Half-year report 2025

STEDIN GROEP

Contents

Disclaimer

This report may contain forward-looking statements and projections. These can be identified by words such as 'anticipate', 'intend', 'estimate', 'assume', 'expect' or the negative equivalents of these terms and similar terms. Such forward-looking statements and projections are based on current expectations and assumptions concerning potential developments and other factors that can affect Stedin Group. These are not historical facts or guarantees of future results. Actual results and events can differ from the current expectations due to factors such as economic trends, technological developments, changes in laws and regulations, behaviour of suppliers and consumers, currency risks, tax developments, financial risks or political, economic and social conditions.

Except as required on the basis of laws and regulations, Stedin Group rejects any obligation or liability to revise or adjust projections and forecasts in this document on the basis of new information, future events or otherwise, or to publicly disclose such adjustments or revisions.

This half-yearly report will be published on 24 July 2025.

This half-yearly report has not been audited or reviewed by an independent auditor. The report is published in Dutch and English. In case of any discrepancy between the two versions, the Dutch version will prevail.

Foreword

Timo Idema CTO, Trudy Onland CEO, Aline Arends COO, Steven Suiker CFO a.i.

Foreword by Board of Management

Dear Reader,

The past six months have once again confirmed how crucial energy is to the functioning of our society. Without energy, everything comes to a standstill. We saw clear evidence of this at the end of April during the large-scale blackout in Spain and Portugal. In the Netherlands too, we are feeling the impact of the current situation on the energy grid. That is why Stedin Group further scaled up its efforts to reinforce the energy grid in the first half of 2025. In the past six months we invested €610 million, 18% more than the same period last year. We built 5 new distribution substations, installed 254 transformer substations and laid 573 kilometres of cable. We also took further steps to optimise the use of the electricity grid and we installed additional digital eyes and ears in our grids so that we can better monitor the load on the grid and resolve faults earlier. Even so, the congestion of the electricity grid is too much at times, and waiting lists are getting longer. Much more is needed to achieve a robust energy system. We therefore call on the new coalition government to ensure that it makes sense for the market to invest in innovative solutions, such as in energy storage and generation technologies and flexible use of the electricity grid.

Innovating with tomorrow's technology

Our path towards a robust energy system requires us to invest in tomorrow's technology. This means trying out new initiatives together with the market, showing that they work, and scaling up.

Generating and storing energy at specific bottlenecks in the system and using energy flexibly needs to be worthwhile. It calls for even more cooperation between government authorities, market players, energy companies and grid managers. We are therefore pleased that parliament is creating clarity by passing the Collective Heat Act, as heat plays an important role in the transition to a new energy system. But that alone is not enough. More can be done, however: a new coalition government can make it easier for those who want to invest in hydrogen, heat storage, flow batteries and other technologies. This will allow us to achieve our climate goals, improve our investment climate and ensure an independent energy system.

This means that Stedin not only focusses on speeding up construction processes, but also on applying smart, local solutions that contribute to a stable and sustainable energy network. It is a process of trial and error, of experimenting and learning. In big and small projects, because many small steps can together make a big difference.

An eventful six months

The first six months of 2025 proved eventful for Stedin. We issued tenders for the capacity expansion for high-voltage stations and digitalisation of medium-voltage units. For the low-voltage grid, we organised our biggest ever tender. Meanwhile, the Neighbourhood Approach means that we can now reinforce the electricity grid in more than four times as many neighbourhoods as before. Reliability of both the electricity and gas network remained high at 99.99%. We said goodbye to a number of board members. And, with the new Board of Management, we are continuing to do what we at Stedin have been working hard at for years: accelerated construction, optimal utilisation and reliable management of our grids. There is also room for innovation. After all, the world around us is changing and we are changing with it.

At Stedin, we are working hard to develop an independent, robust and future-proof energy system. A system in which we make the best use of nature and its energy sources such as wind and sun. This has benefits for all of us. Because a more balanced system makes us self-sufficient as a society, keeps our country attractive to do business in and gives you as a user more options to meet your energy needs.

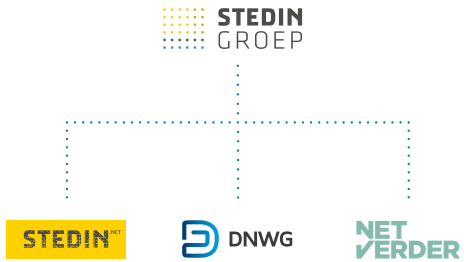
On behalf of the Board of Management,
Trudy Onland, CEO

About us

Profile

Our organisation

Stedin Group is a semi-public organisation: a public limited company whose shares are owned by government authorities: 61 Dutch municipalities, two provinces and the Dutch State. Stedin Group consists of several business units: grid manager Stedin operates in the regulated market for the transport and distribution of gas and electricity, while our infra partners NetVerder and DNWG Infra carry out non-regulated activities. Stedin Netbeheer, NetVerder and DNWG Infra are separate subsidiaries of Stedin Holding. You will find more information on the various business units on the Stedin Group website.



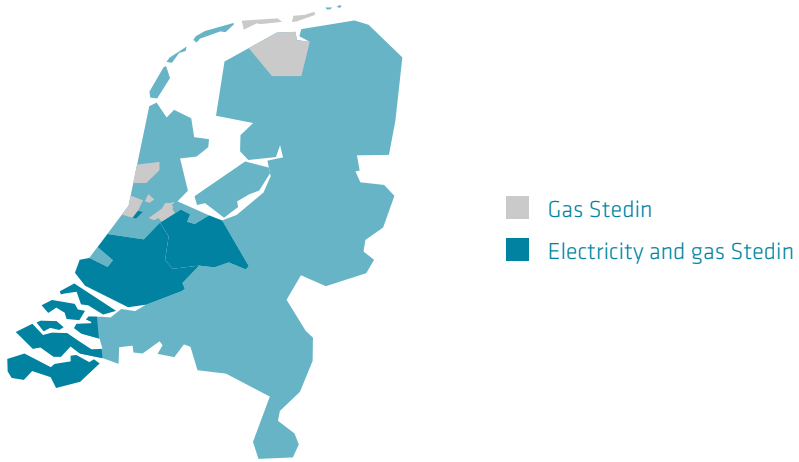
Our activities

With our gas and electricity grids, we are a vital link in our coverage area. We concentrate on all activities related to building, managing and maintaining these energy grids and facilitating the energy market in our service area.

We are also preparing to play a role in developing heat grids as part of the new integrated energy system. We are already gaining experience in this area with the construction of the heat grid in Delft.

Our service area

We manage and maintain the energy grids in most of South Holland, Utrecht and Zeeland. Our coverage area is home to roughly 5.5 million people and includes three of the four largest cities in the Netherlands, the port and industrial areas of Rotterdam and Zeeland, as well as greenhouse horticulture regions. It also includes parts of the provinces of North Holland and Friesland. Stedin Group operates and has its registered office in the Netherlands. Our head office is located at: Blaak 8, 3011 TA in Rotterdam.



Strategy

Stedin is working on the energy system of the future. A system based on sustainably generated energy, in which consumption is attuned to natural rhythms. This new energy balance will make us less dependent and keep the Netherlands an attractive place to live and do business.

We are working towards a reliable and future-proof grid by executing our 2023 - 2027 strategy. The core of our strategy is based around expanding our grid capacity while keeping grid quality high. We will achieve this by accelerating construction, better utilising grids and continuing to manage grids reliably, and doing this as sustainably as possible. That is how, together, we will create an environment filled with new energy.

Ensuring grid capacity

Construction: we are laying even more cables and pipelines and building additional stations. In this way, we can connect our customers to our energy grid. For information on how we are doing this and the results for the first half year, see the section entitled Building more grid capacity.

Optimisation: construction alone will not suffice. We must make even better use of the current grid by optimally matching supply and demand, and by using the available grid capacity in the smartest possible way. This will reduce grid congestion. For further information, see the section entitled Utilising grid capacity.

Ensuring grid quality

Management: we want to maintain the quality of our performance. Among other things, we do so by safeguarding the quality of our energy grid. Our top priority is to continue to ensure a reliable and safe energy supply. For information on our results for the first half year, see the section entitled Managing grid quality.

We are creating the conditions for success

We can only successfully implement our strategic priorities of Construction, Optimisation and Management if we ensure the right enabling conditions are in place. For instance, we need enough skilled people to do the job, our infrastructure needs to be secure and we need to remain financially sound. For further information, see the section entitled Other aims and enabling conditions.

Mission

Working together to create an environment filled with new energy

Vision

Enabling the energy transition by accelerating construction, better utilising and effective management of the networks

Strategy

PRIORITIES	**Network capacity** (Construction and Utilisation)	**Network quality** (Management)
OTHER AIMS AND ENABLING CONDITIONS	Service provision | Employees, leadership & culture | Sustainability | Renewable gases and alternative heating Safety & Cybersecurity | Financially healthy | Market facilitation | ICT Capabilities & Capacity for Change	

Social context

Developments in society

The first half of 2025 saw major national and international shifts in the political sphere, in society and in and around Stedin. A summary of key developments can be found below.

Outgoing coalition government needs to keep things moving

After just under a year, the Schoof coalition government fell. It is therefore unclear what will happen to dossiers such as grid congestion and renewable gas. As grid manager, we called on political parties not to let legislation and resources that contribute to the energy transition, energy security and social resilience come to a halt. Continued decision-making is essential to avoid stagnation in the Netherlands. Finally, we stressed that stable, long-term policy is crucial to the success of the energy transition and the resilience of the economy and society.

Energy independence and security of supply even more important

The wars in Ukraine and the Middle East and global trade tensions are leading to continued uncertainty about energy production, supply and prices. As a result, the issues of energy independence and security of supply have become even more important in Europe and the Netherlands. Supply chain uncertainty is increasing. Purchase prices are rising for various reasons that include import tariffs and higher demand for, and scarcity of, some raw materials. Stedin is monitoring developments and anticipating various scenarios where possible. One noticeable consequence is that the price of infrastructure investments is rising.

Increased social awareness

The major power outage in Spain and Portugal in late April raised social awareness that a similar situation could also occur in the Netherlands. Stedin and the other grid managers are taking measures to mitigate such risks. Although the Netherlands has one of the most reliable electricity grids in Europe, the possibility of prolonged power outages cannot be ruled out.

Changes in sustainability regulations anticipated

On 26 February, the European Commission published the Omnibus proposal: an initiative to streamline sustainability regulations and to simplify the Corporate Sustainability Reporting Directive (CSRD), the Corporate Sustainability Due Diligence Directive (CSDDD) and EU Taxonomy. In the run-up to this publication, Stedin, on the initiative of CSR Netherlands, joined forces with other large and small companies to call on the European Union and the coalition government to stick to the pace and level of ambition of these regulations and not weaken them.

The CSRD, CSDDD and EU Taxonomy have not yet been enshrined in Dutch law. Consequently, Stedin reported and obtained assurance for 2024 within a 'voluntary' framework. The developments under Omnibus and the Dutch transposition are still uncertain. As we believe it is important to report transparently on our performance in areas including sustainability, we are making preparations for the 2025 annual report similar to how we prepared for this in 2024.

European Commission places an emphasis on affordability and access to energy

On 26 February, the European Commission also published the Clean Industrial Deal and the Action Plan for Affordable Energy. These initiatives are significant for our sector and will influence our strategic agenda in the coming years. With these publications, the European Commission places an emphasis on affordability and access to energy. This means a stronger focus on energy infrastructure at European level, which supports our efforts to keep the energy transition affordable, feasible and reliable.

In addition, European policy forms the basis for national policy: the publication of these plans allows Stedin to anticipate at an early stage, and contribute ideas on their translation into national regulations.

Affordability of the energy transition examined

The results of the interdepartmental policy research (IBO) on electricity infrastructure financing were published in March 2025. The official IBO report outlines the investment requirement up to 2040 and explores various policy options to absorb rising grid costs for electricity, redistribute these costs and streamline decision-making in this area. Many billions of euros can be saved on the electricity infrastructure by fully focusing on energy saving, flexible grid use, location control and more intensive grid utilisation. This will also help to resolve waiting lists due to congestion faster. The grid managers call for further elaboration of the actions mentioned in the IBO report, as they are partly dependent on political policy decisions. The grid managers also face a considerable investment task. However, the government may choose to distribute the costs differently within and between generations.

Increased focus on grid congestion and measures

In the first half of 2025, attention to grid congestion has increased, both in the media and in the House of Representatives. In mid-June, TenneT announced that companies in the Flevoland, Utrecht and Gelderland areas must wait until 2033 (previously it was until 2029) before the necessary expansions on the high-voltage grid in these areas are realised. Because of this delay, it is particularly important that we make every effort to better utilise the existing grids and implement all actions from the package of measures .

Limited impact of nitrogen regulations

Currently, nitrogen regulations do not significantly impede our work. For projects near to Natura 2000 sites, we deploy zero-emissions construction materials in order to meet nitrogen requirements. Nitrogen policy is constantly evolving, which includes looking at whether small-scale activities with temporary emissions can be exempted from the permit requirement. Stedin is closely involved in the further elaboration of these developments. Stedin takes the environment into account in its operations. This means that where more nitrogen emission rights are granted, we will of course consider the impact on our environment in making decisions on projects. We therefore want to properly investigate the negative effects of nitrogen emissions in any projects that are granted such an exemption from the permit requirement. We take the investigation findings into account in our decision-making.

The Collective Heat Act is an important building block in the energy transition

The Collective Heat Act (Wcw) has recently been discussed by the House of Representatives. During the debates, many political parties focused on the public majority interest prescribed in the legislative proposal, the affordability of heat and the role of heat in the energy transition. Although the coalition government is outgoing, the House of Representatives passed the Collective Heat Act on 3 July. The law is also yet to be passed by the Senate, but this is an important step to get investment in sustainable heat systems back on track. We see the Collective Heat Act as an important building block in the energy transition, and also convey this

message to stakeholders. In doing so, it is important to ensure affordability for residents and investability for public heat companies. After all, the advantages of sustainable heating systems lie in reducing grid congestion and reducing the cost of investments in the electricity and gas grids. Subsidies could help ensure that the societal benefits are included in the business case.

ACM prioritisation framework

The Netherlands Authority for Consumers and Markets (ACM) has drawn up a prioritisation framework stipulating what grid managers' priorities should be in the event of congestion. In March 2025, the Trade and Industry Appeals Tribunal overturned the prioritisation framework decision and determined that the prioritisation framework will cease to have effect. The court ruled that the ACM had failed to adequately substantiate the framework.

The ACM has until 1 January 2026 to adapt and better substantiate the framework. Until then, the current framework remains in place.

On 26 June, the ACM published the consultation version of the new prioritisation framework. Interested parties have six weeks to respond to this new framework. At the time of publication it is not yet known how this will affect Stedin. We will of course carry out an initial impact estimate in the short term.

Extent of the challenge and progress of the energy transition in the Stedin area until the end of 2030

The visualisation below describes the extent and progress of the energy transition task in our service area, influenced by the mentioned societal developments. The estimated task for 2030 is based, in part, on future scenarios from Netbeheer Nederland, Elaad and CBS's Climate Monitor and is periodically adjusted based on (among other things) the societal developments described previously. In several new calculations from the first half of 2025, we are seeing a further increase in the external task. We expect the full picture to become clear in the second half of 2025 and will present it in our annual report. In the visualisation below, the (external) task translates into a (feasible) work package for Stedin, taking into account (estimated) constraints in areas including personnel, space and materials. We expect to realise the outlined feasible work package by 2030.

Renewable energy

Onshore wind

1.3 GWp

80%

NL: 8 GWp

Hydrogen

tbd

Rooftop and ground solar

9.4 GWp

46%

NL: 54 GWp

Green gas*

159.6 MCM

16%

NL: 1,100 MCM

Heat

0.8 mln GJ

1%

NL: 13.5 mln GJ

Batteries

0.4 GWp

30%

NL: 8 GWp

* The percentage shown as of 30 June 2025 is in comparison to 50% of the expectation in 2030.

○ Expected task established capacity up until 2030
● Realisation 2022 up until 30 June 2025 in Stedin area

Living, working & transport

Gas-free homes

152,600

28%

NL: 594,000

Electric cars

513,000

32%

NL: 1.9 mln

New homes connected

335,000

26%

NL: 806,000

Electric buses

1,350

68%

NL: 4,700

Households with heat pumps

All-electric or hybrid

326,000

44%

NL: 1.2 mln

Electric trucks

3,660

18%

NL: 24,000

○ Expected task in 2030 in numbers
● Realisation 2022 up until 30 June 2025 in Stedin area

Workload Stedin

Transport stations

34 new

18%

99 expanded

24%

Medium-voltage substations

6,000

23%

Cables in km

12,000

27%

○ Expected additional task 2022 up until 2030 in numbers
● Realisation 2022 up until 30 June 2025 in Stedin area

Grid congestion

Now that the energy transition has commenced, the social demand for new or larger capacity electricity connections is high. The need is greater than we can currently handle. The national and regional power grids are overloaded and there are queues on the electricity grid, leading to grid congestion. As a result, waiting lists for new or larger capacity connections are growing and the energy transition cannot progress as quickly as desired.

We distinguish between different types of congestion, congestion for consumption and congestion for energy feed-in. Congestion for consumption means that the grid is unable to meet demand for electricity at certain times and in certain locations. Congestion for energy feed-in means that the grid is so full at some point that electricity generated locally, for example by solar panels or wind turbines, cannot be returned to the network. These two types of congestion can then occur on different grids: on TenneT's high-voltage grid, or in Stedin's regional grid. The result is the same in both cases. Naturally, however, the extent to which Stedin is able to influence and control this result differs.

TenneT congestion areas in Stedin service area

The number of TenneT congestion areas in Stedin's service area did not change in the first half of 2025. However, there were some relevant developments in the first half of 2025.

Utrecht
There is congestion on TenneT's national high-voltage grid and parts of Stedin's grid in Utrecht for both electricity consumption and return. Moreover, TenneT recently reported delays in the province of Utrecht for the construction of new infrastructure. In the Utrecht Energy Board, we are working with TenneT, the province and municipalities and the Ministry of Climate Policy and Green Growth on additional measures to continue to provide as much space as possible for social tasks (such as housing construction) while maintaining a reliable energy supply. Extensive grid upgrades will be required to resolve these congestion areas.

The proper incorporation of this infrastructure into the planning process is a huge challenge. However, the following key projects are at risk of further delay. See also the section below entitled 'Measures to take pressure off the Utrecht grid'.

Zeeland
In Zeeland, there is congestion for consumption on TenneT's high-voltage grid. As TenneT has identified flexible capacity in this region, we are actively connecting some of the customers on the waiting list.

South Holland
In December 2024, TenneT announced congestion for consumption on its high-voltage grid in South Holland. A congestion management study is currently being carried out for this reason. We expect the results of the study by the end of 2025.

Stedin congestion areas

At the start of January 2025, Stedin was experiencing congestion in 45 areas; by the end of June, this number had increased to 53. This also includes TenneT congestion areas. Areas with both consumption and energy feed-in congestion are counted twice as separate congestion areas. A total of 11 areas have been added and three areas no longer have congestion.

All 11 new congestion areas are experiencing congestion for consumption. This is caused by rising electricity demand at peak times due to the increasing electrification of households and small businesses. We are all using more and more electricity for new homes, sustainable heating using a heat pump and for charging electric cars. This growing demand means that Stedin's electricity grid has reached its limit in these areas. We expect more congestion areas will be added in the second half of 2025 for the same reasons.

The congestion map as of 30 June 2025 can be found below. For information on the current situation, visit this website.

Waiting lists

In the first six months of 2025, the waiting list for consumption grew by 375 MW and 675 applications compared to the end of December 2024. For energy feed-in, the waiting list has remained relatively stable in terms of numbers in MW. The requested capacity in MW increased slightly by 2 MW, while the number of applications for energy feed-in rose by 52.

We inform customers on the waiting list about their position, expected resolution date and verification of their details. In June, we started contacting customers on the waiting list. We are scaling up with the aim of proactively contacting every customer on the waiting list this year. For up-to-date information on waiting lists, see this website.

Catching up with the waiting list in Zeeland

In June, we announced together with TenneT that we are able to catch up with the waiting list in Zeeland to some extent. There is room for a new or larger capacity connection for an expected 61 Zeeland companies and institutions. This is possible because TenneT signed a flexible capacity contract earlier this year with Lion Storage, part of Return, for a large battery plant in the port of Vlissingen. For the first time since the Zeeland high-voltage grid reached its maximum capacity in the summer of 2023, a group of customers will move off the waiting list.

TenneT
1. Heemstede
2. Port of Rotterdam & Goeree Overflakkee
3. Province of Zuid-Holland
4. Province of Utrecht
5. Province of Zeeland

Stedin
6. Mijdrecht
7. Baarn
8. Woerden
9. Maarssenbroek
10. Bilthoven
11. Amersfoort
12. Oudenrijn
13. Driebergen, Odijk, Bunnik Oost, Zeist Zuid, Kerkenbos and Austerlitz
14. Nieuwegein Zuid and Oost, Houten, Utrecht Oost
15. Outer area Houten Zuid and Oost
16. Doorn, Maarn, Leersum and Amerongen Southwestern outer area
17. Veenendaal Noord and West, Elst, Renswoude and Amerongen
18. Wijk bij Duurstede and Cothen
19. Den Haag Centrum-Noordwest, Scheveningen and Duindorp
20. Nootdorp and Ypenburg-Oost
21. Waddinxveen - Piet Stuurmanweg
22. Waddinxveen - Schielandweg
23. Reeuwijk and Gouda-Noord
24. Waarder and Driebruggen
25. Berkel en Rodenrijs - Noordeinde
26. Waddinxveen - Doelwijk
27. Berkel en Rodenrijs - Kleihoogt/ Centrum Noord
28. Bleiswijk – Bergschenhoek
29. Zuidplas - 2e Tochtweg
30. Rotterdam-Zuid and surrounding municipalities I
31. Rotterdam-Zuid and surrounding municipalities II
32. Gedeelte Drechtsteden and central Molenlanden
33. Alblasserwaard-Oost, Vijfheerenlanden West Betuwe-Noordwest
34. Albasserdam Molenlanden West
35. Dordrecht Centrum and – Oost
36. Hoeksche Waard and Zuidelijk Dordrecht
37. Tholen and Schouwen-Duivenland (Noordring)
38. Walcheren-Noord
39. Zuid-Beveland
40. Utrecht Merwede Kanaal (UMK)/ Utrecht Lage Weide (ULW)
41. Montfoort/Lopik
42. Den Haag/Rijswijk - Appelstraat
43. Den Haag/Rijswijk - Cartessiusstraat
44. Den Haag/Rijswijk - Hengelolaan
45. Den Haag/Rijswijk - Jan Wapstraat
46. Den Haag/Rijswijk - Laagveen
47. Den Haag/Rijswijk - Televisiestraat
48. Voorburg - Boutensstraat
49. Leidschendam - Noordsingel

No longer congested
1. Tinte
2. Middelharnis
3. Vlissingen-Oost ports

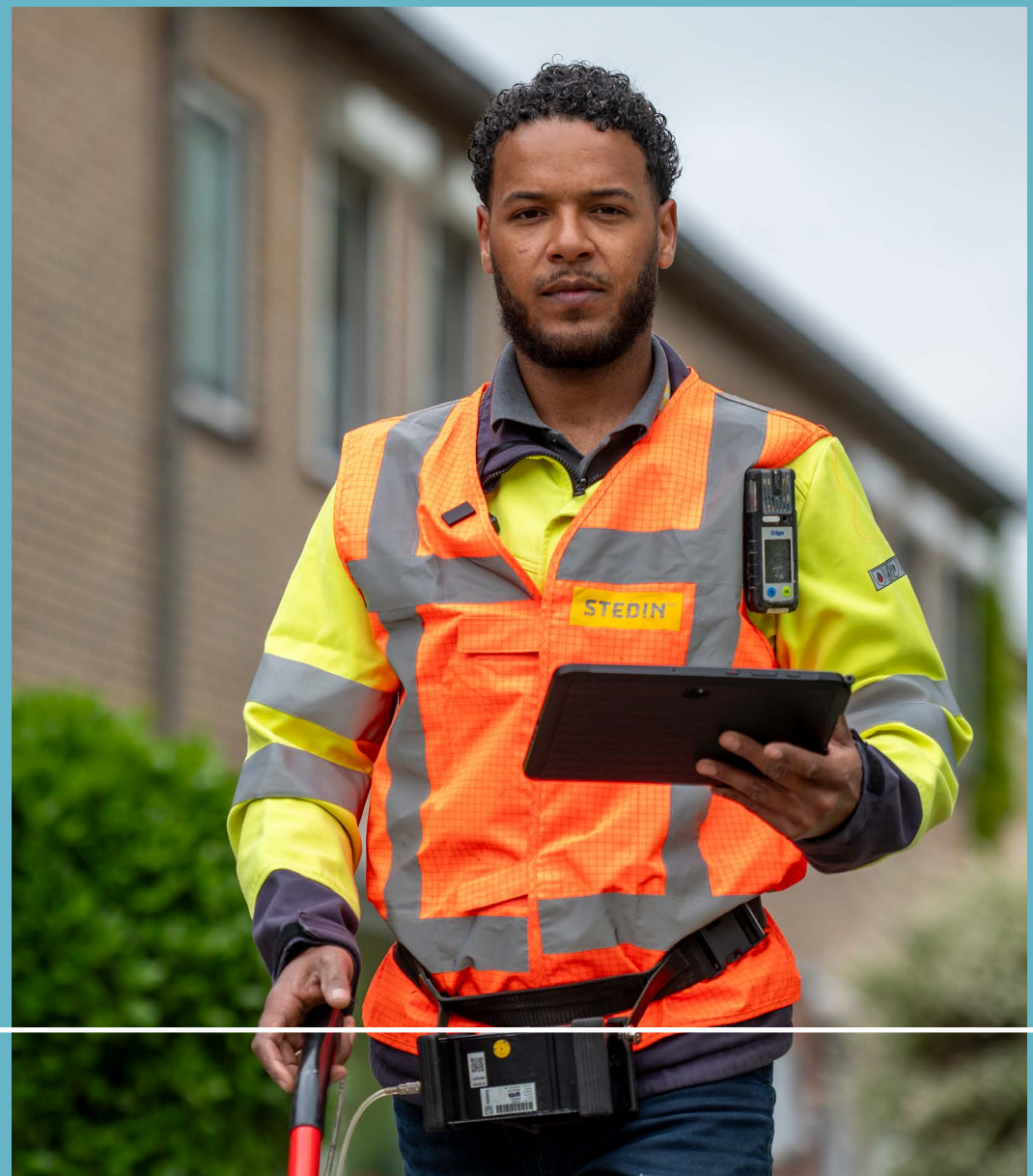
Measures to take pressure off the Utrecht grid

The provinces of Flevoland, Gelderland and Utrecht (FGU) have a shared energy supply from TenneT's national high-voltage grid. Consequently, these three provinces and the grid managers TenneT, Stedin and Liander need to work in close cooperation to find solutions. The challenges in FGU are considerable. There is insufficient (grid) capacity to continue to meet the growing demand from low-use consumers. This includes new homes, making existing homes more sustainable and charging infrastructure. In April 2024, then minister Jetten therefore announced a package of 10 measures to avoid the introduction of waiting lists for low-use consumers. While good progress is being made in the realisation of these measures, we are concerned whether the measures are having an impact fast enough. There is currently 10.7 MW of flexible capacity in these three provinces, while the required flexibility is expected to rise to 475 MW in the coming years. From 2026, this could cause overloads, potentially resulting in power outages. You can read more about the 10 measures on our website.

Reinforcing the electricity grid to create long-term capacity

The 10 measures are designed to alleviate congestion in the coming years. Several grid expansions are necessary in order to increase capacity on a long-term basis. One of the projects has currently come to a standstill at TenneT's high-voltage substation on the north side of Utrecht. This project has been substantially delayed despite close cooperation with the province, municipalities and central government. The process of identifying a suitable location for this large 6-hectare station proved highly complex and suffered several major setbacks. The protected status of the Dutch Water Defence Line (part of the UNESCO World Heritage Site) was a major constraint in the search area for this station. Agriculture and activities such as residential development also increase the pressure on this space. As a result, the investment plans had to be adapted. We are working with TenneT, the province of Utrecht, the municipalities involved and the Ministry of Climate Policy and Green Growth to catch up with this delay as much as possible.

Results



Stedin in Figures

Construction

€610 mln
Investments

269 MVA
Additional capacity

5
Additional transmission stations

254
Additional MV substations

573 km
Additional cables laid

Optimisation

128 MW
Flexible capacity

Management

99.9977%
Electricity supply reliability

99.9999%
Gas supply reliability

Customer satisfaction with service provision

82%
Meters & Connections

85%
Meter cupboard problems

17%
Projects

Renewable gases & alternative heating

346 HEQ
Heat household equivalents

Market facilitation

99.0%
Smart meter data provision

Sustainability

3,827
kt of CO_2 eq
Total scope 1, 2 and 3 CO_2 equivalent including gas consumption customers

31%
CO_2 reduction compared to 2021

Financially healthy

A-
Credit rating

Employees, leadership & culture

6,518
fte

28
eNPS
Employee satisfaction

Safety

0.2
LTIR

0.6
RIF

Building more grid capacity

Although we are growing faster and investing more than ever, the capacity shortage on our grids increased in the first half of 2025. We cannot expand the grid overnight. By remaining committed to structural annual growth in our implementation capacity, we expect to start seeing more and more results from expanding our grid capacity in the coming years.

KPIs Construction	Note	Unit	Result 30-06-2024	Result 30-06-2025	Target 2025
Investments	The amount of euros annually invested in our networks	€1 m.	517	610	1,300
Irrevocable zoning plans	Number of zoning plans for transmission network expansions with a spatial component that became irrevocable in 2025	#	5	6	12
Partnership agreements with municipalities	The percentage of municipalities with which partnership agreements regarding the distribution network have been made and recorded in a signed agreement	%	-	92	95
Execution of Network-Driven scope E and G[1]	Extent to which scheduled work (capacity expansions and/or replacement investments) has been achieved.	%	141/96	88/101	100/100
Additional capacity	Net amount of network capacity in megavolt-ampere that was added to total capacity in 2025, is under tension and is administratively processed in the project administration	MVA	0	269	753

1 As of 30 June compared to the midyear target

Increased investments

To achieve our strategy and thereby enable the energy transition, we expect to invest €1.3 billion in 2025. In the first half of 2025, we invested a total of €0.6 billion, putting us on track to meet our year-end target. At the same time, we see that due to challenges in obtaining land positions and permits, our investments in electricity grid expansions (execution grid-driven scope E) are behind schedule. We do not expect to catch up this year. On the other hand, we expect to make more customer-driven investments this year, so on balance we are maintaining our investment target.

Starting earlier

Expanding the grid is a time-consuming process. For example, it takes a long time to build medium-voltage units (transformer substations). Preparing for and planning a project takes even longer. The start-up period can take up to twice as long as the actual implementation. The availability of land, zoning plans and permits are major factors. We are committed to reducing this start-up time and being able to start construction earlier.

Growth continues

Much of the work we carry out is not directly visible to the outside world, but plays a vital role in grid expansions. For example, we have now completed the technical design for 1,000 km of route in the province of Utrecht. This will allow us to continue preparing and implementing our construction activities on the medium-voltage grid over the next two to three years. This 1,000 km is a symbolic milestone: it is the start of many more kilometres that we need to design at a rapid pace.

Meanwhile, our activities in the first half of 2025 included the construction of five additional transmission stations (up from two in the first half of 2024) and 254 medium-voltage units (173 in the same period in 2024), the installation of 573 kilometres of cables (383 in the same period in 2024) and the addition of 269 MVA of power on our grid. As a result, we are steadily expanding our grids, are continuing to grow and expect to draw near to our annual targets.

Irrevocable zoning plans on target

Looking at the first half of 2025, we are on target in terms of the number of irrevocable zoning plans for main distribution stations (transmission stations on the high-voltage grid) with six plans. These plans are for large stations that are in many cases the size of several football pitches.

Increasing collaboration with municipalities

We are also looking for locations to expand the low-voltage and medium-voltage grid. In order to identify these smaller locations, we aim to enter into a cooperation agreement with all municipalities: an agreement that will govern the cooperation within the Neighbourhood Approach and also provide legal security for land positions. We now have such an agreement with 92% of all municipalities in our coverage area. We owe this success in part to the support of the Association of Netherlands Municipalities (VNG). The cooperation agreement works well in practice. In the first half of 2025, we followed the process set out in the agreement to obtain low-voltage sites for 55 neighbourhoods. More than 130 locations have been identified in total.

Neighbourhood Approach to accelerate reinforcement activities

Our Neighbourhood Approach involves upgrading the electricity grid neighbourhood by neighbourhood: we lay more and thicker cables in the ground and install additional medium-voltage units. The focus is therefore gradually shifting from reactive problem-solving to a proactive strategy in which the grid is reinforced neighbourhood by neighbourhood and street by street. This approach enables us to speed up the process considerably and limit the inconvenience to local residents.

Through the Neighbourhood Approach, we will reinforce the electricity grid in 3,000 residential areas over the next few years. We installed 35 new medium-voltage units in the first half of 2025; one neighbourhood was fully upgraded. Efforts are underway in 20 other neighbourhoods. We are currently carrying out preparations or implementation in around 200 neighbourhoods. This year, our low voltage workload has increased more than fourfold compared to 2023, when we were not working according to the Neighbourhood Approach.

The scale-up is not yet resulting in a large number of completed neighbourhoods this year. This is due to the lead time for both the preparation period and the execution period of the works in a neighbourhood. In terms of medium-voltage units and cables laid, we are however seeing that the scale-up is actually beginning to take shape.

Biggest ever tender

In mid-May, we issued a tender for a total of €3.5 billion over a 12-year period. This marks our biggest ever tender for work on the electricity grid. In permanent areas, we will work with permanent contractors and permanent Stedin teams. By guaranteeing contractors work, we enable them to invest to do the job to the best of their ability. In January 2026, we expect to announce which contractors will implement the Neighbourhood Approach.

Accelerated construction

In addition to starting earlier, we also see many opportunities to build faster. In that context, we started to increase construction capacity in 2024.

Availability of materials

June saw the opening of our new distribution centre (DC) in Vianen. The DC has an area of no less than 34,000 square metres: a huge amount of storage space that allows us to stock around 4,000 different types of materials, from screws to transformers. This increases the security of supply of materials to our projects, contractors and our decentralised warehouses. Having so many materials in one central location enables us to work more efficiently, while reducing transport movements. The DC is also an asset when it comes to sustainability. Our new distribution centre has been developed based on the BREEAM-NL 'Excellent' New Build guidelines. For instance, the centre features sustainable green areas, solar panels and electric vehicle charging points.

Scaling up cooperation with contractors

Stedin faces a major construction challenge in the coming years that we cannot achieve with our own staff and capacity alone. That is why we enlist the help of external contractors. This is crucial for us to cope with the growing number of projects. For example, one of the significant events that marked the first six months of 2025 was the capacity expansion tender for high-voltage substations, where we are carrying out part of the work with the help of contractors. By doing this, we increase construction capacity for high-voltage infrastructure and speed up the execution of the work.

We have also contracted external implementation capacity to digitalise medium-voltage units. See also the section entitled 'Digitally measured medium-voltage units'. We also published a tender for the large-scale meter replacement. In the second half of 2025, we will continue to contract sufficient external capacity.

Accelerating with innovation

Doing more, and in less time. Any innovation that aims to achieve this is worth exploring. A recent example is the plug-in transformer substation. This faster and smarter method of connecting a medium-voltage station emerged as the winner of a design competition we organised in the sector. The new approach allows fitters to connect medium-voltage stations in a single day – a process that previously took two days. It also allows us to do the work with less physical strain for the fitters.

It is a textbook example of how technology and collaboration can make a difference for both the fitter and the energy transition. We are intensifying our search for ways to speed up work and use scarce labour capacity more efficiently.

Utilising grid capacity

Our work to better utilise the grid focuses mainly on making peak times manageable. To this end, we deploy a combination of technical solutions, flexible contracts and behavioural solutions.

KPIs Utilisation	Note	Unit	Result 30-06-2024	Result 30-06-2025	Target 2025
Contracted effective flexible capacity[1]	The total transport capacity that is contracted by means of a bilateral contract and can be used to mitigate the consequences of network congestion, whereby the contracted capacity is supplied by parties in Stedin's service area. It only conatins capacity that supports Stedin to reduce peaks and solve bottlenecks.	MW	25	128	500
Digitally metered MV substations	Percentage of MV substations equipped with a digital metering device that is connected to and communicates with the central environment at the reporting date	%	21	29	40

1 From this year onwards we will report 'Contracted effective flexible capacity' (previously 'Flexible contracted capacity'). This only concerns contracted capacity that is actually deployable for the resolution of network congestion in areas of risk or congestion areas. Contracts with the intention to only support in customer expansion without creating extra grid load (network neutral), or those that are concluded to prevent future bottle necks (preventive) will not be included.

Flexible capacity

Stedin and the sector are working with market parties on solutions to scale up deployable flexible capacity. By doing so, we create capacity to enable us to keep the grid safe and catch up with the waiting list. The contracted effective flexible capacity in the first half of the year was 128 MW. We have noticed that contracting flexible capacity is a challenge. Meeting our annual target of 500 MW is therefore ambitious, but we currently still expect this to be feasible.

One such flexible solution is the deployment of 'adjustable power generation as a service'. This is where customers and market parties provide us with a temporary additional power supply, such as an existing combined heat and power system, when there is a risk of overload (due to excessive electricity demand). With this locally generated power, we can meet temporary, local or high peak demand. Stedin and TenneT are temporarily deploying this solution at strategic locations in the grid.

For this adjustable power generation, we awarded a Flextender in the first half of this year for the Utrecht region, where the need is highest. The Flextender will provide around 60 MW of flexible capacity using generators, which will be deployed from summer 2026. The locations are still being determined in cooperation with the province and municipalities.

The extent to which the potential of this tender is realised depends on contract negotiations and enabling conditions. We will seek to achieve a balance between affordability, new customer capacity requests and security of supply for existing customers.

Digitally measured medium-voltage units

Around 800 medium-voltage units were digitalised in the first half of 2025. This brings the number of digitalised medium-voltage units to over 6,000. To better understand our grids and predict where and when problems will occur, we place sensors in the grid, the DA3 boxes.

In the second half of 2025 we plan to further accelerate this digitalisation drive, which is enabling us to read measurement data from the grid in more and more locations. Before we can actually read data, efforts to mitigate cyber risks will continue this year. We expect to be able to start reading the measurement data from the medium-voltage units in the third quarter of 2025. We can then use this measurement data to gain a better understanding of the grid.

Managing grid quality

Our customers expect grid capacity and grid quality. We ensure a safe and reliable energy supply by replacing and managing our grids in a controlled manner. This is how we achieve high supply reliability. Our ambition remains to keep downtime to a minimum. We are also preparing for a scenario in which downtime increases. Better insight into grid performance remains as important as ever, as does forecasting the number of outages. This helps us to make the right investment decisions.

KPIs Management	Note	Unit	Result 30-06-2024	Result 30-06-2025	Target 2025
SAIDI LV/MV	The System Average Interruption Duration Index (SAIDI) LV/MV is the average duration in minutes of interruptions per customer during the year for medium-voltage and low-voltage electricity	min.	11	12	<22
SAIDI G	The System Average Interruption Duration Index (SAIDI) G is the average duration in seconds of interruptions per customer during the year for gas	sec.	15	17	0

Supply reliability

We are continuously working on the reliability of our electricity and gas grid. Supply reliability and voltage quality are key to this. The supply reliability of our electricity grid and gas network has also been high over the past six months; the average duration of an interruption per consumer was 12 minutes for low-voltage and medium-voltage and just under 17 seconds for gas. This means a supply reliability of 99.9977% for electricity and 99.9999% for gas. This is comparable to the first half of 2024 and within our set target.

We are maintaining grid performance and developing capabilities to better predict the impact of feasibility, heavier loads on our grids and changing electricity demand. We do this by developing mathematical models.

Replacing brittle pipelines

To ensure the continued safety of our gas grid, we intend to replace all our brittle gas pipelines (grey cast iron and asbestos cement) and their associated connections by 2028. In addition, removing brittle pipelines helps reduce CO_2emissions. In the first half of 2025, we replaced or removed more than 106 km of brittle pipelines and updated more than 9,000 gas connections in line with our schedule.

Other aims and enabling conditions

Our strategy centres on our core tasks of Construction, Optimisation and Management. Through this approach, we are expanding grid capacity and maintaining grid performance. Needless to say, these priorities do not exist in a vacuum: no cable goes into the ground without vital enabling conditions being met. We cannot manage without sufficient skilled employees, financially sound operations and robust security. Our strategy sets out other aims and enabling conditions. This section describes the progress we have made towards achieving these.

Service provision

KPIs Services	Note	Unit	Result 30-06-2024	Result 30-06-2025	Target 2025
Customer convenience and inconvenience Meters and connections[1]	Convenience and inconvenience experienced by customers in doing business with Stedin for two types of products 'connections' and '(smart) meters.	%	84/8	82/8	78/14
Customer convenience and inconvenience Meter cupboard problems[1]	Convenience and inconvenience experienced by customers in doing business with Stedin for the product 'meter cupboard problems'.	%	90/5	85/7	85/7
Customer convenience and inconvenience Projects[2]	Convenience and inconvenience experienced by business customers in doing business with Stedin.	%	-	17/61	40/40
Lead time for low-volume connections 18 weeks[3]	Completion of connections for low-volume consumers with excavation works within 18 weeks or on date preferred by customer	%	-	57	67
Lead time for low-volume connections 12 weeks[3]	Completion of connections for low-volume consumers without excavation works within 12 weeks or on date preferred by customer	%	-	91	85

1 This score is based on the Customer Effort Score (CES), which measures the ease/difficulty of a customers experience. The KPI customer convenience is calculated by dividing the number of 'very easy' and 'easy' scores by the total number of responses. The KPI customer convenience is calculated by dividing the number of 'very difficult' and 'difficult' scores by the total number of responses.

2 The KPI Customer convenience and inconvenience Projects is measured once a year in the second part of the year. The presented results per 30 June are the results per the end of 2024.

3 Due to a tightened calculation method in 2025, a comparison with the result per June 2024 can not be made.

Stedin wants to be a reliable partner for its customers. We monitor 'customer satisfaction' scores related to meters, connections and meter cupboard problems on a monthly basis and for larger projects on an annual basis. We use the results to identify actions we can take to optimise these scores.

Aligning expectations leads to fewer complaints

In the first half year of 2025, 82% of our consumers said they found it easy to do business with Stedin in relation to connections and meters and 8% experienced inconvenience. Both ratings are higher than our annual target.
Of our customers who had a problem in their meter cupboard fixed, 85% reported that the process was easy, while 7% experienced inconvenience. Both ratings are equal to our annual target.
One of the ways we want to increase customer satisfaction with our connection products is by better aligning expectations with customers. This is paying off: in the first half of 2025, there were 40% fewer complaints than in the same period last year. We make sure that every step we take is clear to the customer.

We are carrying out a number of ongoing improvement initiatives to increase customer satisfaction and reduce customer inconvenience among our business customers. These initiatives are aimed at shortening lead times. Among other things, we have improved communication with our customers. In the first half of 2025, we also fully caught up with the quotation backlog. At the same time, design adjustments are resulting in longer lead times until the required materials are available. This is causing delays in the realisation of our major connections, and we expect to see this reflected in the customer satisfaction scores later this year.

Connection time limits for low-use electricity connections

The Netherlands Authority for Consumers and Markets (ACM) has the power to lay down rules ('codes') for the energy market. The ACM is currently working on a new code decision on connection time limits, which will offer customers greater certainty. For instance, the new decision sets more realistic time limits for low-use electricity connections. Until this decision is in place, we will still report the figures according to the old, now overturned code decision. This means that we distinguish between connections that do not require excavation work and those that do (12 and 18 weeks). Where there are no special circumstances we will connect our customers as soon as possible. Where the connection is in a congestion area or insufficient infrastructure is available, a longer time limit for connection may apply.

In the first half of 2025, we realised the vast majority of all low-use electricity connections that did not require excavation work, namely 91%, within 12 weeks. This puts us ahead of our annual target, thanks in part to the improvements mentioned in the section above.
Where excavation work was required, we realised 57% within 18 weeks, exceeding the target for the first half of the year.
If there are no special circumstances, we connect our customers as soon as possible. Sometimes, however, special circumstances apply that require a longer lead time.

Connection time limits for high-use electricity connections

A new code decision for high-use electricity connections entered into force on 1 January 2025, which provides more realistic time limits and greater clarity for customers. When determining a time limit for a connection, we will now look at the complexity of the connection required. We apply three criteria: the availability of a technical connection point, route complexity and implementation complexity. A 26-week time limit applies to connections with low complexity and a 52-week time limit to those with medium complexity. For connections with high complexity, we determine the connection time limit together with the customer. A specific waiting time, known as the dynamic regional waiting time, also applies to each region.
This, together with the connection time limit, constitutes the overall maximum time limit within which we must realise a connection. Part of the code decision is that we do not connect customers in congestion areas until the grid congestion is completely cleared, as only then can we conclude a transmission agreement. We refer to this as *a just-in-time* connection. Postponing these connections allows us to address other work first, such as grid reinforcements. As a result, congestion can be resolved faster.

Employees, leadership and culture

KPIs Staff, leadership and culture	Note	Unit	Result 30-06-2024	Result 30-06-2025	Target 2025
Total workforce	Total workforce is the number of internal and external employees at year-end and is measured in FTEs at year-end	FTE	5,930	6,518	7,138
Employee satisfaction eNPS[1]	The ratio Employee net promotor score (eNPS) measures how much an employee will promote Stedin as an employer and deducts the percentage of employees that will not promote Stedin as an employer	ratio	23	28	21
Filled Participation Act jobs	The % Participation Act jobs refert to the percentage of employees expressed in % FTE (based on 25.5 hours) employed by Stedin Group who belong to the target group for the job arrangement under the Participation Act.	%	1.9	2.1	2.7
Social safety[1]	The ratio that expresses the safety that employees experience in their social working environment	ratio	7.9	7.9	8.0

1 The KPIs Emplopyee satisfaction (eNPS) and Social safety are measured once a year in the second part of the year. The presented results per 30 June are the results of respectively the end of 2023 and 2024.

Sufficient vital and skilled employees are essential if we are to fulfil our important role in society. Our growing workload means that we need an increasing number of employees to carry out that work. And this at a time of scarcity in the labour market. Moreover, at the end of 2024 a considerable number of temporary employees left partially due to developments around the Assessment of Employment Relationships (Deregulation) Act (DBA) and the 'enforcement moratorium' that was lifted in order to combat false self-employment . This has created additional recruitment needs.

Optimising recruitment and onboarding

We are constantly improving our recruitment and onboarding processes in order to attract new employees in the current labour market. For example, within recruitment, we worked on group recruiting for positions in the first six months of 2025. This approach is more efficient than dealing with each vacancy separately: those who drop out for one position may be well suited to another.

In the context of retention, we are focusing on improving cultural onboarding to ensure that new colleagues feel at home within Stedin as soon as possible. A good first impression is important for employee retention now and in the future. These efforts have helped to keep the resignation rate at around 3.5%.

Stedin is perceived as a good employer, with an impressive eNPS score of 28. The benchmark score is 13, which means that our employees are much more likely than the benchmark to recommend Stedin to others. Our scores for perceived social safety are also high. This was reconfirmed in an employee survey in the first half of 2025. Actions are being developed to maintain or potentially even improve on this high score.

Critical business processes carried out by own workforce

The growth of our organisation is important, as long as it remains responsible. Where rapid growth is needed, it is attractive to meet that need with temporary, external staff. This is not a sustainable solution in the long term: the costs are relatively high and the knowledge is not secured within the organisation. As of last year, we have therefore actively managed the balance between external and own workforce. Stedin believes that its critical business processes should be carried out by its own workforce. We do not want to rely on external staff for these processes. More active management in this area has normalised the ratio, which is important from a business continuity perspective. Of the number of FTEs, around 14% were external staff in the first half of 2025. This puts us below the maximum ratio (approximately 15% of the total). A side effect, however, is that our recruitment needs have increased.

Intake and internal advancement

Our new distribution centre in Vianen saw the induction of a team of employees under the Participation Act, modelled on the existing and successful operations service team. These employees are assigned adapted work and have a team coordinator to guide them in their development process. Although Stedin is yet to meet the target for the number of employees with a participation background, the growth in this number is following the overall growth in the organisation.

In the field of education, we have been managing the intake and internal advancement of students for several months. Some of them are following accelerated pathways to enable them to get working as soon as possible. As a result, the demand for fitters is in line with the supply of fitters who have obtained their diploma and are able to enter the operational chains.

Providing training ourselves

Later this year, the final batch of the leadership programme will start. This will mark almost two years of the development process, with around 70% of all managers taking part. The next step, for which preparations are currently underway, is wider embedding in the organisation.

Meanwhile, construction of the new Stedin Academy building in Rotterdam is steadily progressing. In the first half of 2025, the land was remediated and prepared for construction and pile driving operations began. Final completion and occupation of the building are scheduled for the 2026-2027 academic year. This building will provide the space and facilities to further grow and professionalise our training task. The new building emphasises that, alongside external recruitment, training people ourselves is a top priority.

New collective labour agreements

Employers and trade unions achieved a result in May in negotiations on the new Collective Labour Agreement for Grid Managers (NWb) from 1 July 2025. Both parties are satisfied with this outcome. The new collective labour agreement has a term of 18 months and is valid until 31 December 2026.

The Supervisory Board

With effect from 16 April 2025, Huib Costermans has joined as a new member of Stedin Group's Supervisory Board. Our shareholders reached this decision at the general shareholders' meeting on 16 April 2025. Huib Costermans also takes over as chair of the Audit Committee from Theo Eysink who has stepped down from the Supervisory Board. Theo Eysink made a very valuable contribution during his term on the Board.

Board of Management

With effect from 1 May 2025, the Supervisory Board has appointed Trudy Onland, formerly COO and member of Stedin's Board of Management, as CEO and chair of the Board of Management of Stedin Holding N.V. As of the same date, Aline Arends was appointed as the new COO and Timo Idema as the new CTO. Both are members of the Board of Management. The Supervisory Board appointed Jaap Verhoeff as Stedin Group's new CFO as of 1 September 2025. Up until that time, Steven Suiker, director of Corporate Control at Stedin Group, served as deputy CFO not appointed under the articles of association.

Sustainability

KPIs Sustainability	Note	Unit	Result 30-06-2024	Result 30-06-2025	Target 2025
CO_2-eq. reduction compared to base year 2021	The total reduction in CO_2 emissions scope 1, 2 and 3 , including procurement and customer gas consumption compared to 2021	%	31	31	29
CO_2-emission[1]	The total CO_2 emissions scope 1, 2 and 3 , including procurement and customer gas consumption	Ktonne CO_2-eq.	3,834	3,827	6,494

1 The comparative figures have been adjusted based on new insights, including adjusted emission factors and the methodology according to OGMP.

Our sustainability objectives are set out in our ESG Strategy, which stands for Environment, Social and Governance. Since we adopted the ESG Strategy in 2023, we have been continuously working on gaining new insight that could impact our objectives. A great deal of new insight was gained and decisions made in the first half of 2025. We updated the ESG strategy to describe our current expectations in relation to the 2030 strategic sustainability goals. For more information, see our website.

Ambitious environmental objectives

A wonderful milestone in the first half of 2025 was that the SBTi validated our CO_2targets. The Science Based Targets initiative (SBTi) is an independent party that adopts a scientific approach. Their validation independently determined that our targets are in line with the Paris Climate Agreement.

Unfortunately, the reality is that we fell behind in achieving our targets. Scope 3 emissions, mainly our customers' gas consumption, play a crucial role in this. Following a fall in natural gas distribution in 2022 and 2023, we are now witnessing a slight increase again. As a result, we do not expect to achieve our annual CO_2reduction target of 29% this year. This presents us with a dilemma: decreasing gas consumption in our service area is vital if we are to meet our E(nviroment) targets. At the same time, natural gas will continue to be very much needed in the energy mix until the electricity grid is sufficiently reinforced and heat grids start to be scaled up at a faster pace. Since we are legally obliged to connect everyone in our service area, sustainability considerations must sometimes give way or wait.

We also see this dilemma in situations such as the Flextender in Utrecht. The temporary deployment of gas-powered generators is essential here to reduce grid congestion and enable longer-term sustainability improvements. A little grey in the short term allows us to continue the green growth in the long term.

In terms of circularity, we now have an almost complete picture of how to achieve our target. We aim to achieve a 40% reduction in our use of primary, abiotic materials by 2030 compared to 2022. This target is relative to the composition of the total kilograms of raw materials purchased and received. We now plan to achieve a reduction of 33%. We are carrying out further research in relation to the remaining 7%.

We made two positive achievements in the area of biodiversity: first, we signed the 'nature-inclusive infrastructure' sector agreement, in which we are working with other infrastructure parties to develop policy on management, construction, and measurement methods. We also developed a measurement method for biodiversity in the value chain. Following this, we adjusted our target because the previous one, achieving a net positive impact in the chain expressed in euros, was neither measurable nor feasible. The new target is to reduce the growth of our biodiversity footprint in our supply chain by 2030 compared to 2023. To set this target, we first examined the biodiversity footprint of our supply chain in 2023, which is our base year. At that time, the footprint was approximately 40 MSA.km^{2}[1] per year. Without any measures, we expect our negative impact on global biodiversity to grow to around 56 MSA.km^{2} per year by 2030. This is due, for example, to the necessary expansion of medium-voltage units and the laying of cables in response to increasing electricity demand. By taking measures, such as making greater use of recycled materials, we aim to limit the growth of our impact to 52 MSA.km^{2} per year. In the second half of this year, we will further develop our policy so it can be applied, for example, in tenders."

1 'MSA.km2.year' is a unit based on Mean Species Abundance (MSA) and gives an indication of the natural species richness of a given area (km2) in a year, where 1 MSA is completely natural (e.g. primary forest) and 0 MSA is completely unnatural (e.g. an asphalt car park).

Renewable gas and alternative heating

KPIs Renewable gasses and alternative heating	Note	Unit	Result 30-06-2024	Result 30-06-2025	Target 2025
HEQ - Heat household equivalents	The number of household equivalents connected to the heating network operated by Stedin	#	346	346	625

All heat, steam and biogas development within Stedin Group is assigned to NetVerder. Through NetVerder, we are developing, constructing and maintaining energy infrastructure in these areas. In preparation for the Collective Heat Act (Wcw), we are positioning our organisation to be able to support municipalities and provinces in their major heat transition task as an integrated heat supplier in the near future. At the same time, we are preparing the gas grid for a sustainable energy future with targeted investments.

Renewable gas

We are taking important steps towards a gas network that transmits more and more renewable gas. A new injector was successfully commissioned in Cothen, allowing locally produced green gas to be delivered directly to our customers. The grid connection with Liander in Friesland, which was brought into operation last year, is functioning as expected. At peak times, up to several hundred cubic metres of green gas per hour is transmitted to areas where there is higher demand. We expect to connect the hundredth green gas injector in the Netherlands in the near future.

Alternative heat

We are working on a number of heat projects, with progress in line with the target. The additional 279 housing units are expected to be brought into operation in October, as part of the first phase delivery of the project in Delft, where 4,400 units are under development.

In May 2025, NetVerder signed a letter of intent with the province of Utrecht and Energie Beheer Nederland (EBN) to set up a Utrecht Heat Support Company (UWO). This public support company can help municipalities with knowledge, capacity and funding to develop heat grids. In the same month, NetVerder signed a letter of intent regarding a Regional Heat Grid in the Oostland region. This will involve cooperating with five municipalities, the greenhouse horticulture sector and the province of South Holland. The aim: to investigate the feasibility of building a regional heat infrastructure to which the greenhouse horticulture sector, households and heat producers can connect.

We are currently in talks with municipalities and provincial authorities in regions including Vlissingen, The Hague and Rotterdam about cooperation within heat projects.

Hydrogen

At present, hydrogen is used primarily as a raw material in the industrial sector. In the future, hydrogen could also play a role as an energy carrier depending on the chosen energy scenario. This is evident from sources such as Netbeheer Nederland's Integrated Infrastructure Survey 2030-2050 (II3050). We see hydrogen as a potential sustainable fuel where other options, such as electrification and heat networks, are not feasible or desirable. For example, specific industrial processes within regional or small-scale industries for which electrification is not yet suitable due to technical limitations or high costs.

Hydrogen, like green gas, can also be a sustainable alternative to natural gas in historic inner cities, where the spatial or architectural situation does not allow for heat pumps or a heat grid.

Safety & Cybersecurity

KPIs Safety	Note	Unit	Result 30-06-2024	Result 30-06-2025	Target 2025
LTIR	Lost Time Injury Rate: the number of fatal workplace accidents and lost-time incidents per 1.000.000 hours worked over the past 12 months	ratio	0.3	0.2	≤1,5
RIF	Recordable Incident Frequency: the number of fatal accidents and workplace incidents leading to lost-time injuries, and with substitute work or medical treatment being required, per 200.000 hours worked	ratio	0.5	0.6	≤0,9

Safety

No matter how much we endeavour to accelerate further, this should never come at the expense of our employees' safety. Working on the energy infrastructure involves risks. Safety is and remains our priority and we work to create a safe and healthy working environment to minimise risks and prevent workplace accidents.

In terms of the number of workplace accidents, the Recordable Incident Frequency (RIF) was 0.58, which is below the target of 0.90. With regard to lost-time incidents, the Lost Time Injury Rate (LTIR) at the end of June was 0.20, which is below the target of 1.50. In the past six months, there were two incidents that resulted in lost time. Managers provide a substitute for the work and supervision for colleagues who have had an accident, according to the nature and severity of the incident. This allows us to avoid long-term absence as much as possible and ensures that our colleagues receive the support they need.

Cyber security

In the first half of 2025, we successfully completed the internal audit for ISO27001.
This reaffirms our stable foundation in information security. We are continuously working to improve our digital resilience. We are investing in areas such as monitoring, rapid detection of vulnerabilities and a stronger security culture.

We and the other grid managers see digital resilience as a strategic priority. We work intensively with the other operators under the banner of Netbeheer Nederland (NBNL). We are committed to effectively managing cyber threats, with a key focus on our statutory duty and social responsibility for distributing energy.

In order to keep up to date, we closely monitor developments around the Energy Act, Cyber Security Act (Cbw) and the Critical Entity Resilience Act (Wwke). We are evaluating how these regulations can strengthen our strategy and policies.

Among other things, an external audit for ISO27001 will take place in the second half of 2025. The Dutch Authority for Digital Infrastructure is also scheduled to carry out a supplier management inspection at Stedin in September, with a focus on security by design and preventive measures to strengthen our digital resilience in the long term.

NATO summit

Stedin actively took part in the preparations and measures to ensure that the NATO summit in The Hague at the end of June 2025 went safely and smoothly. This is a good example of our ongoing efforts to scale up security capabilities and maintain long-term measures against physical and digital threats at the highest level.

Financially healthy

KPIs Financially healthy	Note	Unit	Result 31-12-2024	Result 30-06-2025	Target 2025
Credit rating	A rating based on the S&P methodology of assessing a company's creditworthiness in the form of a 'mark'	ABC	A- rating	A- rating	Retain A- rating
FFO/Net debt ratio	The extent to which the net debt can be repaid out of the Funds from Operations	%	11.5	13.7	≥10.0
Solvency	Ratio of adjusted equity to adjusted balance sheet total	%	42.9	41.8	≥35.0

Stedin's credit rating reconfirmed

Our financial policy aims to maintain our credit rating of A- by Standards & Poor's (S&P). Key ratios for this are FFO/Net Debt and Solvency. S&P reaffirmed Stedin's credit rating of A- with a stable outlook in January 2025.

New green funding raised

To finance our investments, we raised new funding in the first half of 2025. This took the form of a €500 million green bond. Stedin Group now has €2.5 billion of green bonds outstanding.

New EIB credit facility

We have also secured a new €500 million credit facility with the European Investment Bank (EIB) for future investments. In mid-July, Stedin borrowed €250 million under this credit facility.

Preparations for new regulatory method in 2027

The year 2027 will mark the start of a new regulatory period (REG2027) and with it a new regulatory method to be determined by the Netherlands Authority for Consumers and Markets (ACM). The formal preparation procedure for these method decisions has been ongoing since December 2024. The ACM has announced its intention to move to 'cost-plus regulation' in 2027 instead of the current 'yardstick competition' system. To ensure that grid managers operate efficiently, the ACM applies various forms of supervision in the cost-plus system.

Stedin supports the change in regulatory methodology initiated by the ACM towards a cost-plus system. The ACM's supervision should focus on identifying inefficient costs by monitoring KPIs and reviewing processes. Stedin agrees that this is important and also sees it as an opportunity to clearly demonstrate to external stakeholders that, as grid manager, we carry out our work efficiently.

The ACM will work out the new regulatory method in greater detail over the coming months. The ACM is expected to publish the draft method decisions in September.

You can read more about our financial results in Significant events and transactions during the first half of 2025.

Market facilitation

KPI Market facilitation	Note	Unit	Result 30-06-2024	Result 30-06-2025	Target 2025
Smart meter data provision (FTR)	The timely and full provision of smart meter data for energy services and market processes at the request of the customer	%	99.0	99.0	≥98.5

Smart metering and energy data: building the future together

Consumers and business customers have a (smart) meter that tracks exactly how much energy they use and generate. Stedin has a statutory duty to provide market parties with usage and production data which they can use to bill their customers and offer services to commercial parties. In the last six months, we, as joint grid managers, adapted the central IT systems so that we can settle based on 15-minute readings.

New European rules and the upcoming Energy Act are creating new roles in the market. One example is Congestion Service Parties, which help reduce congestion on the energy grid. We worked with the Ministry of Climate Policy and Green Growth to shape the new ministerial regulations and conducted an impact analysis on how they will affect central and decentralised market facilitation processes. As joint grid managers, we have also set up Het Normo as the official party for energy data exchange.

Through the NextGen programme, Stedin and other regional grid managers are working on a new, flexible and modular smart meter system. This means there will be a new generation of smart meters. We started the tendering process in late 2024 and major components have already been awarded. We are now building a single shared platform for data exchange and device management.

Consolidated interim financial statements **2025**

Condensed consolidated statement of income

x € 1 million		First half of 2025	First half of 2024
Operating income		**1,154**	**1,017**
Personnel expenses		370	326
Cost of procurement and contracted work		432	435
Other operating expenses		128	115
Capitalised own production		-197	-168
		733	**708**
Depreciation, amortisation and impairment of non-current assets		172	162
Total operating expenses		**905**	**870**
Operating profit		**249**	**147**
Financial income and expenses		-35	-72
Profit before income tax		**214**	**75**
Income tax		-55	-19
Result after income tax		**159**	**56**

Condensed consolidated balance sheet

x € 1 million		As at 30 June 2025	As at 31 December 2024
Assets			
Non-current assets		9,001	8,513
Current assets		594	561
Total assets		**9,595**	**9,074**
Equity and liabilities			
Equity		3,466	3,370
Non-current liabilities		4,925	4,362
Current liabilities		1,204	1,342
Total equity and liabilities		**9,595**	**9,074**

Condensed consolidated cash flow statement

x € 1 million	First half of 2025	First half of 2024[1]
Cash flow from operating activities	375	268
Cash flow from investing activities	-604	-510
Cash flow from financing activities	297	189
Movements in cash and cash equivalents	**68**	**-53**
Balance of cash and cash equivalents as at 1 January	101	188
Balance of cash and cash equivalents as at 30 June	**169**	**135**

1 The comparative figures have been adjusted. A negative amount of €32 million has been reclassified from operating to financing activities, in line with the presentation in Stedin Group's 2024 financial statements.

Accounting principles

Stedin Holding N.V. (hereinafter: Stedin Holding) is a public limited liability company under Dutch law, with its registered office at Blaak 8, 3011 TA Rotterdam, the Netherlands, and is registered with the Chamber of Commerce under number 24306393.

The main activity of Stedin Holding and its subsidiaries (hereinafter Stedin Group) is to ensure a safe, reliable and affordable energy supply. The grid manager of Stedin Group (Stedin Netbeheer) achieves this by constructing and managing the electricity grid and gas network and preparing them for the future, and by facilitating the energy market. Stedin Netbeheer operates in the provinces of South Holland, Utrecht and Zeeland, as well as in parts of the Noordoost-Friesland and Kennemerland regions. The subsidiary DNWG Infra provides construction and maintenance of gas and electricity infrastructure in Zeeland on behalf of Stedin Netbeheer. It also realises projects and connections for the Evides water grid in Zeeland and on Goeree-Overflakkee. The water-related operations for Evides will end by May 2026 at the latest. The subsidiary NetVerder helps achieve the energy transition by developing, constructing and maintaining energy infrastructures for heat and steam. It also focuses on the independent transmission and distribution of other new energy sources or carriers. Subsidiary Infradock is held 90% by Stedin Group and 10% by Evides. Infradock develops and manages a digital platform for information exchange and collaboration with contractors engaged by its shareholders. Utility Connect is a joint arrangement with Alliander with its own communication network to read smart meters and communicate with smart-grid applications.

Stedin Netbeheer operates alongside five other Dutch regional grid managers in a regulated market. Each regional grid manager is a monopolist within its own service area. Regulation means that the work performed by the grid manager is set out in law and that the rates are set by the Netherlands Authority for Consumers and Markets (ACM). The regulatory model encourages grid managers to perform as well as possible (in terms of efficiency and quality) by using a benchmark model.

This half-year report contains the interim financial statements of Stedin Group for the first half of 2025. These financial data were neither audited nor reviewed by an independent auditor. The half-year report does not contain all the information normally included in financial statements and should therefore be read in conjunction with Stedin Group's 2024 financial statements. The accounting policies applied in this half-year report are identical to those described in the financial statements.

In preparing this half-year report, estimates, assumptions and presuppositions have been made by Stedin Group's management that affect the amounts recognised. No significant changes in estimates occurred during the first half of 2025 that require further disclosure.

Significant events and transactions during the first half of 2025

Operating and net profit up

In the first half of 2025, we recorded an operating profit of €249 million (first half of 2024: €147 million) and a profit after tax of €159 million (first half of 2024: €56 million).

Operating income increased by €137 million, mainly due to higher transmission, connection and metering service revenues as a result of higher tariffs.

Total operating expenses increased by €35 million to €905 million. The main reasons for this increase are:

- An increase in personnel expenses of €44 million due to a CLA increase and higher number of FTEs;
- An increase in other operating expenses of €13 million, partly due to higher ICT costs resulting from an increase in staff numbers; and
- An increase in depreciation charges of €10 million due to the increased level of investment in recent years.

This was offset by a decrease in costs of procurement and contracted work of €3 million. The main reasons for this were:

- A decrease in costs for network losses of €30 million due to price developments;
- An increase in the cost of contracted work of €24 million due to growth in our work package; and
- An increase in transmission costs for use of the high-voltage grid of €3 million.

Capitalised own production increased by €29 million, driven by the expansion of our investment activities and higher costs in areas such aspersonnel.

Finally, net financial expenses fell by €37 million. A one-off charge in 2024 for the early repayment of the long-term Japanese yen (JPY) loan did not recur this year.

Higher level of investment

In the first half of 2025, Stedin Group invested €610 million in tangible and intangible assets to reinforce and expand the energy grid. This represents an increase of 18% compared to the investment level in the first half of 2024 (€517 million). Our investments have been funded from the positive cash flow from operating activities and the issuance of a new green bond.

Negative free cash flow due to rising investments

Cash flow from operating activities amounted to €375 million positive (first half of 2024: €268 million positive) and increased in line with the higher operating profit. Cash flow from investment activities amounted to €604 million negative (first half of 2024: €510 million negative) and has increased due to growth in investments. On balance, this results in free cash flow of €229 million negative (first half of 2024: €242 million negative). Cash flow from financing activities amounted to €297 million positive (first half of 2024: €189 million positive) following the issuance of a green bond.

Credit rating unchanged, FFO/Net Debt and solvency above target

Stedin Group aims to maintain our A- credit rating with credit rating agency S&P. FFO/Net Debt and solvency are key indicators in monitoring our credit rating and financial health.

In January 2025, S&P reaffirmed our credit rating. This remains A-, with a stable outlook.

The FFO/Net Debt ratio as at 30 June 2025 was 13.7% (year-end 2024: 11.5%) and was above our target of at least 10%. The FFO for the previous 12 months was higher than at year-end 2024 due to higher operating profit and lower interest payments. This compensated for the higher Net Debt that resulted from additional loans required to finance the negative free cash flow. Solvency as at 30 June 2025 was41.8% (year-end 2024: 42.9%) and was above our target of at least 35%. The increase in net debt reduced our solvency compared to year-end 2024.

Green bond issue

In February 2025, Stedin Group issued its fifth green bond, for a nominal amount of €500 million. This bond has a tenor of 12 years, an issue price of 98.936% and coupon interest of 3.375%. The effective interest rate excluding transaction costs is 3.485%. In total, Stedin Group has €2.5 billion of green bonds outstanding as at 30 June 2025. These are all listed on Euronext Amsterdam.

Available credit facilities increased due to a new facility with European Investment Bank

Stedin Group has an €800 million revolving credit facility (RCF) with six banks. In the first half of 2025, the maturity of this facility was extended by one year to June 2029. The term can be extended once more for a period of one year by mutual consent. There were no drawdowns of the RCF during the first half of 2025.

In March 2025, Stedin Group concluded a new €500 million credit facility with the European Investment Bank. This increases the diversification and flexibility of our financing mix. The facility is intended for investments in the electricity grid and matures in March 2028. The maximum maturity of borrowings under this faciltiy is 12 years. There were no drawdowns of this credit facility during the first half of 2025.

Subsequent events

First drawdown of EIB credit facility

In mid-July 2025, Stedin Group drew a €250 million loan under the credit facility with the European Investment Bank (EIB). This loan has a tenor of 10 years.

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