



**ENEXIS**  
HOLDING N.V.

# ANNUAL RESULTS 2024 ENEXIS HOLDING N.V.

6th March 2025



# OVERVIEW

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## Corporate profile

- This is Enexis
- Key figures
- Enexis' strategy

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## Developments

- Navigating the challenges of a growing workload
- Rising national focus on grid congestion

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## Regulatory framework

- Operating in a supportive regulatory environment
- New regulatory framework supports the grid operators achieving the energy transition

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## Green financing & ESG

- Green financing
- EU-taxonomy
- Enexis' ESG strategy & commitment to SDG's
- Enexis has strong ESG ratings

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## Strong financials

- Financials
- Growing investments
- Regulated Asset Base
- Prudent financial policy and supportive shareholders
- Outlook 2025



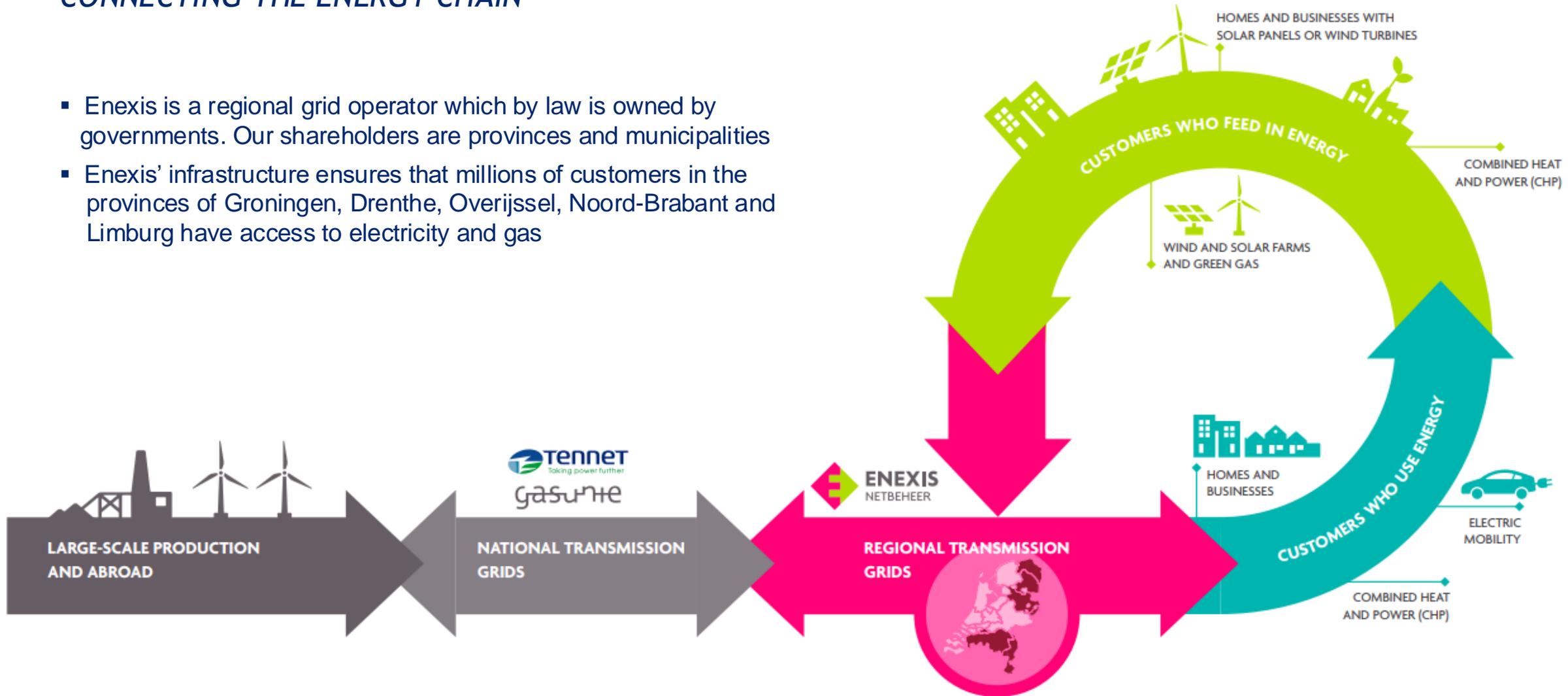
A background image showing three people in high-visibility safety gear (yellow and grey) standing in a grassy field under a blue sky with light clouds. One person is holding a tablet, and another is holding a shovel. A semi-transparent blue rectangle is overlaid on the right side of the image, containing the text 'CORPORATE PROFILE'.

# CORPORATE PROFILE

# THIS IS ENEXIS

## CONNECTING THE ENERGY CHAIN

- Enexis is a regional grid operator which by law is owned by governments. Our shareholders are provinces and municipalities
- Enexis' infrastructure ensures that millions of customers in the provinces of Groningen, Drenthe, Overijssel, Noord-Brabant and Limburg have access to electricity and gas



# KEY FIGURES

## PARAMETERS RELATED TO THE ENERGY TRANSITION



### Key figures



#### Gas grid

**2,269,000 connections**  
46,100 km | 4,229 Mm<sup>3</sup>



#### Electricity grid

**2,997,000 connections**  
147,700 km | 33 TWh



1 The reliability of our electricity grid was 99.996%



# ENEXIS' STRATEGY

WE REALIZE THE ENERGY TRANSITION IN CLOSE COOPERATION WITH OUR STAKEHOLDERS, FOCUSING ON OUR CORE ACTIVITIES AND STRATEGIC GOALS

Strategic goals




We promote optimal energy choices for society



We offer access to energy for everyone at all times



Customers can count on us



Supportive goals




Working safely



Strengthening each other



Sustainable impact



Remaining financially sound

In 2025 we focus on (selection)



Expanding (flexible) grid capacity	CO <sub>2</sub> eq.-reduction	Lost Time Injury Frequency
Work package	Employee Net Promotor	Increase # FTE scarce technical personnel
Annual outage time		





DEVELOPMENTS

# NAVIGATING THE CHALLENGES OF A GROWING WORKLOAD (1 / 3)

## HIGHER GRID EXPENDITURES TO ENABLE ELECTRIFICATION BY HOUSEHOLDS AND INDUSTRIES

### Work package growth is continuing

#### 2024:

- Realized gross grid capacity of 1,920 MW\*
  - This is equivalent to approx. 575,000 homes with solar panels
- In addition, 498 MW grid capacity was created by optimizing the use of the grid, for example through flexible contracts

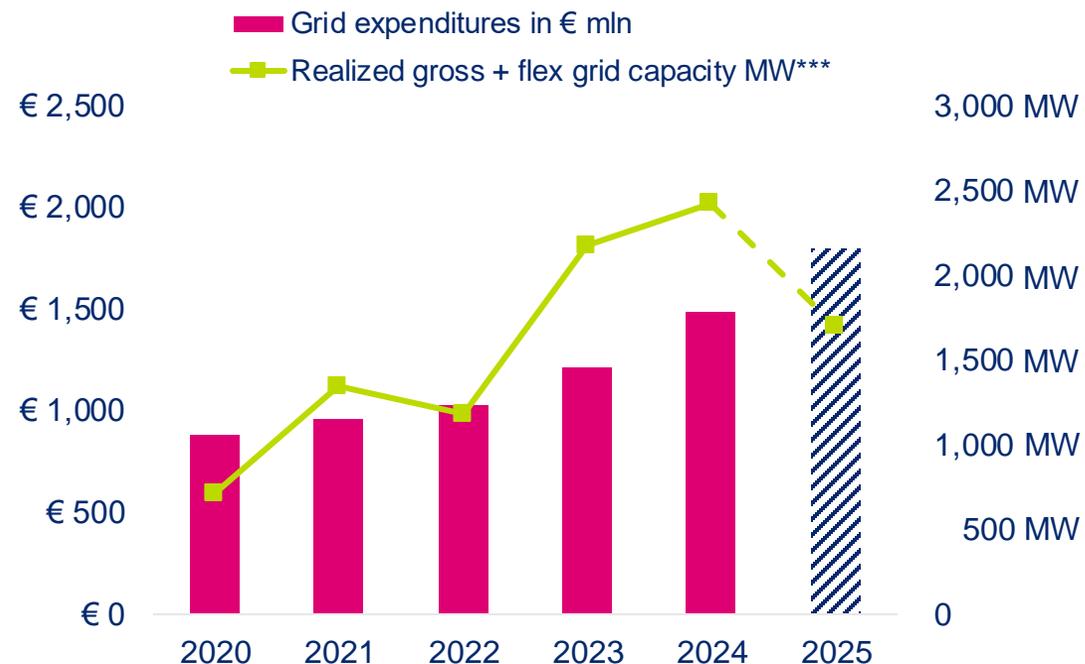
#### 2025 onwards:

- Continued growth of grid capacity and flex solutions
- Slower growth of grid capacity in 2025 as two projects totaling 1,000 MW are postponed due to permitting delays

### Main drivers for expanding capacity E-grid

- Growing electricity demand from households, industry and transport
- Continued growth of the number of solar and wind projects

### Increased work package\*\* leads to higher E-grid capacity



\*In the 2024 annual report we report the technical term MVA instead of MW

\*\*Work package = gross investments + operational work on E + G grids + activities related to smart meters based on standard tariffs

\*\*\*Realized gross grid capacity, i.e. not netted with replaced capacity and removed capacity, and includes flex capacity



# NAVIGATING THE CHALLENGES OF A GROWING WORKLOAD (2/3)

ABOUT 35% OF THE 2030 NATIONAL TARGET FOR LARGE-SCALE SUSTAINABLE ELECTRICITY PRODUCTION ON LAND HAS ALREADY BEEN REALIZED IN ENEXIS REGION

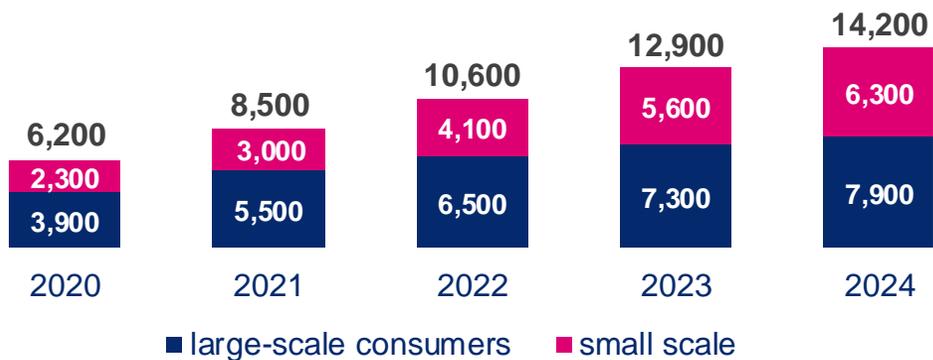
The national target is 35 TWh by 2030. 30 TWh has been realized per year end 2024

Large-scale projects in Enexis region contributed with 12.3 TWh

- We support the national target by expanding our grid capacity
- In 2024, the total sustainable capacity connected to Enexis' grid increased to **14,200 MW**, which equals approx. **16 TWh production per annum**. Of this approximately 12.3 TWh is produced by large-scale sustainable electricity projects

## Sustainable production capacity MW

Average growth 23% per year



## Feed-in from wind and solar

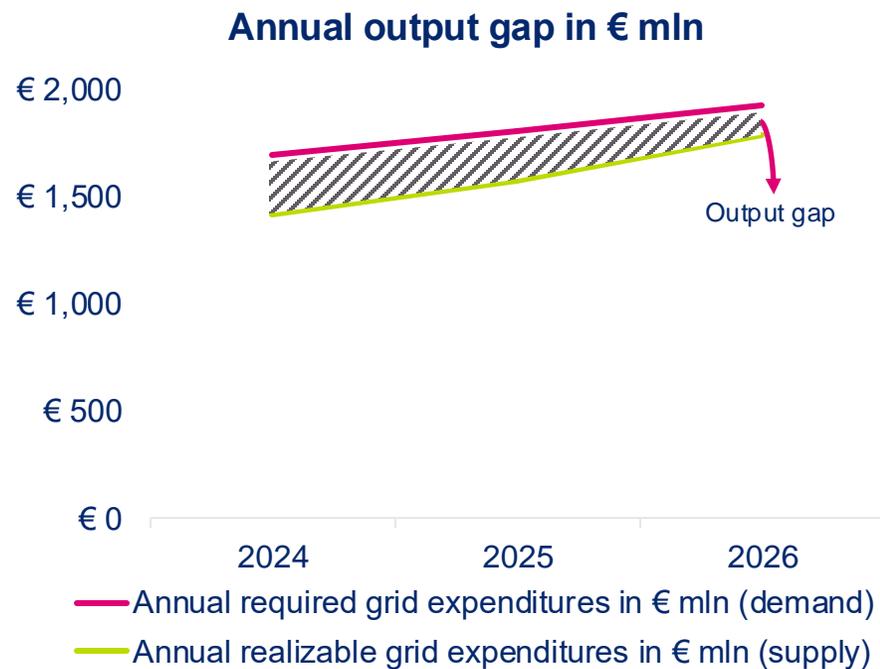
Average growth 23% per year



# NAVIGATING THE CHALLENGES OF A GROWING WORKLOAD (3/3)

## MEETING DEMAND WILL TAKE YEARS

The output gap is the part of required investments for grid expansion that cannot be realized yet. Closing this gap will take years. Required investments for the maintenance of the grid will continue to be realized



Source: Investment Plan 2024 Enexis Netbeheer, p. 67

Cumulative output gap	2025	2030	2035
2024 Investment plan	62%	27%	9%

Source: Investment Plan 2024 Enexis Netbeheer, p.68

### Solutions for meeting demand include:

- Continue with the rapid expansion of the grid capacity
- Standardize procedures, components and scale up outsourced work
- Ongoing digitalization of the grid
- Flex solutions, such as time bound contracts, that temporary provide costumers additional capacity
- Transparent reporting of available grid capacity and capacity expansion plans



# RISING NATIONAL FOCUS ON GRID CONGESTION

*THE SECTOR CONTINUES TO ACTIVELY ADDRESS THE ISSUES TOGETHER WITH STAKEHOLDERS*

## **Expanding grid capacity is an important national priority.....**

- The national power grid is approaching its maximum capacity in more and more areas
- Households and businesses face longer waiting times for new or upgraded connections
- Waiting times are dependent on region, connection type, staffing, public space, and materials

## **.....as confirmed by The Minister of Climate Policy and Green Growth (November 2024)**

- Addressing grid congestion is critical for sustainability, growth, mobility, and housing
- Efficient use of the grid can be supported by reducing peak usage
- Peak usage can be reduced through smart power use, adjusted tariffs, and public campaigns

## **Prioritize the use of the grid and congestion management solutions**

- Grid operators, provinces and other stakeholders jointly prioritize projects to enforce the grid, and
- The grid operators are allowed to give priority to customers with a social function when allocation new grid capacity
- Enexis has means to manage the use of the grid, such as curtailment and congestion management solutions, which include capacity limitations contracts
- To date the costs for congestions management were limited and totaled € 1 million in 2024





# REGULATORY FRAMEWORK

# OPERATING IN A SUPPORTIVE REGULATORY ENVIRONMENT

*HIGHER TARIFFS AFFECT THE HOUSEHOLD BILL BUT ALSO PROVIDE REVENUES NEEDED FOR INVESTMENTS*

## **Current Dutch regulatory framework:**

- Well established and stable framework
- Tariff regulation based upon on a yardstick competition model that allows:
  - To recover efficient costs
  - To earn a return on the Regulated Asset Base

## **Regulatory improvements that became effective this regulation period (2022-2026):**

- DSOs to be remunerated at a 100% nominal WACC for Gas and a 50% nominal WACC for Electricity
- Subsequent calculation of the interest rate component in the regulatory WACC and a 50-basis points floor applied to the risk-free rate
- Favourable ruling on July 4th, 2023, by Trade and Industry Appeals Tribunal (CBb) will further support Enexis' credit metrics
  - To use a more recent reference for the efficient costs of the sector, i.e., 2021 instead of the 2018-2020 average, and
  - To recalculate the productivity change based on the period 2017-2021 instead of the period 2004-2020
- Following the CBb ruling the Regulator seems more aware of the importance to timelier match compensation and expenses



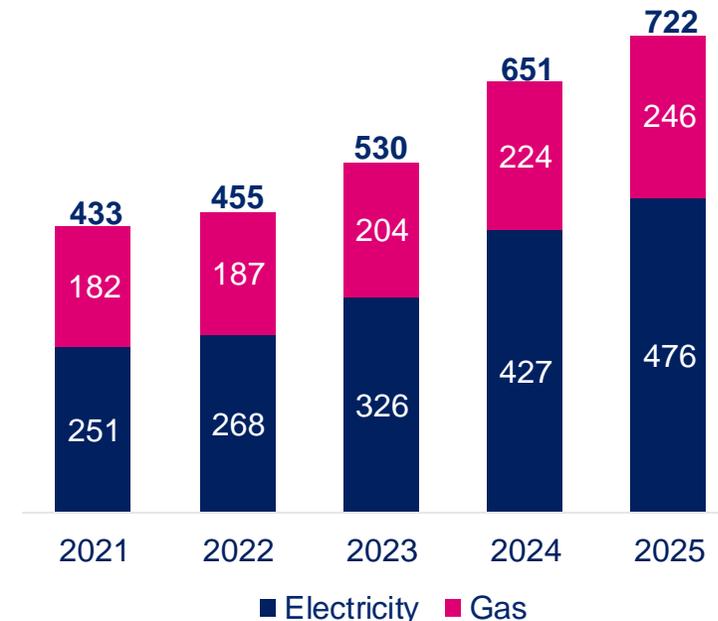
# NEW REGULATORY FRAMEWORK SUPPORTS THE GRID OPERATORS ACHIEVING THE ENERGY TRANSITION

*THE REGULATOR IS ACTIVELY SEEKING FEEDBACK FROM ALL STAKEHOLDERS*

**The regulator wants to create more room for grid operators to make timely investments to expand the grid**

- Compensation of efficient costs plus a return on capital will remain a key pillar of the framework
- A shift in focus away from efficiency-oriented regulation towards investment-oriented regulation to better support the energy transition
- The new framework will be introduced for the new regulatory period that starts in 2027
- Draft decisions are expected in 2<sup>nd</sup> half of 2025, final decisions in 2026

Household annual grid costs in €\*



*\*Total energy bill for an average household in the Netherlands was approximately € 2,400.- in 2024*





GREEN  
FINANCING  
& ESG

# GREEN FINANCING

## A GREEN APPROACH TO FINANCE THE ENERGY TRANSITION



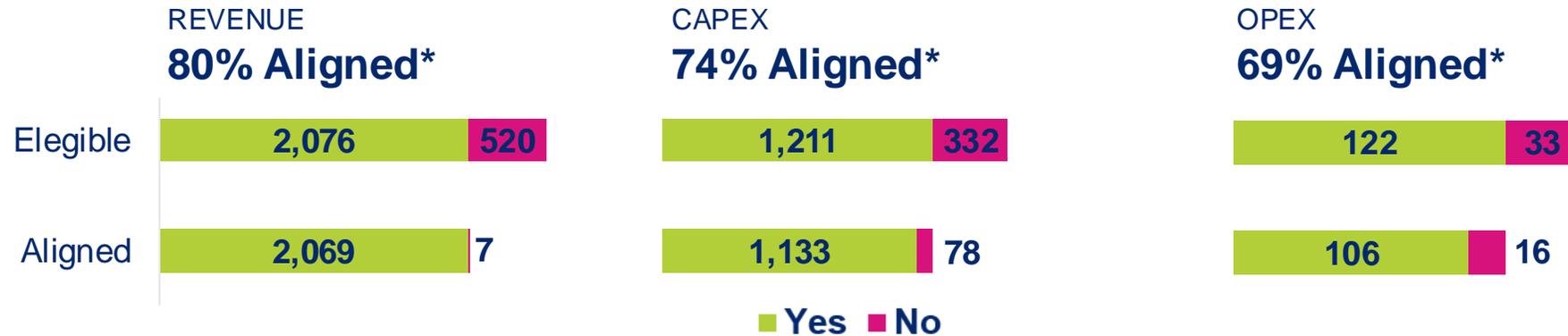
### Enexis' green financing of the energy transition

- Enexis is committed to the Sustainable Development Goals (SDGs) and has strong ESG ratings in place
  - The pool of green assets eligible for green financing will continue to grow further, mainly due to increasing investments in the electricity grid
  - Green financing is an important source to fund company's investments in the energy transition
- 
  - Updated Green Finance Framework in 2023,
  - Issuance of the 4<sup>th</sup> green bond of € 500 mln in 2024, bringing the total amount of outstanding green bonds to € 2 bn
  - Committed loan facilities with the European Investment Bank (EIB) € 590 million in total



# EU-TAXONOMY

*MOST OF ENEXIS' ACTIVITIES ARE ELIGIBLE AND ALIGNED WITH THE EU-TAXONOMY IN 2024*



## Taxonomy alignment focusses on 3 areas:

### 1. Substantial contribution

- Enexis' electricity grid is part of the European network of electricity grids
- Enexis makes a substantial contribution on climate change mitigation (activity 4.9)

### 2. Do no significant harm

- Transmission and distribution of electricity (activity 4.9) do not cause significant harm to other EU environmental objectives as per alignment with the applicable DNSH criteria

### 3. Minimum social safeguards\*\*

- No violations have been identified against OESO, UN-standards on ethics and human rights and other guidelines on bribery, corruption, tax and compliance



# ENEXIS' ESG STRATEGY & COMMITMENT TO SDG'S

ENEXIS REPORTS IN LINE WITH CSRD & ESRS REQUIREMENTS

## Enexis' ESG Strategy



## Our goals

- Reduction of 25% GHG emissions in scope 1&2 by 2030 compared to 2024
- Enexis is and remains emission neutral in scope 1&2 via green procurement of electricity and offsetting

## Our main measures

- Reducing methane leakages by intensifying leak detection & reparation and by replacing brittle pipes
  - Enexis largely completed the replacement of brittle pipes in the gas grid
- Electrification of Enexis' mobility fleet

## Our SDG commitments and 2024 results, for example:

- High grid reliability (average outage time for electricity was 22.5 minutes and for gas 56 seconds in)
- Realized gross grid capacity of 1,920 MW and 498 MW flex capacity in 2024 to execute the energy transition

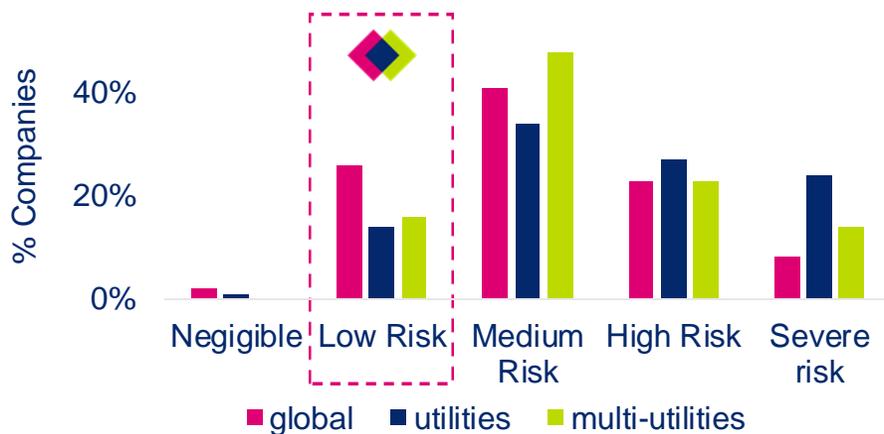


# ENEXIS HAS STRONG ESG RATINGS

## Sustainalytics

- Enexis obtained an ESG risk score of 18.4 and is ranked 9 out of 104 in the multi-utilities Industry category
- Enexis ESG risk management is strong
- Enexis scores high on ESG topics: e.g emissions, effluents and waste, health and safety and data privacy and cybersecurity

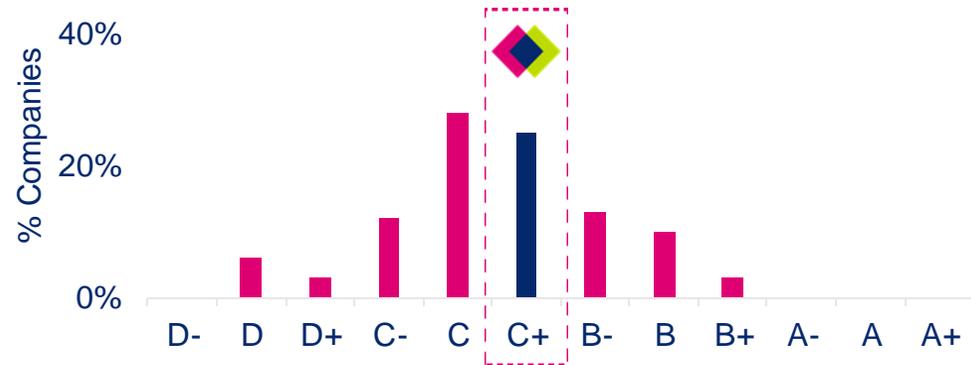
## Sustainalytics ESG risk rating



## ISS ESG

- Enexis has a strong ESG rating of C+ with prime label
- Enexis scores high on ESG topics: e.g. corporate governance and business ethics

## ISS ESG rating

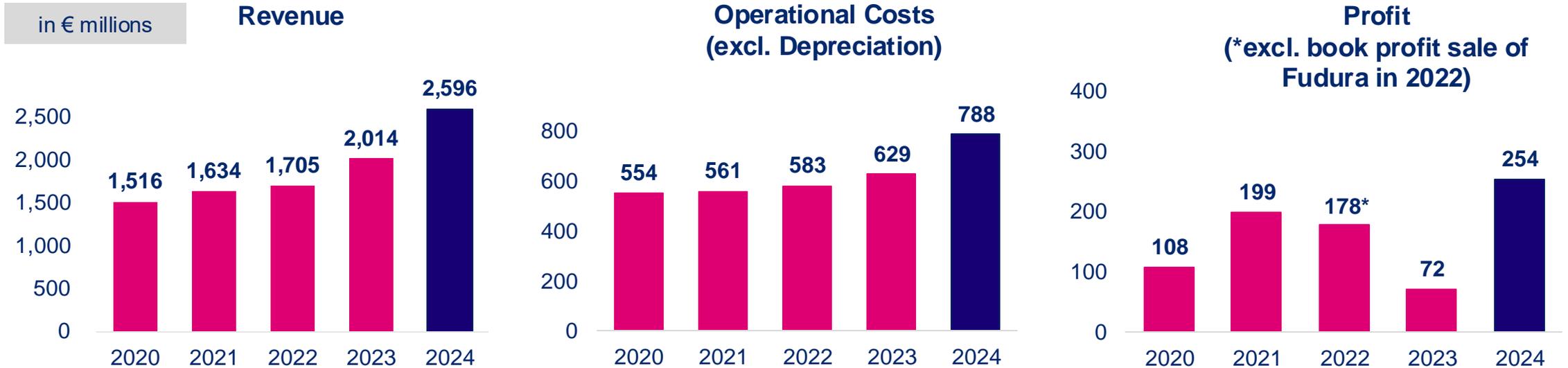




**STRONG  
FINANCIALS**

# FINANCIALS

## SOUND FINANCIAL PERFORMANCE

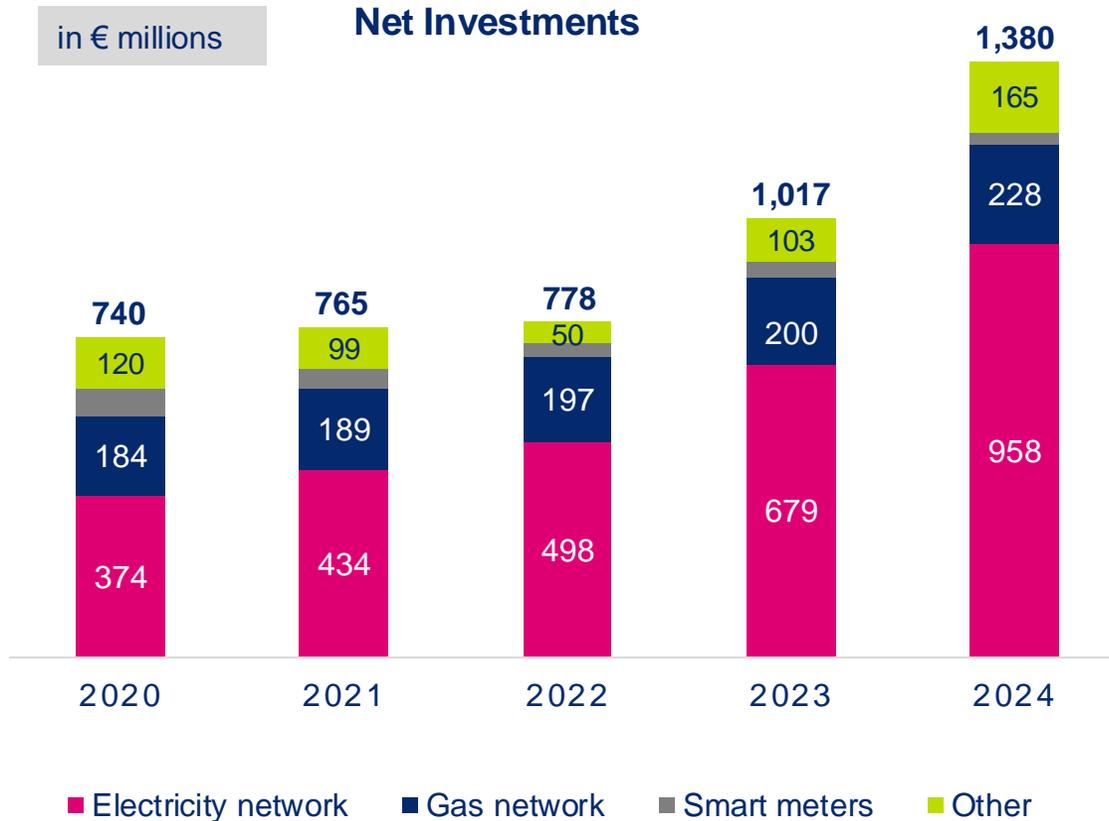


- Revenue increased by € 582 mln, mainly due to the CBb Ruling and direct compensation for transmission cost
- Operational costs increased by € 159 mln, due to higher wages and new personnel and other costs, which include outsourced work, materials and other external costs
- Other items grew by € 241 mln. These include transmission costs, (lower) grid loss expenses, depreciation, tax and financial net expenses
- This resulted in an increased profit of € 182 mln.



# GROWING INVESTMENTS

INVESTMENTS IN THE ELECTRICITY GRID ARE ACCELERATING



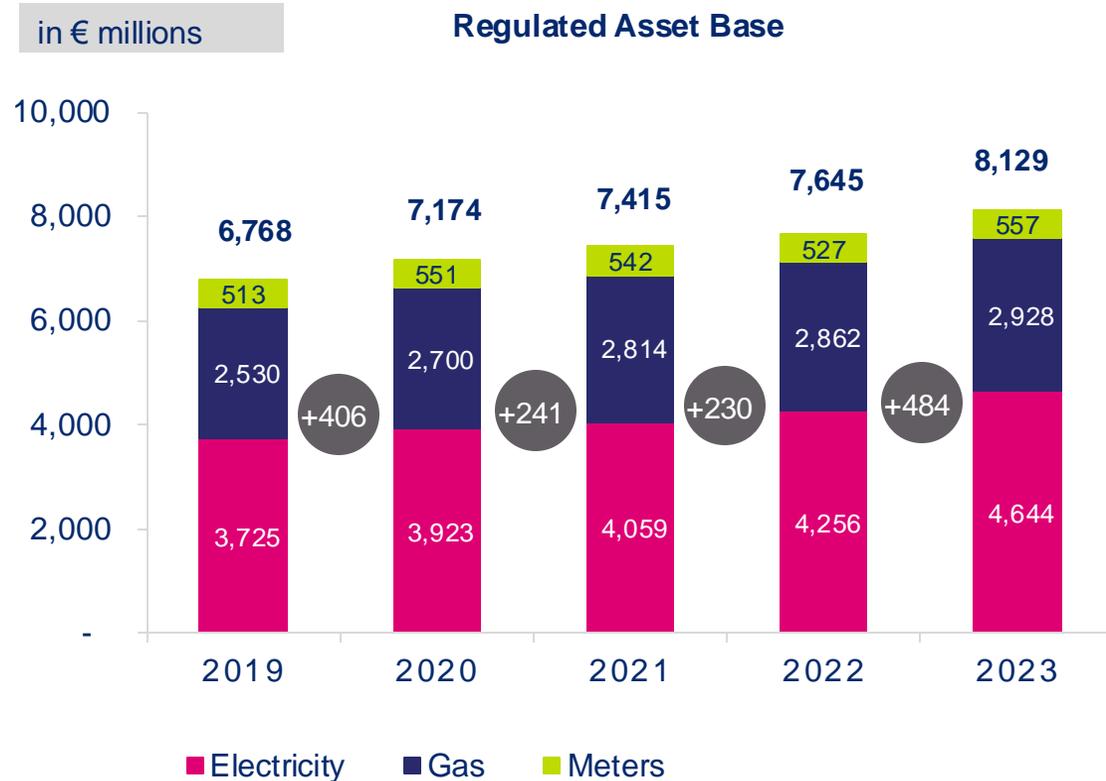
- Electrification is accelerating, leading to growing investments for the electricity grid (+ € 279 mln in 2024)
- Investments in the gas grid are comparatively stable
- As the initial roll out of smart meters is completed, investments are comparatively small and stable
- Other investments increased by € 62 mln. This is mainly driven by ICT, digitalization and the purchase of real estate

Note: Gross investments -/- advanced customer contributions = Net investments



# REGULATED ASSET BASE

THE INCREASING INVESTMENTS ARE LEADING TO A HIGHER REGULATED ASSET BASE



- Growing investments in the grid increased the Regulated Asset Base (“RAB”)
  - The RAB increased mainly due to investments related to the reinforcement/refurbishment and expansions of the Electricity grid
- Increasing RAB contributes to a higher but delayed revenue base
- Final RAB 2024 will be available in Q2 of 2025



# PRUDENT FINANCIAL POLICY AND SUPPORTIVE SHAREHOLDERS

FFO / NET DEBT RATIO COMFORTABLY ABOVE FINANCIAL POLICY HURDLE RATE



## Enexis' financial policy commits to safeguard a minimum A/A2 credit rating profile

- In Q1 2025 Enexis' shareholders committee gave a positive advice to the AGM to cap dividend at € 100 mln with yearly indexation (from 2025 onwards)
- After the AGM confirms the dividend cap Q2-25, the policy will include a *maximum pay-out of 50% of net profit, capped at € 100 mln* with yearly indexation, provided that an A/A2 credit rating profile is secured
- Earlier shareholder support includes Framework agreement with the Dutch State (see appendix) and retention of most of the proceeds of the € 1.3 bn sale of Fudura in the company
- The conversion of the shareholder loan would further improve the FFO / Net Debt ratio

## Active energy price risk management to limit the potential impact of high energy prices

- The energy purchases to cover the need in the coming two years are largely completed
- Through gradual purchases the energy need beyond two years will be covered



# OUTLOOK 2025

## Regulation

- Tariff increase of 11% for Electricity and 10% for Gas for an average household customer. The tariff increases are mainly caused by:
  - Impact of favorable ruling by the CBb (Trade and Industry Appeals Tribunal) in 2023
    - The 2025 tariffs as well include impact of the ruling for earlier years in this regulation period (2022-2026)
  - Inflation indexation

## Net investments

- Net investments will further increase in 2025 mainly because of the investments in the electricity grid

## Finance

- Continued negative free cashflow due to the investments that are needed to execute the energy transition
- The AGM to agree on a more restrictive dividend policy, namely adding a cap of € 100 mln. with yearly indexation to the existing dividend policy as of 2025



# REFERENCE LINKS

**For more detailed information please visit our websites**

<https://www.enexisgroep.com/investor-relations/>

<https://www.enexis.nl>

- Annual and interim reports (including CSRD and sustainability reporting)
- Strategic plan
- ESG Strategy
- Investment Plan 2024 Enexis Netbeheer
- Investor presentations
- Credit rating and ESG ratings
- Green Finance Framework
- Impact and allocation reports
- Hydrogen pilot Wagenborgen: <https://www.enexisgroep.nl/nieuws/eerste-woningen-wagenborgen-op-waterstofnetwerk/>



TOGETHER WE ARE WORKING ON A  
RELIABLE AND SUSTAINABLE  
ENERGY SUPPLY FOR TODAY AND  
FOR THE FUTURE.



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HOLDING N.V.



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