure explains future improvements in the ongoing due diligence and double materiality assessment process, including robust engagement with affected stakeholders. Due diligence is an on-going practice that responds to and may trigger changes in the company's strategy, business model, activities, business relationships, operating, sourcing and selling contexts. The double materiality assessment process requires the company to make key judgments and use thresholds and may also be impacted in time by sector-specific standards to be adopted. Therefore, the sustainability statement may not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder (group) may consider important in its own particular assessment.

Our conclusion is not modified in respect of these matters.

LIMITATION TO THE SCOPE OF OUR ASSURANCE ENGAGEMENT

In reporting forward-looking information in accordance with the ESRS, the board of directors describes the underlying assumptions and methods of producing the information, as well as other factors that provide evidence that it reflects the actual plans or decisions made by the company (actions). Forward-looking information relates to events and actions that have not yet occurred and may never occur. The actual outcome is likely to be different since anticipated events frequently do not occur as expected. We do not provide assurance on the achievability of forward-looking information.

Our conclusion is not modified in respect of this matter.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE SUPERVISORY BOARD FOR THE SUSTAINABILITY STATEMENT

The board of directors is responsible for the preparation of the sustainability statement in accordance with the ESRS, including the double materiality assessment process carried out by the company as the basis for the sustainability statement and disclosure of material impacts, risks and opportunities in accordance with the ESRS. As part of the preparation of the sustainability statement, the board of directors is responsible for compliance with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation). The board of directors is also responsible for selecting and applying additional entity-specific disclosures to enable users to understand the company's sustainability-related impacts, risks or opportunities and for determining that these additional entity-specific disclosures are suitable in the circumstances and in accordance with the ESRS.

Furthermore, the board of directors is responsible for such internal control as it determines is necessary to enable the preparation of the sustainability statement that is free from material misstatement, whether due to fraud or error.

The supervisory board is responsible for overseeing the sustainability reporting process including the double materiality assessment process carried out by the company.

OUR RESPONSIBILITIES FOR THE LIMITED ASSURANCE ENGAGEMENT ON THE SUSTAINABILITY STATEMENT

Our responsibility is to plan and perform the limited assurance engagement in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

We apply the applicable quality management requirements pursuant to the Nadere voorschriften kwaliteitsmanagement (NVKM, regulations for quality management) and the International Standard on Quality Management (ISQM) 1, and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

Our limited assurance engagement included amongst others:

- Performing inquiries and an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues, the characteristics of the company, its activities and the value chain and its key intangible resources in order to assess the double materiality assessment process carried out by the company as the basis for the sustainability statement and disclosure of all material sustainability-related impacts, risks and opportunities in accordance with the ESRS
- Obtaining through inquiries a general understanding of the internal control environment, the company's processes for gathering and reporting entity-related and value chain information, the information systems and the company's risk assessment process relevant to the preparation of the sustainability statement and for identifying the company's activities, determining eligible and aligned economic activities and prepare the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), without obtaining assurance information about the implementation or testing the operating effectiveness of controls
- Assessing the double materiality assessment process carried out by the company and identifying and assessing areas of the sustainability statement, including the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), where misleading or unbalanced information or material misstatements, whether due to fraud or error, are likely to arise ('selected disclosures'). Designing and performing further assurance procedures aimed at assessing that the sustainability statement is free from material misstatements responsive to this risk analysis.
- Considering whether the description of the double materiality assessment process in the sustainability statement made by the board of directors appears consistent with the process carried out by the company
- Determining the nature and extent of the procedures to be performed for the group components and locations. For this, the nature, extent and/or risk profile of these components are decisive.
- Performing analytical review procedures on quantitative information in the sustainability statement, including consideration of data and trends
- Assessing whether the company's methods for developing estimates are appropriate and have been consistently applied for selected disclosures. We considered data and trends, however our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the board of director's estimates
- Analyzing, on a limited sample basis, relevant internal and external documentation available to the company (including publicly available information or information from actors throughout its value chain) for selected disclosures
- Reading the other information in the annual report to identify material inconsistencies, if any, with the sustainability statement
- Considering whether the disclosures provided to address the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) for each of the environmental objectives, reconcile with the underlying records of the company and are consistent or coherent with the sustainability statement, appear reasonable, in particular whether the eligible economic activities meet the cumulative conditions to qualify as aligned and whether the technical screening criteria are met, and whether the key performance indicators disclosures have been defined and calculated in accordance with the Taxonomy reference framework, and comply with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), including the format in which the activities are presented
- Considering the overall presentation, structure and fundamental qualitative characteristics of information (relevance and faithful representation: complete, neutral and accurate) reported in the sustainability statement, including the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)
- Considering, based on our limited assurance procedures and evaluation of the evidence obtained, whether the sustainability statement as a whole, is free from material misstatements and prepared in accordance with the ESRS.

COMMUNICATION

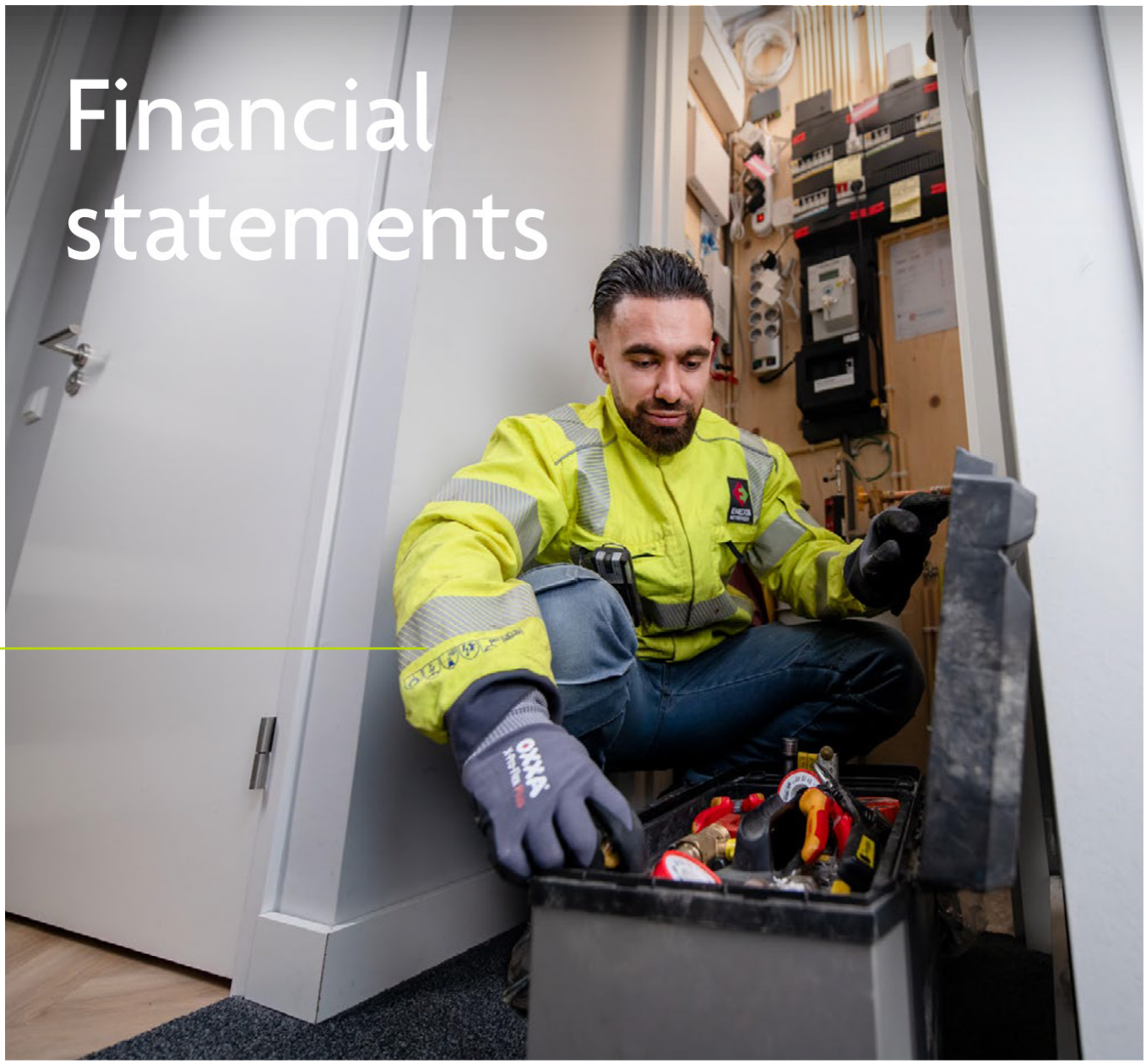
We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the assurance engagement and significant findings that we identify during our assurance engagement.

Eindhoven, 5 March 2025

EY Accountants B.V.

P.A.E. Dirks

Financial statements



Consolidated financial statements 2024

CONSOLIDATED INCOME STATEMENT

€ Million	Notes		2024		2023
Revenue	1		2,596		2,014
Less: Transmission services and distribution losses	2		952		809
Other operating income	3		39		1
Balance available for operating activities			1,683		1,206
Employee benefit expenses	4	741		620	
Depreciation and decommissioning	5	509		468	
Costs of subcontracted work, materials and other external expenses	6	307		256	
Other operating expenses	7	40		15	
Capitalised expenses of own production	8	-300		-262	
			1,297		1,097
Operating profit			**386**		**109**
Financial income	9	6		19	
Financial expenses	9	52		40	
Financial income and expenses			**-46**		**-21**
Profit before tax			**340**		**88**
Income tax expenses	11		-86		-16
Profit for the year			**254**		**72**
Attributable to:					
Minority shareholders			0		0
Shareholders			254		72
Average number of shares during the financial year			149,682,196		149,682,196
Profit per share[1]			**1.70**		**0.48**

1 Stated in euros, dilution of earnings does not apply.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€ Million	2024	2023
Profit for the year	254	72
Total comprehensive income[1]	**254**	**72**
Attributable to:		
Minority shareholders	0	0
Shareholders	254	72

1 The unrealized results are nil in 2024 and 2023.

CONSOLIDATED BALANCE SHEET

€ Million	Notes	31 december 2024	31 december 2023
Assets			
Property, plant and equipment	12	10,583	9,588
Intangible assets	13	245	230
Right-of-use assets	14	111	90
Other non-current financial assets	15	8	8
Non-current assets		**10,947**	**9,916**
Inventories	16	168	150
Receivables	17	296	230
Corporate income tax	18	25	32
Other current financial assets	19	5	5
Cash and cash equivalents	20	46	127
Current assets		**540**	**544**
Total assets		**11,487**	**10,460**

€ Million	Notes	31 december 2024	31 december 2023
Liabilities			
Issued and paid-up share capital		150	150
Share premium reserve		2,436	2,436
General reserve		2,698	2,662
Profit for the year		254	72
Equity	**21**	**5,538**	**5,320**
Non-current interest-bearing liabilities	22	3,562	3,050
Non-current provisions	23	15	14
Advance contributions for the installation of grids and connections	24	1,281	1,215
Deferred corporate income tax	25	441	399
Other non-current liabilities	26	1	1
Non-current liabilities		**5,300**	**4,679**
Trade and other payables	27	518	398
Current interest-bearing liabilities	28	81	25
Current provisions	23	12	3
Advance contributions to be amortised in the following year	24	38	35
Current liabilities		**649**	461
Total liabilities		**11,487**	**10,460**

CONSOLIDATED CASH FLOW STATEMENT

€ Million	Notes	2024	2023
Profit for the year		254	199
Adjustments for:			
Depreciation and decommissioning	5	509	468
Amortised contributions for installation of grids and connections	24	-38	-34
Received contributions for installation of grids and connections	24	107	126
Change in deferred corporate income tax	25	42	47
Change in non-current provisions	23	1	-7
Financial income	9	-6	-19
Financial expenses	9	52	40
Corporate income tax expense recognised through profit or loss	11	44	-32
Profit on sale of Fudura B.V.	29	41	-9
Change in operational working capital excluding tax and interest	12	-10	0
Other		3	3
Interest received	29	1	14
Interest paid	29	-43	-31
Corporate income tax paid or received	29	-37	-11
Cash flow from operating activities		**920**	**627**
Investments in property, plant and equipment	12	-1,433	-1,098
Investments in intangible assets	13	-54	-45
Cash flow from investing in (in)tangible fixed assets		**-1,487**	**-1,143**
Cash flow from operating activities and investing in (in)tangible fixed assets		**-567**	**-516**
Net proceeds from sale of assets	12	11	0
Loans granted	15	-6	-3
Repayment of loans granted	15	6	8
Increase in deposits[1]		0	-500
Decrease in deposits[1]		0	1,150
Cash flow from other investing activities		**11**	**655**
Cash flow from investing activities		**-1,476**	**-488**
Cash flow before financing activities		**-556**	**139**
Green bond issue	22 en 28	494	498
Increase in interest-bearing liabilities[2]	22 en 28	960	0
Repayment of interest-bearing liabilities[2]	22 en 28	-910	-502
Repayment of lease liability	22 en 28	-33	-32
Dividend paid	31	-36	-193
Cash flow from financing activities		**475**	**-229**
Total cash flows		**-81**	**-90**
Cash and cash equivalents at the beginning of the financial year	29	127	217
Cash and cash equivalents at the end of the financial year	**29**	46	**127**

1 In 2023 and 2024, besides deposits in and withdrawals from deposits, excess liquidity was placed in money markets funds. Liquidities placed in money market funds do not qualify as cash or cash equivalents and are not shown at this line. At 31 December 2024 liquidity placed in money market funds was nil.

2 Concerns drawdowns and repayments on Euro Commercial Papers, bilateral cash loans and notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€ Million	Number of ordinary shares	Share capital	Share premium reserve	General reserve	Profit for the year	Total equity
As at 1 January 2023	**149,682,196**	**150**	**2,436**	**1,555**	**1,300**	**5,441**
Profit for the year 2023		-	-	-	72	72
Total result including comprehensive income		**-**	**-**	**-**	**72**	**72**
Profit appropriation for 2022		-	-	1,107	-1,107	0
Dividend paid for 2022[1]		-	-	-	-193	-193
At 31 December 2023[2]	**149,682,196**	**150**	**2,436**	**2,662**	**72**	**5,320**
As at 1 January 2024	**149,682,196**	**150**	**2,436**	**2,662**	**72**	**5,320**
Profit for the year 2024		-	-	-	254	254
Total result including comprehensive income		**-**	**-**	**-**	**254**	**254**
Profit appropriation for 2023		-	-	36	-36	0
Dividend paid for 2023[1]		-	-	-	-36	-36
At 31 December 2024[2]	**149,682,196**	**150**	**2,436**	**2,698**	**254**	**5,538**

1 The dividend payment over the 2023 results, due and paid in 2024, amounts to € 0.24 per share (2023: € 1.29) based on the weighted average number of shares outstanding during the period.

2 Total equity per share (before profit appropriation) at year-end 2024 was € 37.00 (2023: € 35.55), calculated on the basis of the number of shares at the end of the period.

Explanatory notes to the consolidated financial statements

1. GENERAL INFORMATION

Enexis Holding N.V. has its registered office at Magistratenlaan 116, 's Hertogenbosch, in the Netherlands (Chamber of Commerce registration number 17238877) and is the head of Enexis Groep. Enexis Groep is responsible for the installation, maintenance, operation, and development of transmission grids for electricity (cables and medium-voltage and low-voltage power stations) and gas (gas pipelines and gas stations) and related activities. The related activities mainly concern core-strengthening non-regulated activities in the area of metering services, public lighting, the rental of medium-voltage installations, the installation and operation of private energy transmission grids, and the acceleration of the transition to a sustainable energy supply.

Enexis Holding N.V. is a public limited liability company under Dutch law. The company's consolidated financial statements for the financial year 2024 comprise the company and its subsidiaries (hereafter referred to collectively as Enexis Groep). Approximately 76% of the shares of Enexis Holding N.V. are held by five Dutch provinces and approximately 24% of the shares are held by 85 municipalities. Enexis Holding N.V. heads Enexis Groep.

The financial statements, prepared by Enexis Holding N.V. and audited by EY Accountants B.V., were presented to the Supervisory Board for approval on 5 March 2025. The financial statements, approved by the Supervisory Board, will be presented to the General Meeting of Shareholders for adoption on 17 April 2025.

2. ACCOUNTING PRINCIPLES FOR THE FINANCIAL REPORTING

2.1 GENERAL

The consolidated financial statements of Enexis Holding N.V. comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated cash flow statement and the consolidated statement of changes in equity. The explanatory notes to the financial overviews included in the consolidated financial statements form an integral part of the consolidated financial statements of Enexis Holding N.V.

Enexis Holding N.V. uses the euro as its functional currency. Unless otherwise stated, all amounts are stated in millions of euros. Purchase and sale transactions in foreign currencies are recognised at the settlement exchange rate on the transaction date.

Enexis Holding N.V. applies the International Financial Reporting Standards (IFRS), as adopted within the European Union, as the accounting principles for the valuation and determination of the result. The financial statements have been prepared in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code. Unless otherwise stated, the financial statements are prepared on a historical cost basis.

The consolidated financial statements of Enexis Holding N.V. have been prepared on a going-concern basis. This means that the principles of valuation and determination of results used in the annual accounts are based on the assumption that the company will be able to continue to operate as a going concern for at least twelve months after the preparation of the annual report. The Executive Board of Enexis Holding N.V. has assessed the company's ability to continue as a going concern. Based on this assessment, it has been concluded that there are no material uncertainties regarding the company's ability to continue as a going concern for a period of at least twelve months after preparation of the annual report.

2.2 AMENDMENTS TO IFRS

NEW STANDARDS IN EFFECT IN 2024

The following amended IFRS standards came into effect on 1 January 2024:

- Amendments to IFRS 16 Leases: Lease liability in a sale-and-leaseback transaction, effective January 1, 2024.
- Amendments to IAS 1 Presentation of financial statements: Classification of liabilities as current or non-current, effective January 1, 2024.
- Amendments to IAS 7 statement of cash flows and IFRS 7 Financial instruments: disclosures: supplier financing arrangement, effective from 1 January 2024.

The amendments to the standards have no direct consequences for Enexis Groep's equity and results or do not apply to Enexis Groep.

FUTURE STANDARDS NOT YET IN FORCE ON THE REPORTING DATE

In addition to the above new and/or amended standards, the IASB and IFRIC have issued new and/or amended standards and interpretations that are not yet effective at the balance sheet date. These standards and interpretations cannot be applied until the European Union has endorsed them. The future amendments to the standards and interpretations are not expected to impact equity and profit directly or do not apply to the Enexis Groep and are therefore not further disclosed in the consolidated financial statements.

2.3 ACCOUNTING PRINCIPLES FOR CONSOLIDATION

The consolidated financial statements contain the financial statements of Enexis Holding N.V. and its group companies.

Group companies concern all entities over which Enexis Groep exercises control, i.e. Enexis Groep is exposed or entitled to variable results based on its involvement in the entity and can influence these results based on its power to steer the entity's activities. Group companies are included in the consolidation from the date on which decisive control is obtained. Group companies are no longer included in the consolidation from the date on which the criteria for group companies are no longer met.

Consolidation is carried out using the full consolidation method. If the share of Enexis Holding N.V. in the group company is less than 100%, the minority interest is disclosed in equity and in the income statement. Financial relationships and results between consolidated companies are eliminated.

In the event of loss of control, the assets and liabilities of the subsidiary, as well as any minority interests and other equity components relating to the subsidiary, are no longer included in the balance sheet. Any surplus or deficit resulting from the loss of control is recognised in the income statement. If Enexis Groep retains an interest in the former subsidiary, that interest is recognised at fair value when control ceases to exist. After the initial recognition, the interest is valued in accordance with the equity method if Enexis exercises significant influence. If Enexis does not exercise significant influence, the interest is recognised based on IFRS 9 Financial Instruments.

2.4 VALUATION PRINCIPLES AND ACCOUNTING POLICIES RELATING TO DETERMINATION OF THE RESULT ESTIMATES AND ASSUMPTIONS

Preparing financial summaries requires making use of estimates and assessments. In the event of significant estimates, there is, by definition, a high degree of uncertainty. Due to the inherent uncertainty of estimates, actual results will often differ from the estimates and assumptions. The calculation of value in use in connection with the goodwill impairment test (note 13) is an estimate involving a high degree of judgement and complexity. Management considers this estimate to be significant. Full details of this estimate, including an explanation of the criteria used and sensitivity, are given in Note 13 'Intangible fixed assets'.

Offsetting

Offsetting of asset and liability items takes place per counterparty if there is a contractual right to offset the recognised amounts and there is the intention to offset. Where there is neither a right to offset nor an intention to settle simultaneously, the items are recognised separately.

Where the right exists to offset the asset and liability items based on a contract, this is disclosed in the relevant note. Further information is also provided concerning the balances of the asset and liability items.

Presentation

The presentation of the income statement follows the classification into categories. The costs of transmission services and distribution losses are presented immediately after revenue and other operating income. This is due to their relationship with revenue and their distinction from other operating costs over which our organisation can exercise influence in the short term.

Valuation at fair value

An explanation of the fair values of interest-bearing liabilities is provided in note 30 'Financing policy and risks associated with financial instruments'. Fair value is the price that would be received when selling an asset or that would be paid to transfer a liability in a regular transaction between market participants on the valuation date. Valuation at fair value assumes that the sale of the asset or transfer of the liability takes place:

- on the most critical market for the asset or the liability; or, if that does not exist,
- on the most favourable market for the asset or the liability.

Enexis Groep must have access to the most important or the most favourable market.

The fair value of an asset or a liability is determined using assumptions that market participants would make in valuing the asset or liability, assuming that market participants act in their economic interest. Valuation of a non-financial asset at fair value takes account of a market participant's ability to generate economic benefits by maximising and optimising the use of the asset or by selling it to another market participant who would maximise and optimise the use of the asset.

Enexis Groep uses valuation methods that are appropriate in the circumstances and for which sufficient data is available to determine fair value using, as far as possible, relevant observable inputs and as few unobservable inputs as possible.

All assets and liabilities for which fair value is determined or disclosed in the financial statements are classified in the following fair value hierarchy based on the input at the lowest level that is significant to the overall valuation:

- level 1: Fair value equals the listed prices on an active market.
- level 2: Fair value is based on parameters that are directly or indirectly observable on the market.
- level 3: Fair value is based on parameters that are not observable on the market.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, Enexis Groep determines at the end of each reporting period whether, due to a reassessment, a change has occurred in the classification of the hierarchy (based on the input of the lowest level that is significant for the entire valuation).

When disclosing fair values, Enexis Groep has determined categories of assets and liabilities based on their nature, characteristics and risks, along with their level in the fair value hierarchy explained above.

GOODWILL

Goodwill is the difference between the cost of the acquisition of the company less the balance of the fair value of the company's identifiable assets and transferred liabilities. The cost of an acquisition is measured as the aggregate of the fair value at the acquisition date of the transferred compensation and the amount of the minority interests in the acquired entity. Goodwill is carried at cost less any impairment losses. Goodwill is assessed each year for impairment, or more frequently if events or changes in circumstances indicate that the carrying amount may be subject to impairment. An impairment of goodwill cannot be reversed.

Where goodwill is allocated to a cash flow-generating unit and forms part of the divested activities within this unit, the goodwill relating to the divested activities forms part of the activities' book value when determining the divested activities' book result. The goodwill divested under these circumstances is valued on the basis of the relative values of the divested activities and the part that remains in the cash flow-generating unit.

IMPAIRMENT

During the financial year, an assessment is made to determine whether there is any indication that an asset may be impaired. If any such indications exist, an estimate is made of the asset's recoverable amount. The recoverable amount of an asset is the highest of the fair value less the cost of selling the asset or its net realisable value.

An impairment loss is recognised if the carrying amount of an asset or the cash-generating unit to which it belongs exceeds the asset's recoverable amount. Impairment losses are charged to the result.

An impairment is reversed if the assumptions used to determine the recoverable amount are deemed to have changed and to the extent that the remaining carrying amount of the asset is lower than the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment had been recognised for the asset in previous years. The effects of reversing an impairment are credited to the result. Impairments of goodwill will not be reversed.

FINANCIAL INSTRUMENTS

Classification

All financial assets and liabilities are recognised at amortised cost. This classification depends on the business model Enexis uses to hold these financial assets and liabilities, as well as the characteristics of the cash flows generated by these assets or liabilities.

Accounting on initial recognition

Purchases and sales of financial instruments are recognised on the transaction date. Enexis Groep no longer recognises a financial asset on the balance sheet if the contractual rights to the cash flows from the asset have expired or if Enexis Groep transfers the contractual rights to the receipt of the cash flows from the financial asset by means of a transaction, whereby all of the risks and rewards connected to the ownership of this asset are transferred. On initial recognition, assets are accounted for at fair value.

Financial assets and liabilities at amortised cost

This category of financial instruments includes trade and other receivables, loans, deposits, borrowings and other financial obligations, as well as trade and other payables. These financial instruments are initially recognised at fair value. After initial recognition, they are valued at amortised cost price on the basis of the effective interest method.

Impairment

Impairment is determined using either the generic or the simplified method.

The generic method uses the following model:

- 12-month expected credit loss; or
- lifetime expected credit losses for financial assets where circumstances have significantly increased credit risk. In this situation, all expected credit losses are recognised for the lifetime of the asset; or
- lifetime expected credit losses, calculated on the net liability less impairment.

The expected credit loss is determined on the basis of a long-term average credit loss rating derived from a risk profile allocated by credit rating agencies.

Loans granted to associates and joint arrangements, receivables from suppliers under the supplier model and all other receivables are assessed for possible impairment using the generic model.

The simplified method is used for the other receivables. This involves immediately recognising the lifetime expected credit losses, determined on the basis of a historical series of average irrecoverable amounts (on the basis of historical debt collection data).

LEASE

ENEXIS GROEP AS LESSEE

In accordance with IFRS 16, leases are recognised in the balance sheet as soon as Enexis Groep has the right-of-use of the asset. The paid lease instalments are split into financing expenses and a repayment of the outstanding liability, using a weighted-average marginal interest rate. The right-of-use of assets is then depreciated in accordance with the total expected term of the lease. The depreciation period can be shorter if the lease period is shortened, the contract will not be extended, and the asset in question will not be purchased.

Assets and liabilities arising from leases are initially measured based on a present value model. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate and are measured on initial recognition based on the index or interest rate at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease period reflects the lessee exercising that option.

Lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined. If this rate is not readily determinable, the incremental borrowing rate of Enexis is used. The incremental borrowing rate is the interest rate that Enexis would have to pay for a credit facility that would be required to purchase a similar asset under comparable economic circumstances and terms.

At the commencement date, lease liabilities are measured at the present value of the lease payments that have not been made at that date. Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of the lease liability;
- all lease payments made at or before the commencement date less all lease incentives received;
- all initial direct costs incurred by Enexis; and
- an estimate of the costs to be incurred by Enexis for decommissioning and removing the underlying asset and restoring the site on which it is located, or restoring the underlying asset to the condition described in the lease terms, unless these costs are incurred for the production of inventories.

Extension and termination options

Enexis determines the lease period as the non-cancellable period of a lease, combined with:

- the periods subject to an extension option if it is reasonably certain that Enexis will exercise this option;
- the periods subject to a termination option if it is reasonably certain that Enexis will not exercise this option.

In determining the lease term, Enexis considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option.

ENEXIS GROEP AS LESSOR

Enexis has entered into operating leases for energy-related installations. Operating leases are leases that do not qualify as finance leases. The risks and rewards associated with ownership of the underlying assets have not been transferred to Enexis Groep.

Assets made available to third parties under operating leases are recognised under property, plant and equipment. Income from operating leases is recognised in the income statement over the term of the lease as other operating income within revenue.

CASH FLOW STATEMENT

The cash flow statement is prepared using the indirect method, with the change in cash and cash equivalents at the end of the year being based on the profit after taxes. Net cash and cash equivalents as included in the cash flow statement refer to cash and cash equivalents as stated on the balance sheet.

SEGMENT INFORMATION

Segments are reported in accordance with the method used for internal reporting to the Chief Operating Decision-Maker (CODM). The Executive Board has been identified as the highest-ranking officer (CODM), responsible for allocating funding and assessing the performance of the segments. Internal reports are based on the same principles as those applied to the consolidated financial statements. An adjustment is made for non-recurring items and changes in fair value.

3. SEGMENTATION

Enexis Holding N.V. distinguishes between two reporting segments, namely:

- Enexis regulated; and
- Enexis other.

The above classification is based on the internal reporting structure, particularly the consolidated monthly reports and the (annual) business plan.

The ‘Enexis regulated’ segment covers Enexis Netbeheer B.V. and Enexis Personeel B.V. jointly and forms by far the largest segment within Enexis (in terms of revenue and total assets, the share of these activities amounts to more than 90%). Enexis Netbeheer B.V. is responsible for constructing, managing, maintaining, and modernising the regional gas and electricity grids over which the supplier delivers gas or electricity to households or businesses. Enexis Personeel B.V. provides labour to the companies in its group and other services and goods to its employees. To the extent that Enexis Personeel B.V. works for entities operating outside the ‘Enexis regulated’ segment, a settlement of costs has taken place.

The ‘Enexis other’ segment covers the activities of Enexis Vastgoed B.V. and Enpuls B.V. (including Enpuls Projecten B.V. and Mijnwater Warmte Infra B.V.). Enexis Vastgoed B.V. leases its own real estate within Enexis. Enpuls B.V. and its related entity, Enpuls Projecten B.V., were established to facilitate energy saving and greening by realising scalable solutions within the context of Enexis’ objectives. Mijnwater Warmte Infra B.V. manages and maintains heating and cooling networks, expands existing heating and cooling networks, and invests in new heating and cooling networks in the Parkstad region.

Enexis Holding N.V., which is responsible for financing all entities operating within Enexis, cannot be assigned to a segment and therefore forms part of the column 'Normalisations, eliminations and reconciliations'.

	Enexis regulated		Enexis Other		Subtotal		Normalisations, eliminations and reconciliations		Enexis total	
€ Million	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Income statement										
Revenue	2,596	2,013	1	1	2,597	2,014	-1	0	2,596	2,014
Transmission services and distribution losses	952	809	0	0	952	809	0	0	952	809
Other operating income	31	3	16	5	47	8	-8	-7	39	1
Balance available for operating activities	1,675	1,207	17	6	1,692	1,213	-9	-7	1,683	1,206
Operating expenses	1,276	1,096	29	8	1,305	1,104	-8	-7	1,297	1,097
Operating profit	399	111	-12	-2	387	109	-1	0	386	109
Result from subsidiaries and joint ventures	0	0	0	0	0	0	0	0	0	0
Financial income and expenses	-95	-72	-5	-3	-100	-75	54	54	-46	-21
Profit before tax	304	39	-17	-5	287	34	53	54	340	88
Corporate income tax expenses	74	7	-4	-3	70	4	16	12	86	16
Profit for the year	230	32	-13	-2	217	30	37	42	254	72
Assets and liabilities										
Total assets	10,170	9,285	82	85	10,252	9,370	1,235	1,090	11,487	10,460
Non-consolidated associates and joint ventures	0	0	0	0	0	0	0	0	0	0
Liabilities (provisions and debts)	5,518	4,837	60	50	5,578	4,887	371	253	5,949	5,140
Other information										
Additions to property, plant and equipment, intangible assets and right-of-use-assets	1,491	1,150	52	23	1,543	1,173	0	0	1,543	1,173
Number of employees at year-end (FTE)	5,721	5,260	13	8	5,734	5,268	0	0	5,734	5,268

Costs and revenues charged between the segments and receivables, payables, and current account positions between the segments have been eliminated. In the segmentation overview, these costs and revenues are recognised under 'Normalisations, eliminations and reconciliations'. The eliminated costs and revenues mainly concern housing expenses charged by Enexis Vastgoed B.V. and costs charged by Enexis Personeel B.V. for services provided to Enpuls B.V. en Enexis Vastgoed B.V.

The operating segment 'Enexis other' includes an impairment for the cash flow-generating unit Mijnwater Warmte Infra B.V. of €19 million. For further details, see Note 12 'Property, plant and equipment'.

4. ACQUISITIONS AND DIVESTMENTS

No acquisitions and/or divestments took place in 2024 and 2023.

Notes to the consolidated financial statements

1. REVENUE

Regulated revenue includes revenue from the provision of services relating to the connection and transmission of electricity and gas, metering services, and other services, less turnover tax and energy tax. Other revenue includes revenue from the provision of services such as energy measuring energy flows, design and realisation of infrastructure, rental and maintenance of casings, transformers and switchgear installations.

The transmission and connection fees agreed in the contracts with low-volume energy consumers and high-volume energy consumers are identified as a single performance obligation, as the transmission of electricity and gas cannot take place without the connection and the grid. The transaction price is determined on the basis of the standard tariffs charged by Enexis Groep, which for the regulated revenue are based on the maximum tariffs set by the Netherlands Authority for Consumers & Markets (ACM). Transmission of electricity or gas during the contract period constitutes a series of services that are realised over time. Progress is measured on the basis of the number of days on which Enexis Groep provides its services to the customer.

Enexis Groep only supplies goods and services within the Dutch market.

Revenue is calculated by adding the estimated grid fees to the invoiced grid fees and deducting the estimated grid fees to be invoiced at the end of the previous reporting period. The periodic billing of low-volume energy consumers takes place based on fixed amounts depending on the size (capacity) of the connection. It is invoiced and collected by the energy suppliers. The energy suppliers periodically pass on the amounts charged to consumers to Enexis Groep. High-volume energy consumers are invoiced periodically based on the contractually agreed capacity and, in the case of electricity, based on the metered consumption and actual grid load.

The table below provides a breakdown of revenue:

€ Million	2024	2023
Regulated		
Periodic transmission- and connection fees for electricity		
High-volume consumers	757	531
Low-volume consumers	1,198	868
Periodic transmission- and connection fees for gas		
High-volume consumers	52	50
Low-volume consumers	368	359
Metering services	123	106
Amortised contributions	38	34
Other	18	22
Subtotal	**2,554**	**1,970**
Other revenue		
Income from sale of products and services	42	44
Total other revenue	**42**	**44**
Total regulated	**2,596**	**2,014**

Revenue rose by 28.9% compared to 2023. This consists of an increase of 29.6% in the regulated revenue (excluding other revenue) and a decrease of 4.5% in the other revenue.

The increase in regulated revenue is mainly attributable to a tariff increase of the periodic transmission and connection charges for electricity and gas. Revenue from transmission and connection fees for electricity rose by 39.7% compared to 2023. This increase is the result of an average tariff increase of 37.6% and a volume decrease of 2.1%. The tariff increase is largely due to the higher costs of TenneT's transmission services, which are passed on in the tariffs charged by Enexis to its customers. In addition, the tariffs are higher in 2024 as a result of the adjusted Methodebesluit Elektriciteit ('Electricity Method Decision') following the decision of the Trade and Industry Appeals Tribunal of 21 December 2023.

Revenue from gas transmission and connection fees rose by 2.7% compared to 2023. This increase is attributable to an average tariff increase of 4.6% and a volume decrease of 1.9%.

Regulated revenue from electricity and gas metering services increased by 16% compared to 2023. This increase is mainly attributable to an average tariff increase of 15.1%. The increase in tariffs mainly relates to an 81.1% increase in tariffs for metering services, while there was a 7.8% decrease in tariffs for electricity metering services.

ACM is expected to make margin decisions for metering services as of 2011 based on which regional grid operators will have to settle part of the margin on metering services in the past with future tariffs. Due to the higher energy costs for consumers, Enexis decided to lower the metering service charges already in 2023 in advance of this decision by ACM. However, in the 2023 tariffs, Enexis has already included more of its margin for gas than electricity. In 2024, the metering tariffs for gas, therefore, increased significantly but are still below the maximum set by ACM. For electricity, the metering tariffs were further reduced.

In the net revenue for 2024, the estimated grid charges for low-volume customers amounted to 143 million (2023: €113 million), and for large-volume customers €69 million (2023: €9 million), together 8.2% (2023: 8.0%) of total revenue. The maturity differences of these revenue items yet to be invoiced are generally small. The estimated revenue relates to December and is largely based on revenues generated in November.

2. TRANSMISSION SERVICES AND DISTRIBUTION LOSSES

This includes the transmission services invoiced by TenneT and distribution losses related to revenue.

€ Million	2024	2023
Transmission services	813	446
Distribution losses	139	363
Total	**952**	**809**

Costs of transmission services and distribution losses rose by €143 million to €952 million in 2024. Of this increase, €367 was caused by higher TenneT costs for transmission services due to tariff increases (€348 million), which was partially offset by volume differences (€17 million) and other effects (€2 million). TenneT's costs increased by 82%, mainly due to tariff increases. In addition, the load on the grid was higher than in 2023, which caused the volume differences.

In addition, the costs for distribution losses decreased by €224 million. Of this decrease, €175 million is attributable to electricity (€171 million due to price differences, €4 million due to volume differences). Enexis buys electricity in advance to compensate for grid losses. Therefore, the level of distribution loss costs in 2024 depends on the electricity prices in the years when the forward contracts were concluded. In the financial year 2023, the cost of electricity for distribution losses was exceptionally high because the electricity was mainly purchased in 2022, when energy prices were extremely high.

Grid losses from gas transmission decreased by €40 million (€37 million due to price differences and €3 million due to volume differences). Also for gas, the costs were significantly lower than in the 2023 financial year, as the network losses in the 2023 financial year were mainly purchased in 2022.

Other grid losses decreased by €9 million, mainly due to settlements with customers for metering errors, which resulted in a gain for Enexis.

Enexis Netbeheer B.V. distributes the transmitted energy among its customers through its allocation and reconciliation process. In this case, the allocation is the advance, and the reconciliation is the final settlement. The difference between the energy taken up by the distribution grid and the energy allocated to the end users after allocation and reconciliation is the distribution loss. The reconciliation for the calendar year in question is only finalised after a reconciliation process that takes 20 months. Using forecasts, Enexis Netbeheer B.V. tries to estimate the final reconciliation result as accurately as possible to minimise the distribution loss. User profiles, actual annual feed-in and historical data are used as input for these forecasts. The result from reconciliation amounted to €1 million in 2024 (gain). This is an improvement of €36 million compared to 2023.

For more information on Enexis' policy to control risks related to distribution losses, see note 30 'Financing policy and risks associated with financial instruments' in the 2023 consolidated financial statements of Enexis Holding N.V.

3. OTHER OPERATING INCOME

Other operating income comprises income not directly related to core activities.

Operating subsidies are recognised in the results of the period to which they relate. Subsidies are only recognised as soon as the receipt of these subsidies can be determined with reasonable certainty.

€ Million	2024	2023
Subsidies and received refunds	1	0
Other income	38	1
Total	**39**	**1**

In 2024, other operating income included a book profit of €10 million related to asset sales and a settlement amount of €27 million for the removal costs of gas connections.

Enexis Netbeheer B.V., together with the other regional network operators in the Netbeheer Nederland association, has entered into a settlement agreement with the government of the Netherlands regarding the costs of dismantling gas connections requested by low-volume consumers in the period from 2 March 2021 to 31 January 2024. The Code Decision, which entered into force on 2 March 2021, stipulated that these costs could be deducted in full by the regional grid operators from the periodic connection fee of customers who remained connected to the gas network. This decree was annulled by the Trade and Industry Appeals Tribunal (CBb) on 20 June 2023. As a result, the regional grid operators are not allowed to include the removal costs in the periodic connection tariffs for applications from 2 March 2021 to 31 January 2024. As a result of the damage suffered, the regional grid operators entered into a settlement agreement with the Dutch government, which stipulates that a settlement amount will be paid to the grid network operators. Enexis received a settlement amount of €27 million.

4. EMPLOYEE BENEFIT EXPENSES

Expenses are allocated to the financial year to which they relate.

€ Million	2024	2023
Salaries	417	347
Social security contributions	54	44
Pension costs	50	44
External staff	182	152
Charges to/release from employee-related provisions	3	1
Other employee-related expenses	35	32
Total	**741**	**620**

The development of the workforce in 2024 can be specified as follows:

	2024	2023
Own staff	5,734	5,268
External staff with temporary employment	1,215	1,169
Total FTE at year-end	**6,949**	**6,437**

The average number of FTEs in 2024 amounted to 6,693 (2023: 6,131). There are no employees working outside the Netherlands.

Employee benefit expenses rose by €121 million to €741 million in 2024. This increase is the balance of a €91 million increase in expenses for internal personnel and a €30 million increase in expenses for external personnel.

The increase in employee benefit expenses for internal personnel compared to 2023 is due to the increase in FTEs, regular salary increases and a CBA wage increase as of 1 January 2024 of 7%.

The costs of external hires rose by €30 million. This concerns a combination of a tariff increase and an increase in the number of external hires in FTEs.

PENSION OBLIGATIONS

Enexis employees participate in the pension scheme of Stichting Pensioenfonds ABP (the Dutch pension fund for employees in the government, public and education sectors). ABP may increase pensions if the current funding ratio exceeds 110% and the policy funding ratio exceeds 105%.

The coverage ratio of pension fund ABP at the end of 2024 amounted to 112.0% (year-end 2023: 111.9%). This is above the 110% minimum set by the government. The policy coverage ratio is the average of the last 12 actual monthly coverage ratios and was 113.2% at the end of October 2024.

Based on these policy coverage ratios, ABP has decided to increase pensions by 1.84% from 1 January 2025.

The contribution for retirement and surviving dependants' pensions will remain 27.0% in 2025. The employer pays 18.9%, and the employee pays 8.1% of the pension contribution.

As Enexis does not have access to the necessary specific information, these schemes are treated as defined contribution plans and the pension contributions payable for the financial year are recognised in the financial statements as pension expenses.

5. DEPRECIATION AND DECOMMISSIONING

The depreciation charges can be specified as follows:

€ Million	2024	2023
Depreciation of property, plant and equipment	399	382
Amortisation of intangible assets	39	36
Depreciation of right-of-use assets	33	32
Decommissioning	19	18
Impairement of assets	19	-
Total	**509**	**468**

PROPERTY, PLANT AND EQUIPMENT

Gas assets are depreciated using the diminishing balance depreciation method. All other tangible fixed assets are depreciated using the straight-line depreciation method.

The asset's expected future useful life is considered when determining the depreciation. The useful life and residual value of assets are assessed each year. Any adjustments are recognised prospectively. Land is not depreciated. A tangible fixed asset is no longer recognised on the balance sheet when it is divested or when no future economic benefits are expected from the asset's continued use or in the event of disposal of the asset. Any profit or loss arising from the de-recognition of an asset is recognised in the result.

The expected useful lives of the main categories of property, plant and equipment are as follows:

	Period
Buildings	25-50 years
Cables, pipelines and equipment	25-55 years
Other non-current assets	5 - 15 years
Work in progress	n/a

Diminishing balance depreciation method gas assets

From the financial year 2022, Enexis depreciates its gas assets using the declining balance method. Enexis estimates that the number of users of the gas grid will continue to decrease up to and including 2050. However, Enexis does not expect that the decrease in the number of gas grid users will lead to large-scale decommissioning of gas assets. This is because, despite the decline in the number of users of the gas grid, the main infrastructure of the gas network will remain primarily operational. In addition, the gas grid is expected to remain relevant for natural gas and sustainable alternatives such as green gas and hydrogen. Therefore, Enexis sees no reason to shorten the economic and technical useful life of the gas assets.

The depreciation method is based on the expected future consumption pattern of the future economic benefits embodied in the asset. The consumption pattern is reflected most accurately by the expected use pattern. The expected use pattern of the gas grid is determined based on Enexis' most recent forecast of the number of users of the gas grid in the period up to and including 2050. As the expected use pattern of the gas grid shows a diminishing balance, Enexis started applying the diminishing balance depreciation method in the financial year 2022. The amortisation pattern of the contributions paid in advance for the gas assets was also revised from the financial year 2022 in line with this diminishing balance method. As a result, the net depreciation charges (gross depreciation less the amortised contributions) of the gas assets follow a diminishing balance pattern.

The estimated decline in the number of gas network users up to and including 2050 has not changed in 2024 compared with 2023. Therefore, the declining pattern of depreciation of gas assets and the declining pattern of depreciation of advances received on gas assets have not changed.

The gross depreciation charges of the gas assets were €24 million higher, and the amortised amounts were €4 million higher in 2024 than if the straight-line depreciation method had been used. The net depreciation charges were thus €20 million higher. Based on the current estimates, the increase in the annual net depreciation charges compared to the straight-line method will decrease every year in the period 2030-2035 until the yearly difference is nil, after which the diminishing balance depreciation method will lead to a lower annual depreciation charge than the straight-line deprecation method.

As a result of the declining balance method of depreciation, the cumulative depreciation charge for the years 2022 to 2024 will be €64 million higher than under the straight-line method.

INTANGIBLE FIXED ASSETS

Depreciation is calculated in accordance with the straight-line method. The expected future useful life is taken into account in determining the depreciation. The useful life is assessed each year. Any adjustments are recognised prospectively.

The estimated useful life of the main intangible fixed asset categories is as follows:

	Period
Software	5 years
Goodwill	n/a
Work in progress	n/a

DEPRECIATION OF RIGHT-OF-USE ASSETS

Leases are recognised on the balance sheet as right-of-use assets. Right-of-use assets are then depreciated on a straight-line basis over the total term of the lease.

DECOMMISSIONING

Tangible and intangible fixed assets that no longer serve Enexis' business activities and no longer generate future economic benefits are being decommissioned. The remaining carrying amount at the time of decommissioning is recognised immediately as an expense in the income statement.

IMPAIRMENTS

An impairment loss of €19 million was recognised on the cash flow-generating unit Mijnwater Warmte Infra B.V. in 2024. For a more detailed specification of the impairments, see note 12 'Intangible fixed assets'.

6. COST OF SUBCONTRACTED WORK, MATERIALS AND OTHER EXTERNAL EXPENSES

Expenses are allocated to the financial year to which they relate.

€ Million	2024	2023
Subcontracted work	114	91
Materials	34	27
IT costs	92	88
Other external expenses	67	50
Total	**307**	**256**

The cost of subcontracted work, materials, and other external expenses rose by €51 million in 2024 compared to 2023. This increase is mainly attributable to price indexation and an increase in the work carried out for the energy grid in 2024. In addition, the costs of housing and materials were also higher.

AUDITOR'S FEES

Fees charged by EY Accountants B.V. in the financial year for the audit of the financial statements of Enexis Holding N.V. and Enexis Netbeheer B.V. amounted to €0.8 million in 2024 (2023: €0.7 million), for other audit services €0.0 million (2023: €0.1 million), and for other assurance services €0.4 million (2023: €0.1 million). No services of any other type were provided. The audit expenses for 2023 have been paid.

7. OTHER OPERATING EXPENSES

€ Million	2024	2023
Charges to/releases from provisions	14	-2
Other	26	17
Total	**40**	**15**

Other operating expenses mainly concern allocations to and/or releases from non-employee-related provisions, corporate taxes, as well as expenses for compensation and service guarantees. Other operating expenses increased by €25 million in 2024 compared to 2023. The increase is mainly attributable to the organisation's growth and price indexation. In addition, in 2024 there was an allocation (2023: net release) primarily to other provisions related to liabilities as of the balance sheet date, the extent or timing of which is still uncertain.

8. CAPITALISED EXPENSES OF OWN PRODUCTION

€ Million	2024	2023
Capitalised employee benefit expenses	-235	-208
Capitalised other direct expenses	-65	-54
Total	**-300**	**-262**

Capitalised production costs relate to the hours of the company's employees and contracted employees allocated to the company's investment projects, as well as additional charges recognised in connection with investment projects and logistical warehousing. Capitalised costs rose by €38 million compared to 2023. The increase is mainly attributable to more personnel being employed on investment projects for the energy grid and IT improvement projects.

9. FINANCIAL INCOME AND EXPENSES

Interest income and expenses are allocated to the period to which they relate based on time proportionality, using the effective interest method. Construction period interest is applied to investment projects with estimated durations of more than 12 months.

€ Million	2024	2023
Financial income	6	19
Total financial income	**6**	**19**
Other financial expenses	52	40
Total financial expenses	**52**	**40**
Total, net financial expenses	**-46**	**-21**

Financial expenses mainly consist of interest payments related to loans. For further details on these loans, please refer to note 22 'Interest-bearing liabilities (non-current)' and note 28 'Interest-bearing liabilities (current)'.

The increase in the negative balance of financial income and expenses is mainly attributable to a decrease in interest income on excess liquidity in money market funds, deposits and bank accounts. In addition, interest expenses increased mainly due to the issuance of a €500 million nominal green bond with a coupon of 3.50% in May 2024. In addition, the interest expense on the 2023 green bond is included for a full year in financial income and expenses in 2024. This is offset by a reduction in interest expenses due to the redemption of the listed bond of €500 million nominal value with a coupon of 1.50% in October 2023.

10. NON-RECURRING ITEMS

Non-recurring items include income and expense items which do not arise in the normal course of business and which, because of their nature and size, should be considered separately for a better analysis of the results.

In 2024, two items were recognised that do not arise directly from the normal course of business and which, because of their nature and size, should be considered separately for a better analysis of the results:

1. Impairment of Mijnwater Warmte Infra B.V.:
   - An impairment loss of €19 million was recognised on the cash flow-generating unit Mijnwater Warmte Infra B.V. in 2024. The impairment has been recognised in the income statement under 'Depreciation and decommissioning'. A further explanation of this impairment is given in Note 12 'Property, plant and equipment'.
2. Settlement of gas connection removal costs requested in the period from 2 March 2021 to 31 January 2024:
   - In 2024, Enexis received a settlement amount of €27 million for the costs of removing gas connections requested by low-volume customers in the period from 2 March 2021 to 31 January 2024. This item is included in 'Other operating income' in the income statement. For further details, see note 3 'Other operating income'.

In the 2023 financial year, no incidental items were recognised.

11. TAXES

BASIC TAX RULES AND TAX RISK MANAGEMENT

The correct and complete fulfilment of tax obligations is an important area of attention. This concerns corporate income tax and all other taxes that apply to Enexis.

An individual Horizontal Monitoring Agreement was concluded with the Dutch Tax and Customs Administration in 2022. In this agreement, Enexis and the Tax and Customs Administration agreed to base their relationship on transparency, understanding and trust. Of course, the rights and obligations based on laws and regulations will continue to apply in full.

The starting points with regard to taxation and social security contributions are as follows:

- Compliance with laws and regulations: Enexis Groep acts in accordance with the applicable tax laws and regulations. In doing so, Enexis does not make use of unconventional tax structures.
- Transparency: How Enexis Groep operates is aimed at maintaining an open, constructive, and respectful relationship with all bodies involved in levying taxation and social security contributions.

Use is made of the following to achieve these objectives:

- clear assignment of taxation responsibilities within the organisational structure (tax governance);
- Up-to-date taxation process descriptions;
- Automation and technology for preparing correct and comprehensive tax returns;
- The Enexis Internal Control Framework, of which the functioning is assessed twice a year via a Control Self-Assessment (CSA), in which specific identified tax risks and the corresponding mitigating measures have been laid down;
- working relationship with the bodies involved in the levying of taxes and social security contributions that is based on trust, understanding, and transparency; and
- Internal and external communication about tax matters with the aim of having contact with employees (and representatives of employees) and other stakeholders about the impact of the levy of taxes and social security contributions on the organisation.

THE DUTCH MINIMUM TAXATION ACT 2024(PILLAR II)

The Dutch Minimum Taxation Act 2024 came into force on 1 January 2024. The law will take effect as of the financial year starting 1 January 2024. An assessment was performed regarding the impact of this act. It follows from the assessment that:

- Enexis Holding N.V. and all of its subsidiaries, as a group within the Netherlands, fall within the scope of this act.
- The new act is not expected to lead to additional taxation as the effective tax rate in the sense of the act is higher than 15% or due to 'actual presence'. If additional taxation should have to take place, then a reduction of additional taxation is included in the act for five years after the act first became applicable.

TAX GROUPS

Enexis Holding N.V. forms a tax group for corporate income tax together with its subsidiaries. The companies that were members of the tax group at year-end 2023 are: Enexis Netbeheer B.V., Enexis Personeel B.V., Enexis Vastgoed B.V., Enpuls B.V. and Enpuls Projecten B.V. and Mijnwater Warmte Infra B.V. Within this group of companies, the corporate income tax that Enexis Holding N.V. owes the Dutch Tax and Customs Administration is apportioned among the companies included in the tax group based on realised commercial results taking into account the applicable exemptions and non-deductible amounts. In the event of changes in the composition of the tax group, deferred tax items are settled between Enexis Holding N.V. and the relevant group company or companies.

There is also a tax group for turnover tax (VAT), with the exception of Mijnwater Warmte Infra B.V. Companies are jointly and severally liable for the tax liabilities of the tax group over the period in which they belong to the tax group. The turnover tax payable by Enexis Holding N.V. to the Dutch Tax and Customs Administration is settled with the group companies in accordance with the turnover tax owed by each company.

CORPORATE INCOME TAX

The business activities of Enexis Groep are subject to corporate income tax. The tax on the result for the reporting period comprises current, offsetable, and deferred corporate income tax. The corporate income tax is included on the income statement, except when it relates to items recognised directly in equity.

The corporate income tax for 2024 amounted to €86 million (2023: €16 million).

The corporate income tax can be specified as follows:

€ Million	2024	2023
Current income tax expense	50	-32
Current income tax expense prior years	-6	0
Total change in current tax expense	**44**	**-32**
Change in deferred income tax liability following future tax rate changes	36	48
Deferred income tax expense prior years	6	0
Total change in deffered income tax	**42**	**48**
Total corporate income tax expense	**86**	**16**

The application of the arbitrary tax depreciation in 2023 resulted in a tax loss for 2023. The remainder of this 2023 tax loss – the 2023 tax loss less the offset against the 2022 tax result – is fully recoverable against the 2024 tax profit. Partly due to this netting, the income tax payable for the period is €50 million and the deferred tax asset changes by €42 million.

The corporate income tax was calculated as follows:

€ Million	2024	2023
Profit before tax	340	88
Non-taxable results and non-deductible expenses	3	2
Permanent differences between the taxable and commercial results (i.a. energy- and environmental investment deduction)	-18	-19
Profit for calculation of corporate income tax expense	**325**	**71**
Tax on current year	**84**	**18**
Utilisation of previously unrecognised tax losses	2	-2
Corporate income tax current year	**86**	**16**
Adjustment(s) for preceding years	0	0
Total corporate income tax	**86**	**16**

The permanent differences between the calculation of the commercial result and the result for tax purposes are primarily caused by the use of investment schemes for tax deductions for energy and environment investments. As a result of investment schemes, investing in sustainable and environmentally friendly assets provides a tax deduction of €17 million (2023: €18 million).

There were no uncertain tax liabilities arising from previous years as of year-end 2024. Final assessments have been imposed up to and including the fiscal year 2021.

The reconciliation of the statutory income tax rate with the reported income tax rate (€86 million), expressed as a percentage of profit before tax (€340 million), is as follows:

	2024	2023
Nominal statutory corporate income tax rate in the Netherlands	25.8%	25.8%
Effect from non-taxable result from sale of Fudura B.V.	0.0%	0.0%
Effect from non-taxable results and non-deductable expenses	0.1%	0.6%
Effect of permanent differences between the calculation of the taxable and commercial result	-1.3%	-5.6%
Effect of adjustments for preceding years	0.0%	-0.7%
Effect of Utilisation of previously unrecognised tax losses	0.6%	-2.4%
Effective tax rate[1]	**25.2%**	**17.7%**

1 Total corporate income tax as a percentage of profit before tax excluding rounding.

12. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment (tangible fixed assets) are valued at acquisition price or (internal) production cost, less depreciation calculated on this value and any impairments. Investment subsidies are deducted from the acquisition costs of the asset concerned and credited to the result based on the asset's useful life. Costs are only capitalised if it is likely that future economic benefits will result from the use of a specific asset, and the costs can be determined reliably. Assets ordered but not yet received are not recognised in the balance sheet. To carry out its activities as a regional grid operator, Enexis uses assets that have been fully depreciated.

Changes in property, plant and equipment in 2024 were as follows:

€ Million	Land and Buildings	Cables, pipelines and equipment	Other non-current assets	Work in progress	Total 2024
Cost at 1 January 2024	890	15,299	143	829	17,161
Accumulated depreciation at 1 January 2024	424	7,085	64	0	7,573
Carrying amount at 1 January 2024	**466**	**8,214**	**79**	**829**	**9,588**
Reclassified work in progress	34	407	4	-445	-
Additions	45	520	26	842	1,433
Divestment	-1	-	-	-	-1
Depreciation	-17	-368	-14	-	-399
Decommissioning	-	-19	0	-	-19
Impairment	-	-14	-	-5	-19
Carrying amount at 31 December 2024	**527**	**8,740**	**95**	**1,221**	**10,583**
Accumulated depreciation at 31 December 2024	441	7,435	75	-	7,951
Cost at 31 December 2024	**968**	**16,175**	**170**	**1,221**	**18,534**

The comparative overview for 2023 is as follows:

€ Million	Land and Buildings	Cables, pipelines and equipment	Other non-current assets	Work in progress	Total 2023
Cost at 1 January 2023	828	14,473	134	672	16,107
Accumulated depreciation at 1 January 2023	409	6,752	57	0	7,218
Carrying amount at 1 January 2023	**419**	**7,721**	**77**	**672**	**8,889**
Reclassified work in progress	39	374	2	-415	0
Additions	23	489	14	572	1,098
Depreciation	-15	-354	-13	0	-382
Decommissioning	0	-16	-1	0	-17
Carrying amount at 31 December 2023	**466**	**8,214**	**79**	**829**	**9,588**
Accumulated depreciation at 31 December 2023	424	7,085	64	0	7,573
Cost at 31 December 2023	**890**	**15,299**	**143**	**829**	**17,161**

IMPAIRMENTS OF PROPERTY, PLANT AND EQUIPMENT

The recoverable value of property, plant and equipment is calculated if events or changes in circumstances give cause to do so ('triggering event' analysis). The results of this calculation are used to determine if any impairment exists. An assessment is performed annually and in the event of interim publications to ascertain whether such events or changes have occurred.

In these triggering event analyses, Enexis Groep also took into account the developments in connection with the energy transition. These developments do not form a trigger to calculate the recoverable value for the assets of the gas grid. For more information about this topic, see the 'Future outlook for the gas grid' section in note 13 'Intangible fixed assets'.

An impairment loss of €19 million was recognised on the cash-generating unit Mijnwater Warmte Infra B.V. in 2024. The activities of the heating company Mijnwater Warmte Infra B.V. are included in the operating segment 'Enexis other'. The impairment is mainly due to delays in the heat transition, primarily caused by external factors such as the postponement of the entry into force of the Collective Heat Supply Act, the Municipal Instruments for Heat Transition Act and the Energy Act, as well as negative media coverage of the heat networks.

13. INTANGIBLE FIXED ASSETS

Intangible assets consist of goodwill, acquired or internally generated application software and capitalised leases. Intangible assets, other than goodwill, are stated at cost less accumulated amortisation and impairment losses. Cost is capitalised only when it is probable that future economic benefits will result from the use of a specific asset.

Changes in intangible fixed assets in 2024 were as follows:

€ Million	Goodwill	Software	Work in Progress	Total 2024
Cost at 1 January 2024	96	367	38	501
Accumulated depreciation at 1 January 2024	-	271	-	271
Carrying amount at 1 January 2024	**96**	**96**	**38**	**230**
Reclassified work in progress	-	21	-21	0
Additions	0	21	33	54
Depreciation	-	-39	-	-39
Decommissioning	-	0	-	0
Carrying amount at 31 December 2024	**96**	**99**	**50**	**245**
Accumulated depreciation at 31 December 2024	-	284	-	284
Cost at 31 December 2024	**96**	**383**	**50**	**529**

Assets classified as software consist mainly of the grid registration system, various operating systems, connection registrations, customer information systems, job order management systems, and other support systems. The capitalised software consists mainly of purchased and externally developed software for which no statutory reserve was formed.

The comparative overview for 2023 is as follows:

€ Million	Goodwill	Software	Work in Progress	Total 2023
Cost at 1 January 2023	96	332	36	464
Accumulated depreciation at 1 January 2023	-	242	-	242
Carrying amount at 1 January 2023	**96**	**90**	**36**	**222**
Reclassified work in progress	0	34	-34	0
Additions	0	9	36	45
Depreciation	0	-36	0	-36
Decommissioning	-	-1	-	-1
Carrying amount at 31 December 2023	**96**	**96**	**38**	**230**
Accumulated depreciation at 31 December 2023	0	271	0	271
Cost at 31 December 2023	**96**	**367**	**38**	**501**

IMPAIRMENTS OF INTANGIBLE FIXED ASSETS

The recoverable value of intangible fixed assets is calculated if events or changes in circumstances give cause to do so 'triggering event' analysis). The results of this calculation are used to determine if any impairment exists. An assessment is performed annually and in the event of interim publications to ascertain whether such events or changes have occurred. As a result, there were no impairments in 2024.

In these triggering event analyses, Enexis Groep also took into account the developments in connection with the energy transition. These developments do not form a trigger to calculate the recoverable value for the assets of the gas grid. For more information about this topic, see the 'Future outlook for the gas grid' section.

GOODWILL IMPAIRMENT TEST

Goodwill relates to the acquisitions of Intergas Energie B.V. in 2011, Endinet Groep B.V. in 2016 and N.V. Stedin Netten Weert in 2017 and is the result of the difference between the cost of the acquisition and the fair value of the net assets at the time of the acquisition. Enexis Groep performed a goodwill impairment test at year-end 2024 for the segments in which goodwill is included.

Goodwill resulting from acquisitions has been allocated to the segments as follows:

€ Million	Enexis regulated	Total
Intergas Energie B.V.	15	15
Endinet Groep B.V.	78	78
N.V. Stedin Netten Weert	3	3
Total	**96**	**96**

Outcomes

The calculated indirect realisable value of the regulated assets is significantly higher than the carrying value of the corresponding assets plus the goodwill allocated to them. Therefore, no impairment of goodwill is required.

Assumptions

The indirect realisable value of the regulated assets is determined based on the most recent Long-Term Financial Calculation. This calculation covers a forecast period of fifteen years. The forecast period is 15 years to match the investments required for the energy transition and the income generated by these investments. The main assumptions included in the Long-Term Financial Calculation are an estimate of the discount rate based on the Weighted Average Cost of Capital (WACC) rates used by ACM, regulated tariffs, and changes in the number of connections and services, as well as operating and other costs. The chosen assumptions concern estimates, mainly based on the most recent information regarding tariff regulation (Method Decision 2022-2026), the investment programme (quality and capacity document, and strategic asset management plan) and Enexis Groep's efficiency objectives.

ACM has set tariffs for 2025 based on the amended 2022-2026 Method Decisions. This means that revenues from 2025 onwards have been set based on the revised initial revenues and revised discounts to promote efficient operations (the x-factors). In addition, the tariffs for 2025 have been corrected for the underestimated revenues in 2022, 2023 and 2024. For gas, this correction has been fully included in the 2025 tariffs and for electricity, due to its magnitude, it has been decided to spread the correction over the 2025 and 2026 tariffs.

Together with inflation, adjustments to TenneT's procurement costs and post-calculations relating to the year 2023 in connection with increased feed-in volumes and interest costs in the WACC, the incorporation of the amended Method Decision has led to a tariff increase of approximately 17% for the connection and transmission service electricity in 2025. For gas, the increase is around 14%.

Enexis Groep devotes a great deal of attention to efficient operations, initiating programmes designed to achieve a level of efficiency that is at least equal to the increase in costs due to inflation. Despite these efforts, operating cost levels are expected to increase, mainly due to extra work as a result of the energy transition.

The regulation further stipulates that the efficient (average) costs will be remunerated in the tariffs to be determined by ACM. It is assumed that Enexis Netbeheer B.V. will perform at the same level as other grid operators in terms of investments, as the networks of all grid operators in the sector are comparable.

To determine the end value, a growth rate of 0% is assumed for the regulated activities, as the entire sector is assumed to operate with the same efficiency at that time. The end value is, therefore, assumed to be equal to the efficient book value (Standardised Asset Value) at that time. This assumes that the regional grid operator will continue to be compensated for its efficient costs and investments, including a reasonable return, in accordance with the current method of tariff regulation. For a further explanation of Enexis Groep's future vision of the gas grid and the consequences of this for the valuation of gas assets, please refer to the 'Future vision of the gas network' section at the end of this note.

The impairment test is based on the following variables:

Variables	2024	2023
Segments	Enexis Regulated	Enexis Regulated
Source: financial results in future years	Long Term Financial Calculation	Long Term Financial Calculation
Cost of debt	2.4%	2.5%
Cost of equity	5.6%	6.2%
Discount rate after taxes	3.8%	4.2%

Sensitivity analysis

The calculated indirect realisable value of the regulated assets in the operational segment Enexis regulated is considerably higher than the carrying values of the corresponding assets, plus the goodwill allocated to them. Even though the indirect realisable value is significantly higher than the carrying value of the regulated assets and the goodwill allocated to these assets, Enexis Groep performed a sensitivity analysis on the most important criteria that were used to determine the indirect realisable value of the regulated assets to provide insight into the estimated uncertainty. Based on this, Enexis Groep concluded that a reasonable change in the criteria, as shown in the sensitivity analysis below, will not lead to an impairment of goodwill. The sensitivity analysis has the following outcomes:

- A decrease in the expected market share, expressed in Compound Output, of Enexis Netbeheer B.V. by 0.1% leads to a decrease in the realisable value by €36 million.
- A delay of the convergence assumption, the year in which all regional grid operators operate equally efficiently, by one year leads to an increase in the realisable value by €47 million.
- An increase in the discounting rate after tax by 0.1% leads to a decrease in the realisable value of €232 million.
- A structural increase in the expected operating expenses by €10 million a year leads to an increase in the realisable value by €2 million, due to the difference between the time that costs are incurred and compensation in the future tariffs.
- A structural increase in the expected investments of €50 million a year leads to an increase in the realisable value of €46 million, due to the difference between the time that costs are incurred and compensation in the future tariffs.

The above sensitivity analysis shows that an increase in the discounting rate after tax by 0.1% leads to a decrease in the realisable value of €232 million. However, the discounting rate is based on the regulatory WACC. The reasonable return that Enexis Groep receives on its efficient investments also depends on the regulatory WACC. In the above sensitivity analysis, only an adjustment of the discounting rate is taken into account and not a comparable increase in the reasonable return that Enexis Groep receives on its efficient investments. A reasonable change in the discounting rate due to changes in the regulatory WACC will, therefore, not lead to an impairment of goodwill.

FUTURE OUTLOOK OF THE GAS GRID

The Netherlands aims to become a low-carbon country by 2050. The Climate Change Act sets a target of at least 55% CO_2 reduction by 2030, with an ambition to reach 60%. To achieve this, the Regional Energy Strategies and the municipal Heat Transition Visions are phasing out reliance on natural gas for existing buildings and eliminating the obligation to connect new buildings. This will impact the gas grid of Enexis Netbeheer B.V., as the number of gas connections will decrease.

Enexis Netbeheer B.V. believes that the gradual phasing out of natural gas will not result in the large-scale decommissioning of gas networks. This is because the highly interconnected main networks serve both a neighbourhood function and a transit function, supplying downstream network sections. In some cases, removing main pipelines in residential areas that are 'moving away from natural gas' may even require upgrading and/or extensions elsewhere in the gas network. The high-pressure gas network acts as a 'stable' backbone for the low-pressure gas grid and the supply of the industrial sector.

Even in the low-carbon energy system of 2050, Enexis expects the gas grid to continue to play a role in the distribution of green gas and hydrogen. This is already evident in the growing volume of green gas imports, which will enable the gas grid to contribute significantly to CO_2 reduction in the short term. The climate agreement recognises that it is virtually impossible to meet heat demand without a gaseous energy source. Relying on electricity alone is not always a technically or economically viable option, and district heating networks cannot be implemented everywhere. In such cases, the most practical way to achieve sustainability is to use sustainable gaseous energy sources - such as hydrogen produced from renewable electricity or green gas – combined with hybrid heat pumps. Along with network operators within Netbeheer Nederland and the Ministry of Climate and Green Growth, roadmaps have been developed for both green hydrogen and green gas. Therefore, a safe and reliable gas network is expected to remain essential in a more sustainable energy system.

As these developments are ongoing and could significantly impact Enexis, proposed policies, policy ambitions, sector plans, new studies and roadmaps are closely monitored. Every two years, scenarios projecting developments up to 2050 are reassessed to determine whether investment policies need to be adjusted. Enexis is also actively involved in the Regional Energy Strategies, the Heat Transition Vision and the living labs for natural gas-free neighbourhoods.

Enexis expects the gas grid to play a role in the distribution of green gas and hydrogen in the low-carbon energy supply in 2050. Given the through transmission function of the main grid, a decrease in the number of gas connections will not lead directly to a corresponding removal of main grids. Enexis Netbeheer B.V. does not believe that the gradual phasing out of natural gas will also lead to the large-scale decommissioning of gas grids.

Although the number of users of the gas grid is decreasing, this is not expected to lead to large-scale decommissioning of gas assets. Therefore, Enexis switched to the diminishing balance depreciation method as of the financial year 2022. The consumption pattern of the future economic benefits of the assets is reflected in the pattern in which the number of users of the gas grid decreases. For more information, reference is made to note 5 'Depreciation and decommissioning'.

Enexis does not see any need at present to shorten the depreciation periods of the existing gas grids or to start impairing the existing gas grids. However, to further limit this risk, Enexis Netbeheer B.V. is highly reluctant to construct new or replace existing gas grids when alternative heating systems, such as heating grids or all-electric solutions, are available. To ensure the reliability and safety of the gas grid, the large-scale multi-year replacement plans that are being carried out due to the obsolescence of grid components will continue. Due to the completion of the first group of programmes, gas replacements will start to decrease slightly from 2025 onwards, but the total volume will remain stable until 2030. After 2030, the major multi-year replacement programmes will be completed, and the level of replacement in the gas networks will continue to decrease.

In the Method Decision Gas for the regulation period 2022-2026, ACM has taken the expected future decrease in the number of users of the gas grid into account. ACM also did this by switching to the nominal method instead of the actual method for calculating the WACC so that inflation compensation is no longer shifted to the future. Another important change concerns the switch to a diminishing balance depreciation method for gas assets as of 2022. ACM has opted for the diminishing balance depreciation method as this method is more suitable given the expected future decrease in the number of users of the gas grid. This way, ACM aims to avoid fewer and fewer users having to bear the annual depreciation charges, which would otherwise be the case if a straight-line depreciation method was used. ACM sees no reason to revise the economic and technical useful lives of the gas assets. These changes in the Method Decision Gas have led to setting the efficient costs, including a reasonable return that the regional grid operators receive, at a higher level.

Enexis Groep has formulated the above assumptions and criteria with great care. However, there is still much uncertainty surrounding the assumptions and criteria regarding the future of the gas grid. The assumptions and criteria are reviewed periodically in principle, unless unexpected significant events require immediate adjustment.

14. RIGHT-OF-USE ASSETS

Enexis Groep has recognised right-of-use assets and lease liabilities for leases that qualify as a lease under IFRS 16, with the exception of short-term leases, leases for low-value assets and agreements that do not meet the IFRS 16 lease criteria.

Right-of-use assets pertain to lease agreements for company and employee cars and property, with depreciation applied over the expected lease term.

Changes in right-of-use assets in 2024 were as follows:

€ Million	Buildings	Lease cars	Total 2024
Cost at 1 January 2024	70	180	250
Accumulated depreciation at 1 January 2024	40	120	160
Carrying amount at 1 January 2024	**30**	**60**	**90**
Additions	2	54	56
Disposals	0	-2	-2
Depreciation	-7	-26	-33
Carrying amount at 31 December 2024	**25**	**86**	**111**
Accumulated depreciation at 31 December 2024	47	146	193
Cost at 31 December 2024	**72**	**232**	**304**

Changes in right-of-use assets in 2023 were as follows:

€ Million	Buildings	Lease cars	Total 2023
Cost at 1 January 2023	66	154	220
Accumulated depreciation at 1 January 2023	32	96	128
Carrying amount at 1 January 2023	**34**	**58**	**92**
Additions	4	26	30
Disposals	0	0	0
Depreciation	-8	-24	-32
Carrying amount at 31 December 2023	**30**	**60**	**90**
Accumulated depreciation at 31 December 2023	40	120	160
Cost at 31 December 2023	**70**	**180**	**250**

For the lease liabilities related to the right-of-use of assets, see note 22 'Interest-bearing liabilities (non-current)' and note 28 'Interest-bearing liabilities (current)'.

LEASE EXPENSES

Expenses arising from right-of-use assets can be specified as follows:

€ Million	Buildings	Lease cars	Total 2024
Depreciation	7	26	33
Financial expenses	0	1	1
Total	**7**	**27**	**34**

15. OTHER FINANCIAL FIXED ASSETS

Other financial fixed assets consist of the following:

€ Million	2024	2023
Loans and receivables	8	8
Total	**8**	**8**

Changes in financial fixed assets in 2024 were as follows:

€ Million	Loans granted to staff	Other loans	Total 2024
At 1 January 2024	**1**	**12**	**13**
New loans	1	5	6
Repayments	0	-6	-6
At 31 December 2024	**2**	**11**	**13**
Less: current portion	0	5	5
Total non-current portion	**2**	**6**	**8**

Other financial fixed assets concern loans provided to EDSN B.V. and loans provided to employees in connection with financing arrangements. The average weighted effective interest rate amounted to 5.36% (2023: 4.46%).

The interest rate charged for the loans included in other financial fixed assets differed from the market interest rates at the end of 2024. Due to the limited size, the deviation from market interest rates did not significantly affect fair value.

The agreed interest rate on the loans provided to EDSN B.V. was determined on an 'arm's length basis at the time these loans were concluded, which resulted in a market interest surcharge in addition to the standard market interest rate.

Drawdowns under this current account facility with EDSN totalled €5 million, while repayments amounted to €6 million in 2024.

As of 31 December 2024, €5 million of the total €11 million in outstanding loans to EDSN is recognised under current liabilities under other financial assets.

16. INVENTORIES

Inventories are recognised at cost or, if lower, at net realisable value (the estimated selling price in the normal course of business minus selling costs). Cost is determined using the weighted average cost method.

Cost includes all expenses and costs directly attributable to the purchase of inventories and bringing them to their current location and condition.

€ Million	2024	2023
Materials	170	152
Provision for obsolescence	-2	-2
Total	**168**	**150**

Materials refer to items held as inventory for investment, maintenance, and emergency repair activities, as well as for work performed for third parties. The inventory of materials rose by €18 million compared to year-end 2023. This increase is mainly attributable to the strategic build-up of the materials inventory necessary for expanding and upgrading the electricity grid.

17. RECEIVABLES

€ Million	2024	2023
Trade receivables	82	68
Amounts receivable	220	159
Other receivables	17	24
Provision for expected credit losses	-23	-21
Total	**296**	**230**

Amounts receivable concern mainly the monthly additional estimate of transmission fees from large-volume and small-volume consumers.

As of 31 December 2024, the age of trade receivables was as follows:

								2024
	Trade receivables			Amounts receivable			Other receivables	Total
€ Million	Expected credit losses	Gross	Provision	Expected credit losses	Gross	Provision	Gross	Net
Not past due	3%	22	-1	0.1%	220	0	14	255
0-30 days past due	2%	24	-1	0.0%	0	0	1	24
31-60 days past due	8%	6	-1	0.0%	0	0	0	5
61-90 days past due	25%	2	0	0.0%	0	0	0	2
91-365 days past due	50%	8	-4	0.0%	0	0	0	4
Over 365 days past due	81%	20	-16	0.0%	0	0	2	6
Total		**82**	**-23**		**220**	**0**	**17**	**296**

As of 31 December 2023, the age of trade receivables was as follows:

								2023
	Trade receivables			**Amounts receivable**			**Other receivables**	**Total**
€ Million	**Expected credit losses**	**Gross**	**Provision**	**Expected credit losses**	**Gross**	**Provision**	**Gross**	**Net**
Not past due	2%	16	0	0.2%	159	0	24	199
0-30 days past due	3%	19	0	0.0%	0	0	0	19
31-60 days past due	15%	4	-1	0.0%	0	0	0	3
61-90 days past due	16%	4	-1	0.0%	0	0	0	3
91-365 days past due	50%	8	-4	0.0%	0	0	0	4
Over 365 days past due	86%	17	-15	0.0%	0	0	0	2
Total		**68**	**-21**		**159**	**0**	**24**	**230**

18. CORPORATE INCOME TAX

The corporate income tax item consists of the corporate income tax refund for 2022 and the corporate income tax payable for 2024 after offsetting against the assessed tax liabilities. The refund for 2022 results from the partial settlement of the 2023 tax loss against the corporate income tax paid for 2022. This item also includes investment deductions that can be offset in future tax returns.

The final assessments over the years up to and including 2021 have been imposed. There were no uncertain tax liabilities at year-end 2024.

€ Million	2024	2023
Corporate income tax receivable	25	32
Total	**25**	**32**

19. OTHER FINANCIAL ASSETS (CURRENT)

€ Million	2024	2023
Loans with maturity < 1 year	5	5
At 31 december	**5**	**5**

The share of the loans provided to EDSN B.V. that is expected to be repaid in 2024 amounts to €5 million and is recognised as a current portion of the other financial assets.

20. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are recognised at nominal value. The item only includes cash and cash equivalents payable on demand. Cash and cash equivalents not payable on demand are recognised under other current financial assets, depending on the applicable maturities and conditions.

€ Million	2024	2023
Cash at bank and cash balances	46	31
Money market funds	0	96
Total	**46**	**127**

For a breakdown of cash flows, see the cash flow statement and the explanatory notes to the cash flow statement included in note 29 'Notes to the cash flow statement'.

Enexis Holding N.V., Enexis Netbeheer B.V., Enexis Vastgoed B.V., Enexis Personeel B.V., Enpuls B.V., Enpuls Projecten B.V. and Mijnwater Warmte Infra B.V. have placed all bank accounts in a cash pool at the Rabobank. Credit balances of Enexis Holding N.V., Enexis Vastgoed B.V., Enexis Personeel B.V., Enpuls B.V., Enpuls Projecten B.V. and Mijnwater Warmte Infra B.V. in the cash pool at the Rabobank have been pledged as security for the credit facility of Enexis Netbeheer B.V. and for amounts owed to each other.

Cash and cash equivalents of the group companies that are part of the cash pool and use zero balancing are reported on a net basis. As part of this, companies' bank balances are automatically concentrated in the main account, or this main account covers negative balances. The cash and cash equivalents of the group companies where zero balancing is not applied (Enpuls Projecten B.V. en Mijnwater Warmte Infra B.V.) are not reported on a net basis. At the end of 2024, these group companies had positive balances on their bank accounts. At the end of 2024, the bank and cash balances amount to €46 million.

As of 31 December 2024, no cash or cash equivalents were placed in money market funds.

21. EQUITY

The company's authorised share capital amounts to three hundred million euros (€300,000,000) and is divided into three hundred million (300,000,000) ordinary shares of one euro (€1.00). Of these shares, 149,682,196 shares with a total nominal value of €149,682,196 have been issued and fully paid up.

The share premium reserve is recognised for tax purposes.

The proposed dividend distribution for 2024 is based on 50% of the profit from ordinary activities after tax. The proposed dividend distribution is paid to the shareholders in an exact amount that is proportional to the number of shares. All ordinary shares are entitled to dividends. The proposed dividend distribution for 2024 amounts to €0.85 per share (2023: €0.24 per share). The proposed dividend payment amounts to €127 million; as a result, the reservation to be credited to the general reserve amounts to €127 million. This profit appropriation proposal has not been considered in the balance sheet as of 31 December 2024.

The result before taxes for the financial year 2024 presented on the income statement exclusively relates to realised results. At year-end 2024, equity amounted to €5,538 million (2023: €5,320 million). At year-end 2024, total equity per share amounted to €37.00 (2023: €35.55).

For further details, see the consolidated statement of changes in equity.

22. INTEREST-BEARING LIABILITIES (NON-CURRENT)

€ Million	2024	2023
Listed notes	2,981	2,484
Convertible hybrid shareholders' loan	500	500
Lease liabilities	81	66
Total	**3,562**	**3,050**

Non-current interest-bearing liabilities include loans available to Enexis for over a year. The amounts of repayment due within one year are included in the current interest-bearing liabilities.

For more information on the non-current interest-bearing liabilities, see note 30 'Financing policy and risks associated with financial instruments'.

The listed bonds with a maturity of more than one year have a total nominal value of €3,000 million. After deduction of the amortised cost, the remaining value is €2,981 million.

In May 2024, X N.V. issued a €500 million green bond with a coupon of 3.50%. Enexis now has six bonds outstanding, four of which are green bonds. Enexis N.V. used the bond for investments in grid expansions and upgrades necessary to accommodate renewable energy, distribution automation, smart meters and sustainable buildings. A Green Finance Framework has been developed for the issuance of green bonds. The current Green Finance Framework is fully aligned with the EU Taxonomy. This has been externally validated and confirmed by ISS ESG, demonstrating that Enexis makes a significant contribution to sustainability and has an impact on a sustainable society.

The carrying value of the convertible hybrid shareholders' loan amounted to €500 million at year-end 2024. The convertible hybrid shareholders' loan was issued in 2020 in two tranches. Both tranches have a maximum term to maturity up to 30 November 2080. An interest revision on 30 November 2030 and after that every 10 years applies for both tranches. Early redemption is possible at each interest revision or under agreed conditions.

Enexis Holding N.V. has the right to convert the loan into shares if one of the credit ratings falls below Enexis' policy level (A/A2) or if it is threatened with a downgrade under credit watch. Enexis Holding N.V. can also obtain the right to convert the loan into shares in other cases with the consent of at least two-thirds of the shareholders. If Enexis Holding N.V. chooses to convert the loan into shares, then the nominal value of the loan (including still to be paid interest at that point in time) will be converted into an equal market value of the shares whereby the market value of the shares will be determined by an independent party. The conversion right is a right but not an obligation of Enexis Holding N.V.

The convertible hybrid shareholders' loan concerns a hybrid financial instrument in which various derivatives are embedded in the base contract. The embedded derivatives concern, for example, the conditional right of Enexis to convert the loan into shares as well as the conditional right of Enexis to redeem the loan earlier. Based on the assessment of these embedded derivatives, Enexis concludes that the embedded derivatives do not have to be separated from the base contract and that the whole convertible hybrid shareholders' loan must be recognised as a non-current interest-bearing liability with valuation at amortised cost. Enexis expects that on 30 November 2030 use shall be made of the option to repay the convertible hybrid shareholders' loan earlier. For this reason, a term to maturity up to 30 November 2030 has been taken into account in determining the amortised cost.

Lease liabilities amounted to €112 million at year-end 2024, of which €31 million is classified as the current portion. Lease liabilities are recognised at the present value of the remaining lease payments, discounted at the marginal interest rate. The weighted average marginal interest rate for the lease liabilities at year-end 2024 was 2.0%. The financial expenses in connection with leases amounted to €1 million for 2024. The average remaining term of the liability arising from the right-of-use assets at year-end 2024 was 3.0 years. The remaining term of the lease liabilities can be broken down as follows:

€ Million	Buildings	Lease cars	Total 2024
< 1 year	6	25	31
> 1 year	19	62	81
Total	25	87	112

The table below shows the changes in the lease liability for 2024:

€ Million	Buildings	Lease cars	Total 2024
Lease liabilities at 1 January 2024	30	61	91
Additions	2	54	56
Disposals	0	-3	-3
Payments	-7	-26	-33
Interest	0	1	1
Lease liabilities at 31 December 2024	**25**	**87**	**112**

The comparative overview for 2023 is as follows:

€ Million	Buildings	Lease cars	Total 2023
Lease liabilities at 1 January 2023	34	58	92
Additions	4	26	30
Payments	-8	-24	-32
Interest	0	1	1
Lease liabilities at 31 December 2023	**30**	**61**	**91**

23. PROVISIONS

Provisions are recognised for obligations enforceable by law or factual obligations of an uncertain amount or timing as a result of past events. If the effect of an obligation is material, the provision is calculated by discounting expected future cash flows at a current discount rate, taking into account any specific risks inherent in the obligation. The present value of employee-related provisions is calculated using the project unit credit method. Actuarial results are recognised directly in the result.

Any expenditure expected within one year after the balance sheet date is recognised as a separate item under current liabilities.

Provisions at year-end 2024 can be specified as follows:

€ Million	Service-related benefits	Other employee benefits	Other	Total 2024
Obligations at beginning of year	13	3	1	17
Additions	2	1	10	13
Utilisation	-2	0	-	-2
Released	0	0	-1	-1
Total	**13**	**4**	**10**	**27**
Less: current portion	2	0	10	12
Total non-current portion	**11**	**4**	**0**	**15**

The current provisions amounted to €12 million (2023: €3 million) and have been recognised separately under the current liabilities.

The comparative overview for 2023 is as follows:

€ Million	Service-related benefits	Other employee benefits	Other	Total 2023
Obligations at beginning of year	12	4	9	25
Additions	2	0	1	3
Utilisation	-1	0	-1	-2
Released	-	-1	-8	-9
Total	**13**	**3**	**1**	**17**
Less: current portion	2	0	1	3
Total non-current portion	**11**	**3**	**-**	**14**

LONG-SERVICE BENEFITS

Enexis grants long-service benefits to its employees based on the provisions of the collective bargaining agreement. A provision for these long-service benefits is formed from the date of employment based on the number of years of service, expected price and salary increases, and the probability of mortality, disability and dismissal.

The most important assumptions used in the calculation of the long-service benefits are as follows:

	2024	2023
Discount rates	0%-3,41%	0%-3,81%
Estimated future annual CLA wage increases	1.5%	1.5%
Company-specific annual periodic indexation	2.5%	1.0%
Estimate future resignation probability	4.0%	4.0%
Markup social security expenses	8.7%	8.3%

PROVISION FOR OTHER EMPLOYEE-RELATED EXPENSES

This provision covers various employee-related expenses, including expenses related to the voluntary termination of employment and severance payments, healthcare costs for former employees and retention costs.

OTHER PROVISIONS

At year-end 2024, other provisions consisted mainly of provisions for claims and disputes, as well as a provision of €8 million for expected costs related to the removal of gas connections for which the request was done by the customer (without desired date) on or before year-end. No provision is made for future requests for removal. To avoid damaging Enexis' legal position, no further details are provided regarding the provisions for claims and disputes.

24. ADVANCE CONTRIBUTIONS FOR THE INSTALLATIONS OF GRIDS AND CONNECTIONS

Enexis does not regard advance payments from customers for providing a connection and installing the grid as a separate performance obligation. This means that a connection fee received before the connection is established can be regarded as an advance payment for a service still to be provided. Due to the causal relationship between the connection payments received and the capital expenditure incurred for the realisation of the connection, Enexis has opted to spread recognition of revenue from the payments received over the useful life of the connection.

Advance payments received for investments in the construction of grids and connections can be specified as follows:

€ Million	2024	2023
At 1 January	1,250	1,158
Received during the year	107	126
Amortised	-38	-34
Total	**1,319**	**1,250**
Deduct: current portion to be amortised in following financial year	38	35
Total non-current portion as of 31 December	**1,281**	**1,215**

The current portion of amounts received in advance amounted to €38 million (2023: €35 million) and has been recognised separately under the current liabilities.

25. DEFERRED TAXES

Deferred corporate income tax assets and liabilities are created to reflect temporary differences between the carrying value of assets and liabilities in these financial statements and the value in the corporate income tax return. Deferred taxes are recognised at nominal value. The calculation is based on the tax rates expected to apply when the temporary differences are realised. The tax rates in question apply on the reporting date or have already been materially decided on the balance sheet date.

A deferred corporate income tax asset is recognised on the balance sheet if and to the extent that sufficient taxable profits will likely be available. Offsetting deferred tax assets and liabilities only takes place if a formal right to offset exists and the company intends to settle the deferred taxes simultaneously. The deferred tax liability is mainly of a long-term nature.

It is unclear whether the Pillar Two model rules will create additional temporary differences, whether it is necessary to recalculate the deferred taxes for the rules of the Pillar Two model, and which tax rate must be used to calculate deferred taxes. Therefore, IASB added a temporary obligatory exemption to IAS 12. Due to this exemption, no deferred tax assets or liabilities in connection with corporate income tax based on Pillar Two model rules have been taken into account or explained in the notes.

The deferred corporate income tax liability is mainly formed due to a lower tax valuation of property, plant and equipment. The differences in valuation originated from the start of the tax obligation (1998), a commercial revaluation (2009), and the possibility of applying the random depreciation method for tax purposes in the past and in the year 2023. In addition, deferred tax liabilities were recognised for the impact of IFRS 16 (leases).

The increase in the deferred tax liability of €42 million compared to 2023 is mainly due to the recognition of discretionary depreciation in the 2023 corporate income tax return and the use of loss compensation in calculating the corporate income tax payable in 2024. In addition, the tax depreciation in 2024 exceeds the reported depreciation.

The deferred tax liability can be specified as follows:

€ Million	2024	2023
Deferred corporate income tax liabilities related to fixed assets	441	403
Deferred corporate income tax liabilities related to right-of-use assets	29	24
Deferred corporate income tax asset related to lease liabilities	-29	-24
Deferred corporate income tax asset related to tax losses	0	-4
Total	**441**	**399**

Tax deductible losses from 2013 onwards can statutorily be carried forward indefinitely. At year-end 2024, the carryforward pre-consolidation losses of Mijnwater Warmte Infra B.V. are no longer recognised.

26. OTHER NON-CURRENT LIABILITIES

€ Million	2024	2023
Payments to employees	1	1
Total	**1**	**1**

These liabilities relate to employee entitlements to leave.

27. TRADE AND OTHER PAYABLES

€ Million	2024	2023
Suppliers	225	167
Tax and social security contributions	89	74
Payments to employees	54	44
Other	150	113
Total	**518**	**398**

Trade and other payables increased mainly due to higher transmission services and distribution loss costs. This increase is largely attributable to higher TenneT costs for transmission services due to tariff increases.

28. INTEREST-BEARING LIABILITIES (CURRENT)

€ Million	2024	2023
Lease liabilities	31	25
Euro Commercial Paper	50	0
Total	**81**	**25**

Current interest-bearing liabilities include loans available to Enexis for a period shorter than one year.

The issuance of commercial paper under the Euro Commercial Paper (ECP) programme in 2024 raised cash to fund operating liquidity needs totalling €50 million.

The current portion of the interest-bearing lease liabilities concerns lease contracts that will be paid in 2025.

29. NOTES TO THE CASH FLOW STATEMENT

For the consolidated cash flow statement, the following items have been included in net cash and cash equivalents:

€ Million	2024	2023
Cash at bank and cash balances	46	31
Money market funds	0	96
Total	**46**	**127**

The main items of the cash flow statement are specified below.

Changes in net working capital can be specified as follows:

€ Million	2024	2023
Corporate income tax expense recognised in the income statement	44	-32
Corporate income tax paid or received	-37	-11
Interest income and expense recognised in the income statement	46	21
Interest received and paid	-42	-17
Working capital before tax and interest	41	-9
Total	**52**	**-48**

Specification of net working capital:

€ Million	2024	2023	Delta
Inventories	168	150	-18
Receivables	296	230	-66
Subtotal	**464**	**380**	**-84**
Trade and other payables	-518	-398	120
Corporate income tax	25	32	7
(Current) provisions	-12	-3	9
Subtotal	**-505**	**-369**	**136**
Total	**-41**	**11**	**52**

Changes in net interest-bearing liabilities in 2024 can be specified as follows:

	Other assets		Liabilities from financing activities		
€ Million	Cash and cash equivalents	Deposits	Non-current interest-bearing liabilities	Current interest-bearing liabilities	Total 2024
At 1 January	**127**	**0**	**-3,050**	**-25**	**-2,948**
Cash flows	-81	0	-494	-17	-592
Reclassification from non-current to current	0	0	31	-31	0
Other non-cash movements	0	0	-49	-8	-57
At 31 December	**46**	**0**	**-3,562**	**-81**	**-3,597**

Changes in net interest-bearing liabilities in 2023 can be specified as follows:

	Other assets		Liabilities from financing activities		
€ Million	Cash and cash equivalents	Deposits	Non-current interest-bearing liabilities	Current interest-bearing liabilities	Total 2023
At 1 January	**217**	**650**	**-2,547**	**-531**	**-2,211**
Cash flows	-90	-650	-498	534	-704
Reclassification from non-current to current	0	0	25	-25	0
Changes in other non-cash generating units	0	0	-30	-3	-33
At 31 December	**127**	**0**	**-3,050**	**-25**	**-2,948**

30. FINANCING POLICY AND RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

GENERAL

The financing policy of Enexis Groep is aimed at securing the independent financing of Enexis by providing timely, permanent, and sufficient access to capital and money markets while optimising the financing structure, costs, and risks. The execution of the financing policy is laid down in the Treasury Charter, which contains the Treasury Department's objectives, task description, mandate, reporting, risk management, and organisational and administrative frameworks for financing.

Enexis Groep's funding takes place through external funding raised by Enexis Holding N.V., which funding is then loaned inter-company to the group companies. As part of its business operations, Enexis Holding N.V. is exposed to several risks, including market, credit, solvency, liquidity, and process risks. One of the financing policy's objectives is to minimise the above-mentioned risks' effect on the financial results and equity position. Enexis Holding N.V. can use financial instruments and derivatives for this purpose.

MARKET RISK

Market risk relates to changes in the value of cash flows and financial instruments due to changes in market interest rates, foreign exchange rates, and market prices. Enexis Holding N.V. and its group companies do not hold any financial instruments for trading purposes.

Market risk consists of interest rate risk, foreign exchange rate risk, and commodity price risk:

Interest rate risk

The interest rate risk partly consists of the risk that the interest component in the regulatory return will be lower in the future. This will have a dampening effect on Enexis' income. The compensation for interest expenses may also be lower than the interest payments in existing loan agreements. At the same time, there is also a risk that the interest rates to be paid for future financing will be higher than the current market interest rate. Furthermore, there is a risk that a financial instrument's value will change due to fluctuations in market interest rates.

The basis for the interest rate risk policy is diversification. By means of diversification in refinancing, financing, and maturities of loans, interest rate fixing, and interest-typical maturity (fixed or floating), type of loan, and possibly geographical diversification over financing markets, availability is ensured and the interest rate risk is reduced.

Within the adopted policy, Enexis Holding N.V. has the option to use derivatives to hedge specific risk positions, including but not limited to the interest rate risk. As in 2023, Enexis Holding N.V. did not use derivatives to hedge interest rate risks in 2024, nor did it have any derivatives outstanding.

Receivables

Enexis limits the interest rate risk on receivables in two ways:

- By matching the maturities of the receivables, including the financial assets such as short-term deposits, with the liquidity forecast; and

- By agreeing on contractual interest rates beforehand about the financial assets until the expiry date of the concluded contracts. Only part of the surplus cash and cash equivalents may be invested with a short horizon or at a floating interest rate to ensure diversification and flexibility.

Borrowed capital

Interest-bearing loans had the following maturities, interest rates, and maturity dates at year-end 2024:

€ Million	Nominal value	Book value	Contractual maturity date	Initial contract period (years)	Remaining period (years)	Interest
Euro Medium-Term Notes	500	499	28 April 2026	10	1.3	0.875%
Euro Medium-Term Notes	500	498	2 July 2031	12	6.5	0.750%
Euro Medium-Term Notes (Green bond)	500	498	17 June 2032	12	7.5	0.625%
Euro Medium-Term Notes (Green bond)	500	494	14 April 2033	12	8.3	0.375%
Euro Medium-Term Notes (Green bond)	500	498	12 June 2034	11	9.5	3.625%
Euro Medium-Term Notes (Green bond)	500	494	30 May 2036	12	11.4	3.500%
Euro Commercial Paper	50	50	3 January 2025	0	0.0	2.950%
Convertible hybrid shareholders' loan Tranche A	422	421	30 November 2080	60	56.0	2.150%
Convertible hybrid shareholders' loan Tranche B	78	78	30 November 2080	60	56.0	1.400%
Lease liabilities	112	112	miscellaneous	miscellaneous	3.0	2.012%
Total	**3,662**	**3,643**				

The fair value of the interest-bearing loans (excluding lease liabilities and Euro Commercial Paper) amounted to €3,251 million at year-end 2024 (year-end 2023: €2,685 million). The fair value of listed bonds is based on their listed prices, and the fair value of other loans, including the convertible hybrid shareholders' loan, is based on the calculation method using the Euro Utility (A) BFV yield curve as of 31 December 2024. A markup for the subordinated and illiquid character of the loan is taken into account in the calculation of the fair value of the convertible hybrid shareholders' loan. The fair value of the interest-bearing loans has increased due to the listed green bond of €500 million issued in 2024.

At year-end 2024, all interest-bearing loans were fixed-interest loans.

The bonds concern 'level 1' financial instruments. For Enexis Holding N.V., this means that the fair value is based on listed prices in an active market. The other loans, including the convertible hybrid shareholders' loan, concern 'level 2' financial instruments. This means that for Enexis Holding N.V., the fair value is based on discounting the nominal cash flows at applicable market discounting curves.

Foreign exchange rate risk

Enexis may be exposed to foreign exchange rate risk when issuing financial instruments and when making purchases in currencies other than the euro. Enexis Holding N.V.'s policy is to hedge most of the exchange rate risk directly when issuing financial instruments in foreign currencies.

The total amount of cash and cash equivalents, receivables, and liabilities held in foreign currencies was minimal at the end of 2024, which means that foreign exchange rate risks and sensitivity to foreign exchange rate fluctuations were not material. As in 2023, Enexis Holding N.V. did not use derivatives to hedge foreign exchange rate risks in 2024, nor does it have any derivatives outstanding to hedge foreign exchange rate risks.

Commodity price risk

Enexis is mainly exposed to fluctuations in energy prices. Grid losses are set off by means of the purchase of energy. The energy price risk is largely limited by repeatedly fixing the price several years in advance by purchasing forward contracts so that the forecast volume has already been purchased physically at the beginning of the year.

The forward contracts are concluded for own use and therefore do not qualify as derivatives in accordance with IFRS 9. Therefore, the forward contracts have not been recognised in the balance sheet at year-end 2024 (2023: not recognised either). For more information about the long-term financial liabilities in connection with forward contracts, see note 32 'Off-balance sheet commitments and assets'.

As the regional grid operators receive compensation in the regulation method for their efficient costs and investments, including a reasonable return, this higher cost level of distribution losses will also lead to an increase in future tariffs and, thus, an increase in revenue. Therefore, the financial consequences for Enexis are expected to be limited.

CREDIT RISK

Credit risk is the risk of incurring a loss if a counterparty is unable or unwilling to fulfil its obligations. Most of the activities of Enexis Holding N.V. and its group companies are regulated. The debtor risks in regulated markets are lower than those in liberalised energy markets. For all low-volume consumer debtors with regard to due grid payments, the energy suppliers collect the receivables and bear the debtor risk with regard to the end customer. However, Enexis Netbeheer B.V. runs a debtor risk regarding the energy suppliers.

The maximum credit risk is, in principle, equal to the carrying amount of the receivables and current assets.

Liquidity surpluses are placed, at market terms and conditions, with financial institutions and investment funds that are subject to the supervision of a central bank or legally appointed supervisor and with Dutch national or regional grid operators that satisfy the specified minimal rating requirements or with the Dutch government in securities guaranteed by the Dutch government. In addition, Enexis aims to spread investment risks by observing counterparty limits in combination with minimum rating requirements.

SOLVENCY AND LIQUIDITY RISK

Solvency risk

Solvency risk is the risk that Enexis' equity or capital base is insufficient to allow it to meet its obligations in the long term. We aim for at least an A credit rating profile (A/A2 with a stable outlook) for both Enexis Holding N.V. and Enexis Netbeheer B.V. This objective is monitored on the basis of the defined minimum financial ratio as set out in the section 'Capital Management'. This credit rating profile ensures that Enexis Holding N.V. has good access to international capital markets.

Liquidity risk and contractual term analysis

Liquidity risk

Liquidity risk concerns the risk that Enexis Groep will not be able to meet its short-term payment obligations.

As a minimum, Enexis Holding N.V. aims for an 'adequate' liquidity profile in accordance with the current definitions applied by rating agency S&P for regulated grid operators, which includes liquidity requirements always being covered for a year in advance with a safety buffer of 10%. Enexis Holding N.V. regularly evaluates and adjusts its liquidity profile for the long, medium and short term.

To hedge the liquidity risk, Enexis Holding N.V. also has a committed Revolving Credit Facility (RCF) available. In October 2024, the existing RCF of €736 million was replaced by a new RCF of €1,000 million. The new facility was agreed with the same group of 7 banks and has a maturity of 5 years.

Enexis Holding N.V. did not use this RCF in 2024; however, Enexis retains this facility for any unforeseen liquidity requirements. To retain the RCF, Enexis Holding N.V. has contractual obligations to the participating banks.

In addition to an availability fee, these obligations mainly concern providing information to the banks involved, satisfying the usual financial covenants and other general covenants that are customary for these facilities, such as *pari passu* and negative pledges. There are no financial covenants tied to the RCF.

In addition, Enexis concluded a €90 million loan (facility) with the European Investment Bank (EIB) in 2024. This loan (facility) is conditionally available and can be used to finance the investment programme to expand the district heating and cooling system of Mijnwater Warmte Infra in the province of Limburg. Enexis can make drawdowns under this facility in the coming 3 years with a maximum term of 10 years. No drawdowns under this facility took place in 2024.

Enexis Holding N.V. had a consolidated positive cash balance of €46 million at the end of 2024 (year-end 2023: a positive net balance of €127 million).

Contractual term analysis

The table below shows the contractual non-discounted cash flows at year-end 2024:

€ Million	< 1 month	< 3 month	3-12 month	1-5 year	> 5 year	Total
Non-current interest-bearing liabilities	0	0	0	541	3,040	3,581
Trade and other payables	314	0	204	0	0	518
Current interest-bearing liabilities	53	5	23	0	0	81
Interest on interest-bearing liabilities	0	0	59	220	222	501
Total	**367**	**5**	**286**	**761**	**3,262**	**4,681**

The contractual and non-discounted cash flows at year-end 2023 amounted to:

€ Million	< 1 month	< 3 month	3-12 month	1-5 year	> 5 year	Total
Non-current interest-bearing liabilities	0	0	0	533	2,533	3,066
Trade and other payables	241	0	157	0	0	398
Current interest-bearing liabilities	2	4	19	0	0	25
Interest on interest-bearing liabilities	0	0	41	154	147	342
Total	**243**	**4**	**217**	**687**	**2,680**	**3,831**

PROCESS RISK

Process risk consists of the risks associated with setting up the organisation, the procedures and the activities of the Treasury department of Enexis Holding N.V. These risks are hedged by an organisational segregation of duties between the front office and the back office, as well as by means of the adopted financing policy, the Treasury Charter, the Treasury Control Framework, and related internal assessments and internal audits.

CAPITAL MANAGEMENT

The capital managed by the company includes the share capital paid up by shareholders and the accrued general reserves.

The capital management of Enexis Groep is aimed at maintaining a financially healthy capital structure and at least an A credit rating profile (A2/A with a stable outlook) for Enexis Holding N.V. and Enexis Netbeheer B.V. to support the continuity of its operations and to be able to realise planned investments.

To maintain at least an A credit rating profile and a financially sound capital structure, a minimum value in the FFO / net interest-bearing liabilities is aimed for:

	Standard	Actual 2024	Actual 2023
FFO/net interest-bearing liabilities[1]	≥ 12%	23%	21%

1 For definitions, please refer to the glossary. For the ratio calculation, in accordance with S&P's calculation method, the convertible hybrid shareholder loan and associated interest are included for 50% as an interest-bearing liability and for 50% in the interest paid and interest expenses.

S&P's long-term rating for Enexis Holding N.V. and Enexis Netbeheer B.V. was upgraded to AA- with a stable outlook from A+ with a positive outlook in February 2024. Moody's long-term rating for Enexis Holding N.V. remains unchanged at Aa3 with a stable outlook. Enexis Holding N.V.'s short-term ratings are also unchanged: A-1 (S&P) and P-1 (Moody's).

By maintaining a minimum target for its credit rating profile, the statutory obligations on capital ratios and creditworthiness (as set out in the Decree on the Financial Management of Network Operators) are more than adequately met, as well as the financial covenants in the existing financing agreement.

Enexis Groep actively manages its capital structure, adjusting it in response to changing economic conditions and legal or regulatory requirements, while ensuring alignment with its targeted minimum credit rating. To maintain or adjust its capital structure, Enexis Groep may, under certain circumstances, change its dividend policy, return capital to shareholders or issue new shares.

GROUP FUNDING

Group funding takes place within Enexis Groep, which means that Enexis Holding N.V. raises the necessary funds for the whole Enexis Groep on the external capital and money markets and, if required, uses credit facilities agreed with banks. All companies also have a current account relationship with Enexis Holding N.V., so inter-company receivables and liabilities can be offset internally.

Externally raised funds are lent to other group companies via inter-company loans and settled via the bank accounts or internal current accounts of the group companies and included in the joint cash pool. Interest and balance compensation is settled within the cash pools (notional cash pooling). The inter-company loans and the cash pool structure comply with the legal requirements for group financing of grid companies, according to which the grid operator may not provide security or assume liability for financing non-regulated activities.

A distinction is made between regulated and non-regulated activities when determining the financing terms and interest rates of inter-company loans. Group funding for regulated activities is carried out on the basis of the same conditions and interest rates as financing obtained externally by Enexis Holding N.V., on the assumption that Enexis Holding N.V. and Enexis Netbeheer B.V., as grid operators with regulated activities, have equivalent creditworthiness and credit rating profiles. Group funding for non-regulated activities occurs according to conditions and at interest rates established on an arm's length basis, resulting in a market interest surcharge on top of the standard market interest rates that corresponds to the estimated credit risk of the relevant company.

The financing of associated companies is also provided by Enexis Holding N.V. on an arm's length basis, at conditions and with a market interest rate surcharge on top of the standard market interest rates established for each associated company.

For the interest rates within the joint cash pool, a distinction is made between regulated and non-regulated activities by setting up two sub-cash pools. The regulated sub-cash pool comprises the bank accounts of grid operator Enexis Netbeheer B.V., and the interest calculation is based on the current account rate agreed upon by the bank. The non-regulated sub-cash pool comprises the bank accounts of the other group companies, including Enexis Holding N.V., with a market interest surcharge applied above the bank's rate.

The benefits of the group funding and the cash pool are allocated to Enexis Holding N.V.

31. RELATED PARTY DISCLOSURES

Transactions with related parties are conducted at arm's length prices and conditions. Year-end receivables and payables are settled in cash. No guarantees were received or issued in connection with the assets and liabilities of related parties. The adjustment for doubtful debts was zero.

In 2024, Enexis Holding N.V. classified the shareholders and their affiliates, associates, and senior executives as related parties. The shares of Enexis Holding N.V. are held by Dutch provinces and municipalities.

No purchase transactions outside the company's regular operations took place with major shareholders (interest >20%) in 2024. The total amount of liabilities at the end of 2024 amounted to nil.

Shareholders' loans provided by the shareholders amounted to €500 million at year-end 2024 (2023: €500 million). Interest payments on these loans amounted to €10 million in 2024 (2023: €10 million). Dividend payments to shareholders amounted to €36 million (2023: €193 million).

There were no transactions with shareholders' affiliates other than during regular operations.

With own associates and participations, sales transactions were concluded amounting to €1 million (2023: €1 million) and purchase transactions were concluded amounting to €46 million (2023: €45 million).

At year-end 2024, the total debt to equity and other investments was zero (2023: €1.6 million).

Loans provided by Enexis Holding N.V. to associates at year-end 2024 amounted to €11 million (2023: €12 million). Loans provided to Enexis Holding N.V. by associates at year-end 2024 amounted to nil (2023: nil)

The dividend received from associates amounted to nil in 2024 (2023: same).

The term 'senior officials' refers to members of the Executive and Supervisory Boards. Transactions with senior officials only concern remunerations. For more information, please see note 33 'Remuneration of the Executive and Supervisory Boards'.

The non-consolidated associates of Enexis Holding N.V. or its affiliates are listed below.

	Registered office	Equity stake held by Enexis Holding N.V. 31 December 2024	Equity stake held by Enexis Holding N.V. 31 December 2023	Structure of
ZEBRA Gasnetwerk B.V.[1]	Bergen op Zoom	23%	23%	Enexis Netbeheer B.V.
Beheerder Afsprakenstelsel B.V.	Poeldijk	16%	16%	Enexis Netbeheer B.V.

32. OFF-BALANCE SHEET COMMITMENTS AND ASSETS

LONG-TERM FINANCIAL LIABILITIES

The long-term financial liabilities amounted to €791 million at year-end 2024 (2023: €477 million).

	2024			2023		
€ Million	< 1 year	1-5 year	> 5 year	< 1 year	1-5 year	> 5 year
Service agreements	18	18	0	16	0	0
IT	49	71	0	35	47	7
Grid loss[1]	120	212	44	140	176	21
Investment and financing obligation[2]	10	3	0	30	5	0
Materials and services[3]	138	73	35	0	0	0
Total	**335**	**377**	**79**	**221**	**228**	**28**

1 At the end of 2024, the forecasted required amount of gas and electricity to compensate for grid losses in 2025 will be 100% covered. For 2026, this will be 90% for electricity and 99% for gas. For the following years, procurement will gradually increase.

2 The short-term investment and financing obligation per 31 december 2023 includes an obligation for the remainder of the purchase price of the head office building in 's-Hertogenbosch.

3 The comparative figures per 31 december 2023 are not available.

In the table above, we only include the minimum legally contractual financial obligations. However, our procurement expectations regarding materials and services are significantly higher. Enexis has entered into framework agreements with several suppliers for the procurement of these materials and services.

Obligation regarding the removal of gas connections at the request of customers

Enexis has an obligation under the Gas Act to remove gas connections if the customer submits a request for this. If the customer specifies a desired date for the removal of the connection, Enexis may charge the costs to the customer. For requests without a desired date, the removal costs are compensated in (future) tariffs.

As at the end of 2024, Enexis has formed a provision for the expected removal costs of requests without a desired date that were received on or before the balance sheet date 2024 and that will be executed after the balance sheet date. No provision has been formed for future requests for removal, as this constitutes a conditional obligation.

This conditional obligation may lead to a significant outflow of resources in future periods depending on, among other things, (the speed of) the energy transition, design choices for the new energy system, and developments in legislation and regulations. However, the principle of tariff regulation is that regional network operators are reimbursed for their (efficient) costs and investments, including a reasonable return. Under the current regulatory method, Enexis is reimbursed for these removal costs via tariffs two years later. Although the total removal costs may be material up to 2050, the impact on Enexis's financial position is expected to be limited because Enexis will be reimbursed for the removal costs via tariffs.

LEGAL PROCEEDINGS AND DISPUTES

Enexis Holding N.V. and its group companies were involved in various legal proceedings and disputes at year-end 2024. Based on the financial risk, provisions have been made or liabilities have been included in the financial statements concerning the claims received.

GUARANTEES ISSUED

Enexis Holding N.V. has issued guarantees to third parties for a total of €6 million (2023: €6 million).

At the time of the sale of Fudura B.V. in the third quarter of 2022, guarantees were issued to the buyer Lion Bidco B.V. This concerns title guarantees, tax guarantees and warranties that arose before the sale. The liability in connection with these guarantees is limited to a maximum period of seven years after the transaction date. A potential breach of the guarantees is insured; therefore, Enexis' maximum liability in the event of a violation of the guarantees is nil.

33. REMUNERATION OF THE EXECUTIVE AND SUPERVISORY BOARDS

THE DUTCH STANDARDS FOR REMUNERATION ACT (WNT) ACCOUNTABILITY

The Standards for Remuneration Act (WNT) applies to Dutch public and private limited liability companies appointed as grid operators. Therefore, the WNT applies to Enexis Netbeheer B.V. and not to Enexis Holding N.V. For a further explanation of the remuneration of the Executive Board and Supervisory Boards, see remuneration report of the Supervisory Board in the management report of Enexis Holding N.V.

The annual accounts of Enexis Netbeheer B.V. will include the legally required accountability of the WNT, which monitors the remuneration of top executives for their work for Enexis Netbeheer B.V. In addition, further explanation regarding the remuneration of the Executive Board and Supervisory Board will be included in the 'Corporate Governance' chapter of the annual report of Enexis Netbeheer B.V.

The total remuneration of the Executive Board and the Supervisory Board of Enexis Holding N.V., which they receive for their activities for the entire Enexis Groep, is included in this note to the financial statements of Enexis Holding N.V. This is in accordance with IFRS requirements and the provisions of Title 9 Book 2 of the Dutch Civil Code.

REMUNERATION OF THE EXECUTIVE BOARD AND SUPERVISORY BOARD

The remuneration of the Executive Board amounted to €1.24 million in 2024 (2023: €1.01 million)[1]. The remuneration of the Supervisory Board amounted to €0.13 million in 2024 (2023: €0.11 million).

The remuneration of the Executive Board of Enexis Holding N.V. is disclosed in the table below. No such disclosure is made for the Supervisory Board, as the total remuneration falls under 'Periodic fees'.

€ Million	2024	2023
Short-term employee benefits	1.10	0.90
Pension costs and other long-term employee benefits	0.14	0.11
Total	**1.24**	**1.01**

1 The remuneration of the Executive Board and Supervisory Board as stated in note 33. The remuneration of the Executive Board and Supervisory Board is based on the costs that are allocated in the financial year. No loans, advances or guarantees were provided to the Executive Board and Supervisory Board members. There were also no outstanding amounts, no written-down amounts, no relinquished amounts, and no repayments during the financial year. No share-based payments were made. The total remuneration of the Executive Board was higher in 2024 than in 2023. The increase is due to the indexation of (WNT) remuneration and the fact that all Executive Board positions were filled in 2024 (this was not the case in 2023).

34. EVENTS AFTER THE BALANCE SHEET DATE

There are no events after the balance sheet date that have an impact on these financial statements.

Company financial statements 2024

COMPANY FINANCIAL STATEMENTS

€ Million	Notes	2024		2023	
Share of result of group companies	35	216		31	
Other operating expenses	36	0		-	
Operating profit		**216**		**31**	
Financial income	37	110		95	
Financial expenses	37	56		41	
Financial income and expenses			**54**		**54**
Profit before tax		**270**		**85**	
Corporate income tax expense	39	-16		-13	
Profit for the year		**254**		**72**	

COMPANY BALANCE SHEET

(before profit appropriation proposal)

€ Million	Notes	31 December 2024	31 December 2023
Assets			
Investments in group companies	39	4,675	4,485
Other financial assets	40	3,542	3,040
Non-current assets		**8,217**	**7,525**
Receivables	41	1,298	1,082
Corporate income tax	42	25	32
Other financial assets (current)	43	6	6
Cash and cash equivalents	44	44	120
Current assets		**1,373**	**1,240**
Total assets		9,590	**8,765**

€ Million	Notes	31 December 2024	31 December 2023
Liabilities			
Issued and paid-up share capital		150	150
Share premium reserve		2,436	2,436
General reserve		2,698	2,662
Profit for the year		254	72
Equity	45	**5,538**	**5,320**
Deferred tax liability	46	441	399
Provisions		**441**	**399**
Non-current interest-bearing liabilities	47	3,481	2,984
Non-current liabilities		**3,481**	**2,984**
Trade and other payables	48	80	62
Current interest-bearing liabilities	49	50	-
Current liabilities		**130**	**62**
Total liabilities		9,590	**8,765**

Explanatory notes to the company financial statements

ACCOUNTING PRINCIPLES GOVERNING THE FINANCIAL REPORTING

The company financial statements of Enexis Holding N.V. have been prepared in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code. The accounting principles applied are the same as those used to the consolidated financial statements in accordance with the provisions of Section 2:362 article 8 of the Dutch Civil Code, in which investments in group companies are recognised based on the equity method of the assets.

The company financial statements of Enexis Holding N.V. consist of the company income statement, the company statement of comprehensive income, and the company balance sheet. The notes to the financial overviews included in the company financial statements form an integral part of the company financial statements of Enexis Holding N.V.

Enexis Holding N.V. is a public limited liability company under Dutch law. Approximately 76% of the shares of Enexis are held by five Dutch provinces, and approximately 24% of the shares are held by 85 municipalities.

The carrying amounts of the parties included in the consolidation are determined according to the equity method, which is based on the accounting principles governing the consolidated financial statements. The economic interest is initially valued at cost, whereby the carrying amount is increased or decreased after initial recognition in tandem with the share in the results. Dividends received are deducted from the carrying amount.

Enexis Holding N.V. uses the euro as its functional currency. Unless stated otherwise, all amounts are in millions of euros. For the accounting principles, see the accounting principles for the financial reporting of the consolidated financial statements.

Notes to the company financial statements

35. SHARE IN RESULTS OF GROUP COMPANIES

€ Million	2024	2023
Enexis Netbeheer B.V.	208	14
Enexis Vastgoed B.V.	6	0
Enexis Personeel B.V.	22	18
Enpuls B.V.	-20	-1
Total	**216**	**31**

Enexis Personeel B.V. and Enexis Vastgoed B.V. only provide services to the other operating entities within Enexis Groep. Consequently, a full settlement of costs has taken place.

An impairment loss of €19 million was recognised on the cash-generating unit Mijnwater Warmte Infra B.V. in 2024. This impairment is included in the investment result of Enpuls B.V. Further information is given in note 12 'Property, plant and equipment' in the consolidated financial statements of Enexis Holding N.V.

36. OTHER OPERATING EXPENSES

€ Million	2024	2023
Other operating expenses	0	0
Total	**0**	**0**

37. FINANCIAL INCOME AND EXPENSES

Interest income and expenses are allocated to the period they relate to based on time proportionality, using the effective interest method. Construction period interest is applied to investment projects with estimated durations of more than 12 months.

€ Million	2024	2023
Interest income	110	95
Total financial income	**110**	**95**
Other financial expenses	56	41
Total financial expenses	**56**	**41**
Total, net income	**54**	**54**

Net financial income and expenses for 2024 align with those for 2023. Interest income has increased mainly due to a higher current account balance with Enexis Netbeheer B.V., but this is offset by a decrease in interest income from surplus cash in money market funds, deposits and bank accounts. Interest expenses increased mainly due to the issuance of a green bond with a nominal value of €500 million and a coupon of 3.50% in May 2024. In addition, the interest expense for the 2023 green bond is now fully reflected in the 2024 financing costs. This increase is offset by a reduction in interest expenses following the redemption of the listed bond with a nominal value of €500 million and a coupon of 1.50% in October 2023.

38. TAXES

Taxes are recognised in the income statement, except insofar as they relate to items recognised directly in equity.

The tax on the result for the reporting period comprises payable corporate income tax, deferred corporate income tax, and corrections from previous years. The corporate income tax that Enexis Holding N.V. charges to the group companies in the tax group is offset by these amounts. Corporate income tax is settled with the underlying group companies based on realised commercial results, taking into account the applicable exemptions and non-deductible amounts.

€ Million	2024	2023
Corporate income tax expense	16	13
Total corporate income tax expense	**16**	**13**

Corporate income tax in 2024 amounted to €16 million. Net profit for 2023 was €13 million.

The effective tax rate for Enexis Holding N.V. in 2024 amounted to 4.61% (2023: 13.11%). This is lower than the effective tax rate of 25.20% for the whole group in 2024 (see note 11 'Taxes' in the consolidated financial statements). The difference is due to the results of Enexis Holding N.V. in its group companies. The group companies bear the corporate income tax on these results.

39. INVESTMENTS IN GROUP COMPANIES

€ Million	2024	2023
Enexis Netbeheer B.V.	4,629	4,428
Enexis Vastgoed B.V.	20	14
Enexis Personeel B.V.	20	17
Enpuls B.V.	6	26
Total	**4,675**	**4,485**

Changes in the investments in group companies were as follows:

€ Million	2024	2023
At 1 January 2024	4,485	4,547
Profit for the year	216	31
Dividends paid	-26	-93
At 31 December	4,675	**4,485**

For the specification of the results for 2024, see note 35 'Share in results of group companies'. In 2024, dividends of €26 million for 2023 were received from Enexis Netbeheer B.V. and Enexis Personeel B.V. No capital was paid-in in 2024 (2023: nil).

For more information about the investments in group companies, see note 52 'Associates'.

40. OTHER FINANCIAL FIXED ASSETS

In the consolidated financial statements, expected credit losses from loans and receivables involving consolidated associates are eliminated. This also applies to loans and receivables involving the consolidated associate with regard to the company's financial statements. When valuing the associate according to the changes in equity method, the associate is regarded as a collection of assets and liabilities rather than an indivisible asset. The effect of expected credit losses on loans and receivables involving associates is also eliminated.

€ Million	2024	2023
Loans granted to group companies	3,536	3,034
Loans granted to associates	6	6
Total	**3,542**	**3,040**

The conditions in the current financing arrangements stipulate that no contractual or structural subordination of existing loans in relation to new external financing may occur. To avoid 'structural subordination', external financing is contracted by Enexis Holding N.V. The necessary funds for the business operations or investments in the energy grids are lent to Enexis Netbeheer B.V. by Enexis Holding N.V. as a back-to-back loan under the same conditions.

For the relevant conditions, see note 30 'Financing policy and risks associated with financial instruments'.

Loans to group companies increased by €502 million. This increase was mainly caused by Enexis Holding N.V. lending the amount of the green bond with a nominal value of €500 million issued in 2024 to Enexis Netbeheer B.V. In addition, in 2024, Mijnwater Warmte Infra B.V. made an additional draw of €7 million under the current account facility with Enexis Holding N.V.

The loans to associates pertain to drawdowns by EDSN B.V. under the current account facility with Enexis Holding N.V.

The fair value of the loans to group companies (including the current portion) amounted to €3,305 million at year-end 2024 (2023: €2,734 million).

Changes in other financial fixed assets, including the current portion, are as follows:

€ Million	Loans granted to group companies	Loans granted to associates	Total 2024
At 1 January 2024	**3,035**	**11**	**3,046**
New loans	507	6	513
Repayments	-1	-6	-7
Amortisation	-4	0	-4
At 31 December 2024	**3,537**	**11**	**3548**
Less: current portion	1	5	6
Total non-current portion	**3,536**	**6**	**3542**

41. RECEIVABLES

€ Million	2024	2023
Receivables from group companies	1,288	1,072
Interest receivable from group companies	10	10
Total	**1,298**	**1,082**

Receivables from group companies mainly concern the current account position created by group financing and the settlement of payable turnover tax and corporate income tax.

Interest receivable from group companies relates to the interest payments due by Enexis Netbeheer B.V. and other group companies.

42. CORPORATE INCOME TAX

For a further explanation of this item, see notes 11 'Taxes' and 18 'Corporate income tax' of the consolidated financial statements of Enexis Holding N.V.

€ Million	2024	2023
Corporate Income tax receivable	25	32
Total	25	32

43. OTHER FINANCIAL ASSETS (CURRENT)

€ Million	2024	2023
Loans granted to group companies	1	1
Loans granted to associates	5	5
Total	6	**6**

The loans granted to group companies relate to the current portion of the loans granted to Enexis Vastgoed B.V.

The loans to associates pertain to the current portion of the drawdowns by EDSN B.V. under the current account facility with Enexis Holding N.V.

44. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are recognised at fair value, which is normally the same as the nominal value. The item only includes cash and cash equivalents payable on demand. Cash and cash equivalents not payable on demand are recognised under other current financial assets, depending on the applicable maturities and conditions.

€ Million	2024	2023
Cash at bank and cash balances	44	24
Money market funds	0	96
Total	**44**	**120**

45. EQUITY

No statutory reserve has been recognised for the cumulative result from minority interests because this result, insofar as not paid out, was nil. For more information, see note 21 'Equity'.

46. DEFERRED TAXES

As Enexis Holding N.V. settles the corporate income tax with group companies based on the commercial result, the deferred tax position is presented at the level of Enexis Holding. In the event of changes in the composition of the tax group, deferred tax items are settled between Enexis Holding N.V. and the relevant group company or companies.

Taxes are recognised in the income statement, except insofar as they relate to items recognised directly in equity.

The deferred tax liability can be broken down as follows:

€ Million	2024	2023
Deferred corporate income tax liabilities related to fixed assets	441	403
Deferred corporate income tax liabilities related to right of use assets	29	24
Deferred corporate income tax asset related to lease liabilities	-29	-24
Deferred corporate income tax asset related to tax losses	0	-4
Total	**441**	**399**

47. INTEREST-BEARING LIABILITIES (NON-CURRENT)

Non-current interest-bearing liabilities include loans that are available to Enexis for a period longer than one year.

€ Million	2024	2023
Listed notes	2,981	2,484
Convertible hybrid shareholders' loan	500	500
Total	**3,481**	**2,984**

The non-current interest-bearing liabilities can be specified as follows, according to the remaining term and interest rate percentages:

€ Million	Interest	Remaining period (years)	2024		2023	
			1-5 years	> 5 years	1-5 years	> 5 years
Euro Medium Term Notes	0.875%	1.3	499	0	498	0
Euro Medium Term Notes	0.750%	6.5	0	498	0	497
Euro Medium-Term Notes (Green bond)	0.625%	7.5	0	498	0	498
Euro Medium-Term Notes (Green bond)	0.375%	8.3	0	494	0	493
Euro Medium-Term Notes (Green bond)	3.625%	9.5	0	498	0	498
Euro Medium-Term Notes (Green bond)	3.500%	11.4	0	494	0	-
Convertible hybrid shareholders' loan Tranche A	2.150%	56.0	0	422	0	422
Convertible hybrid shareholders' loan Tranche B	1.400%	56.0	0	78	0	78
Total			499	2,982	498	2,486

The non-current interest-bearing liabilities amount to €3,500 million in total nominal value; deducting the costs to be amortised from these loans results in a residual value of €3,481 million.

The fair value of the interest-bearing liabilities (non-current) amounted to approximately €3,251 million at year-end 2024 (year-end 2023: €2,685 million).

48. TRADE AND OTHER PAYABLES

€ Million	2024	2023
Interest payable	29	19
Taxes and social security contributions	51	43
Total	**80**	**62**

Interest payable relates to the interest due at year-end on the interest-bearing liabilities.

49. INTEREST-BEARING LIABILITIES (CURRENT)

€ Million	2024	2023
Euro Commercial Paper Loans	50	0
Total	**50**	**0**

Current interest-bearing liabilities include loans that are available for a period shorter than one year. The amounts for repayments due within one year are included in the current interest-bearing liabilities.

The issuance of commercial paper under the Euro Commercial Paper (ECP) programme in 2024 raised cash to fund operating liquidity needs totalling €50 million.

50. RELATED PARTY DISCLOSURES

Transactions with related parties are conducted at arm's length prices and conditions. Year-end receivables and payables are usually settled in cash. No guarantees were received or issued in connection with the assets and liabilities of related parties. The adjustment for doubtful debts was zero.

Shareholders' loans provided by the shareholders amounted to €500 million at year-end 2024 (2023: €500 million). Interest payments on the shareholders' loans amounted to €10 million in 2024 (2023: €10 million). Dividend payments to shareholders amounted to €36 million (2023: €193 million).

Loans provided to group companies at year-end 2024 amounted to €3,537 million (2023: €3,035 million. The interest received on loans provided to group companies amounted to €44 million (2023: €24 million). Loans provided to associates at year-end 2024 amounted to €11 million (2023: €11 million).

51. REMUNERATION OF THE EXECUTIVE AND SUPERVISORY BOARDS

REMUNERATION OF THE EXECUTIVE BOARD

For detailed information, see note 33 Remuneration of the Executive and Supervisory Boards in the consolidated financial statements of Enexis Holding N.V.

REMUNERATION OF THE SUPERVISORY BOARD

For detailed information, see note 33 Remuneration of the Executive and Supervisory Boards in the consolidated financial statements of Enexis Holding N.V.

52. ASSOCIATES

The valuation of economic interests that are not included in the consolidation takes place based on the equity method based on the accounting principles governing the valuation and the determination of the result of Enexis Holding N.V. According to this method, the economic interest is initially valued at cost whereby the carrying amount is increased or decreased after the initial recognition with the share of Enexis Holding N.V. in the result. Dividends received are deducted from the carrying amount.

In the event of a negative net asset value, losses on associates are recognised up to the amount of the net investment in the associate. This net investment also includes loans provided to associates insofar as these loans form part of the net investment. A provision is only recognised for the share in further losses in the event and insofar as, based on legal obligations, the debts of the associate are guaranteed.

In the event of an associate's possible impairment, reference is made to the accounting method as included in the paragraph 'Impairments' in the 'Accounting principles for financial reporting'.

Group companies	Registered office	Equity stake held by Enexis Holding N.V. 31 December 2024	Equity stake held by Enexis Holding N.V. 31 December 2023	Structure of	Joint and several liability statement
Enexis Netbeheer B.V.	's-Hertogenbosch	100%	100%	Enexis Holding N.V.	No
Enexis Personeel B.V.	's-Hertogenbosch	100%	100%	Enexis Holding N.V.	Yes
Enpuls B.V.	's-Hertogenbosch	100%	100%	Enexis Holding N.V.	Yes
Enexis Vastgoed B.V.	's-Hertogenbosch	100%	100%	Enexis Holding N.V.	Yes
Enpuls Projecten B.V.	's-Hertogenbosch	100%	100%	Enpuls B.V.	No
Mijnwater Warmte Infra B.V.	Heerlen	100%	100%	Enpuls Projecten B.V.	No
Other associates and joint ventures (non-controlling interests)					
Energie Data Services Nederland B.V.	Baarn	23%	23%	Enexis Netbeheer B.V.	No
Beheerder Afsprakenstelsel B.V.	Poeldijk	16%	16%	Enexis Netbeheer B.V.	No

53. PROFIT APPROPRIATION

Under the articles of association, the profit remaining after the addition to the reserves is at the disposal of the General Meeting of Shareholders (Article 36.2). In addition to these provisions in the articles of association, it was agreed with the shareholders that the dividend to be distributed from 2023 would amount to a maximum of 50% of the net profit from ordinary activities, under the condition that this dividend payment would not result in Enexis possibly losing its A rating profile within five years.

The proposed dividend distribution for 2024 is based on 50% of the profit from ordinary business operations after tax of €254 million and shall be distributed to the shareholders as an exact amount pro rata to the number of shares. The proposed dividend distribution for 2024 amounts to €0.85 per share (2023: €0.24 per share). This profit appropriation proposal has not been taken into account in the balance sheet as of 31 December 2024.

The proposal for the appropriation of the 2024 result is as follows:

€ Million	2024	2023
Profit for the year	254	72
Allocation to the general reserve	-127	-36
Proposed dividend	**127**	**36**

54. EVENTS AFTER THE BALANCE SHEET DATE

There were no events after the balance sheet date that had an impact on these financial statements.

Independent auditor's report

The following is an English translation of the independent auditor's report on the financial statements and assurance-report on the sustainability statement issued 5 March 2025.

INDEPENDENT AUDITOR'S REPORT

To: the shareholders and supervisory board of Enexis Holding N.V.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2024 INCLUDED IN THE ANNUAL REPORT

Our opinion

We have audited the accompanying financial statements for the financial year ended 31 December 2024 of Enexis Holding N.V. based in 's-Hertogenbosch (hereinafter: 'Enexis' or 'the company'). The financial statements comprise the consolidated financial statements and the company financial statements.

In our opinion:

- The consolidated financial statements give a true and fair view of the financial position of Enexis as at 31 December 2024 and of its result and its cash flows for 2024 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code;
- The company financial statements give a true and fair view of the financial position of Enexis as at 31 December 2024 and of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

- The consolidated statement of financial position at 31 December 2024;
- The following statements for 2024: the consolidated income statement, the consolidated statement of comprehensive income, the consolidated cash flow statement, and the consolidated statement of changes in equity;
- The notes comprising material accounting policies information and other explanatory notes.

The company financial statements comprise:

- The company balance sheet as at 31 December 2024
- The company profit and loss account for 2024;
- The notes comprising a summary of the significant accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under these standards have been further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of Enexis in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for professional accountants).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INFORMATION IN SUPPORT OF OUR OPINION

We have determined our audit procedures in the context of the audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our understanding of the business

Enexis Holding N.V. is the parent company of a group of companies, including Enexis Netbeheer B.V., which manages the electricity and gas grid in the provinces of Groningen, Drenthe, Overijssel, Noord-Brabant and Limburg. Enexis is responsible for the construction, maintenance, management and development of these distribution grids and related activities. These are the legal tasks for a grid operator which are supervised by the Authority for Consumer and Markets. Enexis' revenues are generated almost exclusively from the performance of these legal tasks.

Based on the group's activities and our risk analysis we paid special attention in our audit to a number of topics. For this we refer to our key audit matters.

We determined materiality and identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error in order to design audit procedures responsive to those risks and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Materiality

Materiality	€86 million (2023: €78 million)
Benchmark applied	0.75% of total assets as per 31 December 2024
Explanation	We have used total assets as the basis, because of the nature of the business of Enexis and the regulatory model in which revenues and operating cash flows mostly depend on the asset base. We consider that for this reason total assets are an important key figure for users of the financial statements.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the supervisory board that misstatements in excess of €3.9 million, which are identified during the audit, would be reported to them, as well as lesser misstatements that in our view should be reported on qualitative grounds.

Scope of the group audit

Enexis is at the head of a group of entities. The financial information of this group is included in the consolidated financial statements.

We are responsible for planning and performance of the group audit in order to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision, review and evaluation of the audit work performed for purposes of the group audit. We have the full responsibility for the auditor's report.

Based on our understanding of the group and its environment, the applicable financial framework and the group's system of internal control, we identified and assessed risks of material misstatement of the financial statements and the significant accounts and disclosures. Based on this risk assessment, we determined the nature, timing and extent of audit work performed, including the entities or business units within the group (components) at which to perform audit work. For this determination we considered the nature of the relevant events and conditions underlying the identified risks of material misstatements for the financial statements, the association of these risks to components and the materiality or financial size of the components relative to the group.

This resulted in a coverage of 98% of the profit before tax, 99% of revenues and 98% of the total assets. For other components, we performed analytical procedures to confirm that our risk analysis and the scope of the group audit remained appropriate during the audit.

The group audit focused in particular on the group entities Enexis Holding N.V. and Enexis Netbeheer B.V. We performed the audit procedures ourselves.

By performing the audit work mentioned above at the entities or business units within the group, together with additional work at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion on the financial statements.

Teaming, use of specialists and internal audit

We ensured that the audit team included the appropriate skills and competences which are needed for the audit of a regional grid operator. We included specialists in the areas of IT audit, forensic accountancy and taxes.

Our focus on climate-related risks and the energy transition

Climate change and the energy transition are high on the public agenda. Issues such as CO2 reduction impact financial reporting, as these issues entail risks for the business operation, the valuation of assets and provisions or the sustainability of the business model and access to financial markets for companies with a larger CO2 footprint.

The board of directors has summarized Enexis' commitments and obligations and reports on how the company deals with climate-related and environmental risks and the effects of the energy transition in the 'We are Enexis' section of the management report.

As part of our audit of the financial statements, we have evaluated the extent to which estimates and key assumptions by Enexis take account of climate risks and the potential effects of the energy transition, as well as the commitments and actual obligations in this area. Furthermore, we read the management report and considered whether there is any material inconsistency between the non-financial information and the financial statements.

We refer to the key audit matter 'The risk that Enexis fails to comply (intentionally or unintentionally) with applicable legislation and regulations on invitations to tender for work' for our risk assessment and our audit procedures to respond to the identified risk related to the effects of the energy transition on Enexis.

Our focus on fraud and non-compliance with legislation and regulation

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Our audit approach to fraud risk

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the company and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the supervisory board exercises oversight, as well as the outcomes. We refer to section 'Risk management' of the management report for management's (fraud) risk assessment.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the code of conduct and the compliance protocol for employees, whistle blower procedures and incident registration. We evaluated the design and the implementation, of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption in close cooperation with our forensic specialists. In this context, we considered the specific incentives from the regulations that are relevant for regional grid operators with regards to the recognition of revenues, expenses, investments and/or impairment of assets. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls, as this risk is present in all organizations. For this risk we have performed procedures among other things to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in 'valuation principles and accounting policies relating to determination of the result estimates and assumptions' (part of note 2.4) in the financial statements. We also used data analysis to identify and test high-risk journal items and assess the business rationale (or lack thereof) for unusual transactions, including those with related parties.

We did not identify a risk of fraud in revenue recognition, other than the risks related to management override of controls.

The following fraud risk identified required significant attention during our audit.

The risk that Enexis fails to comply (intentionally or unintentionally) with applicable legislation and regulation on invitations to tender for work	
Risk	We assumed that when contracting work from external parties, a risk is present that (employees of) Enexis do not comply with the applicable (tender) regulations, either intentionally or not.
Our audit strategy	We refer to the key audit matter of the same title in which we deal with this fraud risk and describe our audit approach.

We considered available information and made enquiries of relevant members of the executive board, internal audit, legal affairs, the compliance department and the supervisory board.

The fraud risks we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

Our audit response related to risks of non-compliance with laws and regulations

We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with the management board, reading minutes, inspection of internal audit and compliance reports and performing substantive procedures on classes of transactions, account balances or disclosures.

We made inquiries with the in-house legal department, inspected correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern

As disclosed in section 'Accounting principles governing the financial reporting' in the financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, the board of directors made a specific assessment of the company's ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with the board of directors exercising professional judgment and maintaining professional skepticism. We considered whether management's going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Based on our procedures performed, we did not identify material uncertainties about going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters discussed.

We no longer consider the key audit matter 'Valuation of property, plant and equipment related to the gas grid' of our audit in the previous financial year to be a key audit matter in this audit, since our assessed risk for a material misstatement in the financial statements caused by an incorrect valuation of the gas assets was downgraded. The reason for this is that the number of connections to the gas grid decreased in line with the assumptions used by Enexis.

The risk that Enexis fails to comply (intentionally or unintentionally) with applicable legislation and regulation on invitations to tender for work	
Risk	Enexis is investing heavily in the electricity grid because of the energy transition. Due to the large size of this investment, social pressure to contribute to the energy transition in the short run, and the complexity in the tender/procurement rules, we recognize the risk that Enexis (intentionally or unintentionally) may fail to comply with applicable legislation and regulations for tenders. In this context, Enexis has identified the risk of bribery of employees and described, among other things, its policy for business conduct, relationship management and prevention and detection in section G1 Governance of the sustainability statement.
Our audit approach	We have taken note of the policy to prevent bribery and corruption of employees, the system of consultation about and supervision over suppliers, and any measures imposed, as described in the sustainability statement under 'Working on health and safety' and 'Managing supplier relationships and payment practices'. As part of our risk assessment, we performed the following activities, among others: • Through inquiry of employees and management, we have gained insight into the process and its sensitivities. • We obtained an understanding of the internal processes that are in place related to contracting work and we've evaluated the design and confirmed our understanding of the internal controls that mitigate the risk that Enexis fails to comply (intentionally or unintentionally) with applicable legislation and regulation on invitations to tender for work. • We inspected internal reports regarding contracting work from external parties, including the Business Score Cards Procurement 2024. • We inspected the Enexis incident registration and entity-level reports in which we expect employees to report any irregularities with regard to tenders, if applicable. Examples of this are the quarterly reports of the internal audit & risk department, the 'State of the Risk' report and internal confirmations (letters of representation). We engaged forensic specialists to determine specific substantive procedures to evaluate whether the risk of non-compliance with applicable laws and regulations materialized. This includes the following procedures: • We performed file audits in order to test that procurements were made in compliance with the applicable tender laws and regulations. • We used data analysis to investigate whether there were transactions with third parties in excess of specific thresholds for which tender regulations were not applied. • We investigated the causes and possible consequences for the true and fair view of the financial statements of tenders that were not conducted in accordance with applicable laws and regulations. We evaluated whether this was done intentionally and verified whether this should have consequences for other aspects of our audit. • Through a test of details, we obtained an understanding whether purchases occurred in accordance with the contractual agreements between Enexis and supplier.
Significant observations	Based on our procedures we did not identify any specific violations or suspected violations of the relevant laws and regulations when contracting work from external parties during 2024, that may have a material effect on the financial statements.

REPORT ON OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements.
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report (excluding the sustainability statement) and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those procedures performed in our audit of the financial statements.

The board of directors is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Engagement

We were engaged by the supervisory board as auditor of Enexis Holding N.V. on 18 November 2020, as of the audit for the year 2021 and have operated as statutory auditor ever since that date.

No prohibited services provided

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

DESCRIPTION OF RESPONSIBILITIES REGARDING THE FINANCIAL STATEMENTS

Responsibilities of the board of directors and the supervisory board for the financial statements

The board of directors is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the board of directors is responsible for such internal control as the board of directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Furthermore, the board of directors is responsible for such internal control as the board of directors determines is necessary to enable the preparation of the financial statements and the non-financial information that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board of directors is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board of directors should prepare the financial statements using the going concern basis of accounting unless the board of directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The board of directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The Information in support of our opinion section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion.

Our audit further included among others:

- Performing audit procedures responsive to the risks identified, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

In this respect we also submit an additional report to the audit committee of the supervisory board in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the supervisory board, we determined the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Eindhoven, 5 March 2025

EY Accountants B.V.

P.A.E. Dirks

Additional information

THE ADDITIONAL INFORMATION CONTAINS THE FOLLOWING CHAPTERS

- Other non-financial information
- We measure our impact
- Profit appropriation according to the articles of association
- Glossary

Other non-financial information

In this part of the report, we provide a detailed information overview.

FOCUS ON FACILITATING THE ENERGY TRANSITION

	2024	2023	2022	2021	2020
The grids					
Section lengths (x 1,000 km)					
Electricity grid	147.7	146.3	144.9	143.5	142.2
- Low voltage	100.1	99.2	98.5	97.6	96.9
- Medium voltage	47.5	47	46.3	45.8	45.2
- Intermediate voltage	0.1	0.1	0.1	0.1	0.1
Gas grid	46.1	46.1	46.2	46.3	46.3
- Low pressure	37.4	37.4	37.5	37.5	37.5
- High pressure	8.7	8.7	8.7	8.8	8.8
Stations (x 1,000)					
E-stations	58.0	56.9	57.2	56.6	55.7
G-stations	21.2	21.5	21.9	22.0	22.4
Distribution Automation (DA)-stations[1]	395	428	544	657	390
Distribution Automation Light (DALI)-stations[1]	4,679	6,038	4,249	3,544	3,531
Number of connections (x 1,000)					
Electricity	2,997	2,966	2,941	2,911	2,880
- Domestic (including 3x25 A)	2,729	2,706	2,683	2,661	2,640
- Low-voltage connections other (small-volume as from 3x25A)	249	242	240	233	223
- Medium voltage connections	19	18	18	17	17
Gas	2,269	2,285	2,303	2,315	2,324
- Domestic (G4 and G6)	2,217	2,232	2,248	2,259	2,266
- Low pressure other (small-volume as from G10)	49	50	52	53	55
- High pressure connections	3	3	3	3	3
Transported quantities					
Electricity (GWh)	33,110	30,893	30,991	31,989	31,176
Gas (Mm3)	4,229	4,244	4,714	6,172	5,636
Of which green gas	118	99	76	77	63
Product quality					
Outage time electricity (in minutes)	22.5	20.0	14.0	17.6	13.0
- High voltage	0.5	0.8	0.5	0.7	0.01
- Medium voltage	13.9	11.3	7.7	11.1	7.4
- Low voltage	8.0	7.8	5.8	5.8	5.6
Outage time gas (in seconds)	56	137	109	75	81

1 Reporting period at the end of November; these stations are presented in numbers, not thousands.

LAWS AND REGULATIONS

The Administrative and Legal Affairs & Digital Security departments and other relevant departments have not received any other fines with regard to services provided by Enexis or for non-compliance with the Energy Act, the Gas Act, or environmental laws. Furthermore, there were no occurrences for which non-monetary sanctions were imposed.

We measure our impact

As a manager of critical infrastructure, Enexis ensures a reliable, affordable and sustainable energy grid for households, businesses and public institutions. In doing so, we contribute to the broad prosperity of the Netherlands, economically, ecologically and socially, now and in the future.

Enexis has been working within the sector for several years to understand broad prosperity better. By measuring its impact, the company is gaining an increasingly clear picture of its societal contribution. This year, for the first time, Enexis is reporting in line with the Corporate Sustainability Directive (CSRD), which helps to focus attention on environmental and social impacts. In addition, together with the Stedin Group, Alliander and Gasunie, the company has launched the four-year coalition *Sturen op brede welvaart* (Steering for broad prosperity).

This coalition builds on existing partnerships in impact measurement. Using an impact model, Enexis assesses the environmental, social and economic impacts annually, both within its own operations and throughout the supply chain. These impacts are measured using the Impact Weighted Accounts Framework and expressed in euros to facilitate comparisons and support informed decision-making.

The energy transition poses impact-related dilemmas. For example, understanding the different interests at play when expanding grid capacity – such as balancing environmental costs against financial considerations – supports better-informed decisions. Enexis is, therefore, working with the coalition to develop tools such as dashboards and an investment assessment framework to improve decision-making.

More details can be found in **our accountability** document and the **Impact Measurement Infra Companies Manual**.

Every year, we improve the impact model to identify impacts more accurately. In 2024, this led to a model change in the calculation method for the produced capital at the grid operators. Employee development impacts have also been harmonised with the *Sturen op brede welvaart* coalition. Details of these changes can be found in the **accountability document.** The reported 2023 figures have been restated to reflect the updated methodology.

Our impact model

Decrease in capital value

Decrease in capital value 2023

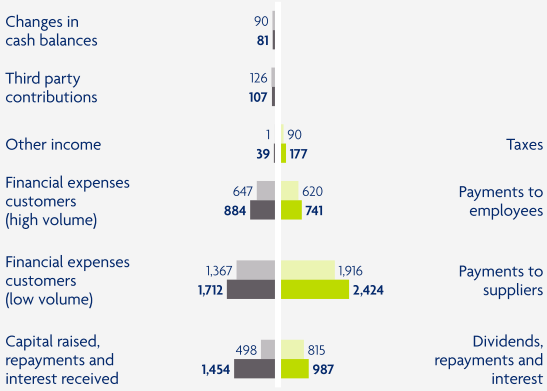
Decrease in capital value 2024

(In millions of euros)

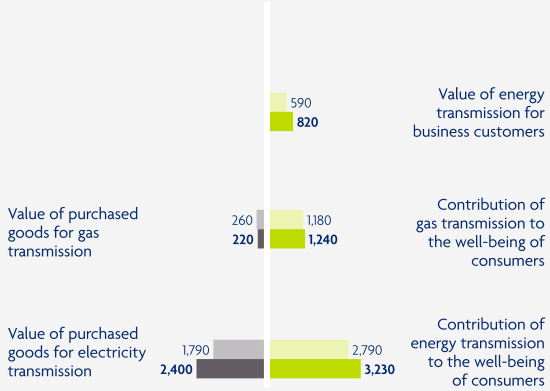
Increase in capital value 2023

Increase in capital value 2024

Financial capital

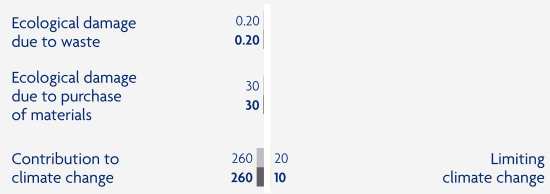


Manufactured capital



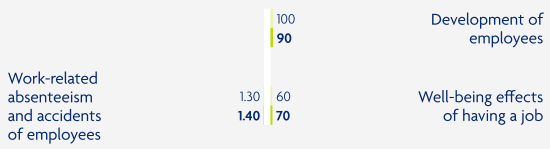
Intellectual capital

Natural capital



Social capital

Human capital



– No impact defined

Amounts within Financial Capital are rounded to millions.

Amounts within Manufactured Capital, Natural Capital, and Human Capital are rounded to €10 million, except for 'Ecological damage due to waste' and 'Work-related absenteeism and accidents of employees' (rounded to hundreds of thousands).

FINANCIAL CAPITAL

In 2024, the level of investment in the energy transition was again higher than last year. Building a future-proof energy system requires significant financial resources, as the current regulatory methodology does not allow current investments to be recovered in tariffs in the short term. As a result, we pre-finance our operations and issued a new green bond in 2024 to finance our operations and investments. To remain financially healthy, we continue to promote socially responsible choices, improve efficiency and productivity, seek a balance between tariffs and returns, and strengthen equity where possible.

Payments from our customers in 2024 (€2.6 billion) increased compared to 2023 (€2.0 billion), mainly due to higher tariffs. Combined with the issuance of the green bond issued (€0.5 billion), this led to an increase in available financial resources.

In addition to long-term value creation, our role and position in the energy chain also creates short-term value for our stakeholders. Our employees are paid for their efforts and time (2024: €0.7 billion; 2023: €0.6 billion). We pay our suppliers for goods, services and assets (2024: €2.4 billion; 2023: €1.9 billion), through which Enexis generates income and work for other parties.

Overall, our efforts stimulate the economy and create long-term employment, income and wealth.

MANUFACTURED CAPITAL

The produced capital relates to the value of the services provided by Enexis. To achieve the energy transition, Enexis invested more in strengthening the electricity grid in 2024. Therefore, more was spent on the procurement of goods and services, resulting in a greater negative impact (2024: € -2.4 billion; 2023: € -1.8 billion). In 2024, the contribution of electricity transport to consumer welfare increased (2024: € 3.2 billion; 2023: € 2.8 billion).

The value of the procurement of goods for gas transport was € -0.2 billion; (2023: € -0.3 billion). For gas transport, the impact on consumer welfare (2024: € 1.2 billion; 2023: € 1.2 billion) is comparable to last year because a similar amount of gas was consumed.

NATURAL CAPITAL

In 2024, we are committed to reducing the environmental impact of our activities. The negative impact on the climate due to our CO_2 emissions is estimated at €260 million (2023: €260 million). We reduce our impact in scope 2 through the purchase of Guarantees of Origin (GoOs). The carbon emissions in scope 1 that we (still) could not prevent are offset with Gold Standard certificates.

Moreover, ecological damage caused by material use remains a challenge. The purchase of materials for network expansion contributes to this impact, estimated at €30 million (2023: €30 million). We strive to reduce our impact by focusing on the use of secondary (recycled) material in the composition of components.

Ecological damage can also arise from waste. We prevent ecological damage from waste as much as possible through optimal separation of streams, so that they can be processed in the most valuable way, for example through recycling. Our ambition is to return raw materials to a new function as much as possible and thus contribute to a circular economy.

Read more in the sustainability statement.

HUMAN CAPITAL

Human capital refers to the well-being and productivity of employees. The well-being impact of having a job increased in 2024 (2024: €70 million; 2023: €60 million) as Enexis attracted more talent on balance, thus increasing the number of employees in 2024. As a result, the negative impact of accidents and absenteeism related to the material topic of safety and health also increased slightly (2024: €1.4 million; 2023: €1.3 million).

The impact on employee development, including training and skills development, decreased (2024: €90 million; 2023: €100 million). In 2023, technical employees were more highly graded and had more opportunities for promotion. As a result, the 2023 impact was an unusual outlier, creating a higher benchmark for subsequent years. This explains the decrease in impact in 2024.

Profit appropriation according to the articles of association

Under the articles of association, the profit remaining after the allocation to the reserves is at the disposal of the General Meeting of Shareholders (Article 36.2).

In addition to these provisions in the articles of association, it was agreed with the shareholders that the to be distributed dividend as from 2023 will amount to maximum 50% of the net profit from ordinary activities, under the condition that this dividend payment would not result in Enexis possibly losing its A rating profile within five years.

This dividend policy ensures that shareholders can expect a predictable and stable dividend. At the same time, this policy ensures sufficient equity capital growth and demonstrates the shareholders' willingness to actively support a healthy financial position.

You can read more about the profit appropriation proposal for the financial year 2024 in Profit Appropriation.

Glossary

NON-FINANCIAL TERMINOLOGY

CONNECTION TERM HIGH VOLUME CUSTOMERS IN ACCORDANCE WITH DESIRED DATE

Mesaurement consists of number of projects delivered on time according to the desired date of the customer.

SATISFACTION WITH EXECUTION DATE LOW VOLUME CUSTOMERS

Concerns the number of standard connections (SA) that meet the 12-, 18-, and 52-week standards of the ACM

CONTROLLABLE PUBLIC CHARGING POINTS

Mesaurement consists of controllable public charging points within the service area of Enexis

ASSOCIATION OF ISSUING BODIES (AIB)

The AIB aims to develop, use, and promote a standardised system of energy certification for all energy carriers. (www.aib-net.org).

NETHERLANDS AUTHORITY FOR CONSUMERS & MARKETS (ACM)

The Netherlands Authority for Consumers & Markets ensures fair competition between companies, protects consumer interests, regulates the tariffs of energy companies, and oversees compliance with the Electricity Act 1998 and the Gas Act.

DUTCH DATA PROTECTION AUTHORITY

The Dutch Data Protection Authority is the independent regulator in the Netherlands that promotes and safeguards personal data protection.

RELIABILITY

The degree of reliability of the energy supply is expressed as the average duration and frequency of interruptions of the energy transmission to end users.

CO_2EQ-SAVING

Measurement consists of a CO2eq-reduction in scope 1&2 of our footprint compared to baseline year 2024

CSRD

Corporate Sustainability Reporting Directive, reporting standard.

SUSTAINABILITY

'Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs'. Enexis briefly interprets this in relation to its primary tasks as 'Endeavouring to make sensible use of energy sources and the environment'.

INSTALLED RENEWAL CAPACITY

Installed renewable peak capacity, expressed in megawatts. Renewable energy sources include solar and wind (biogas and water excluded).

EMPLOYEE NET PROMOTER SCORE

The Employee Net Promoter Score (eNPS) reflects the extent to which employees would recommend Enexis as an employer to others. The score is calculated as: % of promoters - % of detractors.

ENERGY CHAIN

Everything relating to the origin, production, transmission, and end use of energy.

ENERGY TRANSITION

Indication of the transition in energy supply from central generation using fossil energy sources to decentralised generation using renewable energy sources.

CREATED GRID CAPACITY BY FLEX
Concerns a better utilization of the current grid by applying flexible solutions for input or output. Realization is achieved, among other things, by concluding flex-contracts with limiting conditions or connecting customers to the emergency lane of the grid. Examples include fixed time blocks, dynamic regulation (ZonBalans), and battery propositions.

ANNUAL OUTAGE TIME (AOT)
Annual outage time as a result of unforeseen interruptions (outages). The average number of minutes (electricity) or seconds (gas) that the customer is without energy in a calendar year.

Electricity: for each interruption, the product of the number of connected customers affected and the duration of the interruption in minutes, totalled across all interruptions and divided by the total number of connected customers in the relevant grid area for the year. The number of connected customers is adjusted and evaluated annually by Krado.

Gas: for each interruption, the product of the number of connected customers affected and the duration of the interruption in seconds, totalled across all interruptions and divided by the total number of connected customers in the year. The number of connected customers is adjusted and evaluated annually by Kiwa.

CHAIN
The group of parties that carry out a process together. Enexis is active in the energy chain and in the resources chain.

CUSTOMER SATISFACTION
The score that customers give for the performance of Enexis.

QUANTITATIVE PROGRESS YEAR ORDER BOOK
We compare the absolute value of the realised revenue from the year order book with the planned revenue. The realised revenue from the year order book is the value of the work package that was carried out (including work in progress); the planned revenue is the value of the ordered work package at standardised costs (including work in progress).

LOST TIME INJURY FREQUENCY (LTIF)
An indicator of employee safety during work performance is the number of accidents resulting in absenteeism per 1 million hours worked. We report for our own workforce and workers in the value chain (contractors).

CORPORATE SOCIAL RESPONSIBILITY (CSR)
Sustainable approach to business aimed at minimising the negative operational impact on the environment and maximising the positive operational impact on society.

GRID OPERATOR
An independent utility company appointed in a designated area to provide for gas and electricity transmission between supplier and customer and to build and maintain grids for this purpose. The tasks of the grid operator are laid down in the Electricity Act 1998 and the Gas Act. Enexis Netbeheer B.V. is the grid operator within Enexis Groep.

ENERGY COMPANY
Enexis Groep is a grid operator consisting of a group of companies, including Enexis Netbeheer and Enpuls. Each company within Enexis Groep has its own specific focus area. Together, we work on a reliable and sustainable energy supply now and in the future.

REGIONAL ENERGY STRATEGY (RES)
The Regional Energy Strategy is a tool for making regional choices with societal involvement about generating sustainable energy, the heat transition in the built environment, and the required storage and energy infrastructure. The RES sets out the strategy a RES region adopts to set and achieve local and/or regional energy goals.

ADHERENCE TO PLAN
Measurement consistes of the number of major E-investement projects with effective date in 2025 as included in Enexis IP-2024 (see Enexis website).

REGULATION
The development and alignment of laws and regulations for the activities of companies, such as grid operators and energy companies, and the government supervision of compliance with these laws and regulations.

SMART METER
A meter for measuring electricity and/or gas consumption that can be read remotely by the grid operator and that makes consumption data available to the customer via a local access portal for further processing via their peripheral equipment.

STATE SUPERVISION OF MINES (SODM)
The independent regulator for mineral and energy extraction in the Netherlands and gas safety.

STAKEHOLDER
The party involved in or affected by the activities of Enexis. As of 1 January 2021, Enexis distinguishes the following stakeholders: customers, employees, shareholders, energy market partners, investors, chain partners, policymakers, and local energy transition partners.

TECHNICAL REALISED GRID CAPACITY
The increase in grid capacity indicates the efforts that we are making to prepare our grid for the energy transition. The KPI measures the new HV/MV transformers realised by Enexis irrespective of whether TenneT has connected these. The replacement of old transformers is not deducted from the score of this KPI.

ENERGY FEED-IN
A process where a customer feeds self-generated (and usually renewable) energy into the energy grid.

SATISFACTION WITH EXECUTION DATE LOW VOLUME CUSTOMERS
Satisfaction of low volume (LV) customers with the execution date of their connection.

INCREASE/DECREASE # FTEs SCARCE TECHNICAL PERSONNEL
The growth in headcount own personnel in the 10 branches and Expertise, Business operations, Stations (EBS) that has to be realised in one year in the pre-defined scarce technical positions in the job categories Engineers, Servicemen, Technical Managers, Specialists, and Technicians.

SAFETY AWARENESS
The ability to effectively translate feelings and experiences into preventive actions and alert responses to dangerous or potentially dangerous situations, so that actions can be carried out without danger.

IMPACTED USER MINUTES (IUM)
The average number of minutes (electricity) or seconds (gas) that the customer is without energy in a calendar year.

FOOTPRINT
Indication of the volume of CO that Enexis emits in a calendar year. Within the footprint, Enexis distinguishes between its own emissions and chain emissions.

DESIRED DATE
When requesting a connection, customers can indicate on which date they would like to have their connection realised.

ABSENTEEISM
The absenteeism percentage is calculated by dividing the number of absenteeism days by the number of available days, taking into account the part-time percentage (for the number of available days) and the occupational disability percentage (for the number of absenteeism days). In both cases, this concerns calendar days and not work days.

FINANCIAL TERMINOLOGY

CONTROLLABLE COSTS AND REVENUES
The controllable costs and revenues (CCR) concern a KPI for internal steering. The CCR concerns the sum of the controllable costs and revenues from regulated activities (Enexis Netbeheer, including staff departments). The non-regulated activities thus fall outside the scope of the CCR. The CCR pertains to operational costs and revenues and does not include revenue and related costs of transmission services and distribution losses, depreciation charges, and amortised contributions. As of 2024, the depreciation of leases in connection with IFRS 16 has been included in the CCR.

DEGENERATION EXPENSES
Expenses charged by municipalities for damage and inconvenience arising from work on the grid on municipal land.

EBIT
Earnings Before Interest and Tax.

FFO/NET INTEREST-BEARING LIABILITIES
This is calculated as follows: (operating income + depreciation – amortisations + dividend received from associates – financial expenses + financial income – taxes due and payable) / net interest-bearing liabilities.

FFO/INTEREST COVERAGE RATIO
This is calculated as follows: (operating result + depreciation - amortisation + dividend received from associates + financial income - taxes due and payable) / paid interest expenses.

INVESTED CAPITAL
Fixed assets plus assets held for sale minus contributions received in advance (non-current and current) minus liabilities held for sale plus net working capital.

NET INTEREST-BEARING LIABILITIES
This is calculated as follows: total interest-bearing liabilities – deposits – cash and cash equivalents.

NET INTEREST-BEARING LIABILITIES / (EQUITY + NET INTEREST-BEARING LIABILITIES)
This is calculated as follows: (total interest-bearing liabilities – deposits – cash and cash equivalents.) / (equity + (total interest-bearing liabilities – deposits – cash and cash equivalents)).

NET WORKING CAPITAL
Total current assets (excluding cash and cash equivalents, excluding current financial fixed assets and excluding deposits) minus current liabilities (excluding interest-bearing liabilities, excluding prepayments to be amortised in the following year and excluding derivatives).

STANDARD COSTS
Internal price is based on standard quantities and average standard costs.

RETURN ON EQUITY
Result after taxes divided by equity capital at year-end.

ROIC
EBIT divided by the invested capital at year-end.

SOLVENCY
Equity x 100% divided by the balance sheet total.

WORK PACKAGE
Gross investments and operational work on the electricity and gas grids, plus activities relating to smart meters based on standard tariffs.

X-FACTOR
The ACM uses the X-factor to calculate the reduction applied to promote operational efficiency.

Colophon

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This is the English translation of Enexis' 2024 Annual Report. The original Dutch version is authoritative and can be found at www.publications.enexis.nl.

REACTIONS
We aim to improve our reporting every year and welcome feedback from critical readers. If you have any suggestions for improvement, please email us at communicatie@enexis.nl.

Enexis Holding N.V.
P.O. Box 856
5201 AW 's-Hertogenbosch
The Netherlands
Tel: +31 (0)88 857 77 77
www.enexisgroep.nl