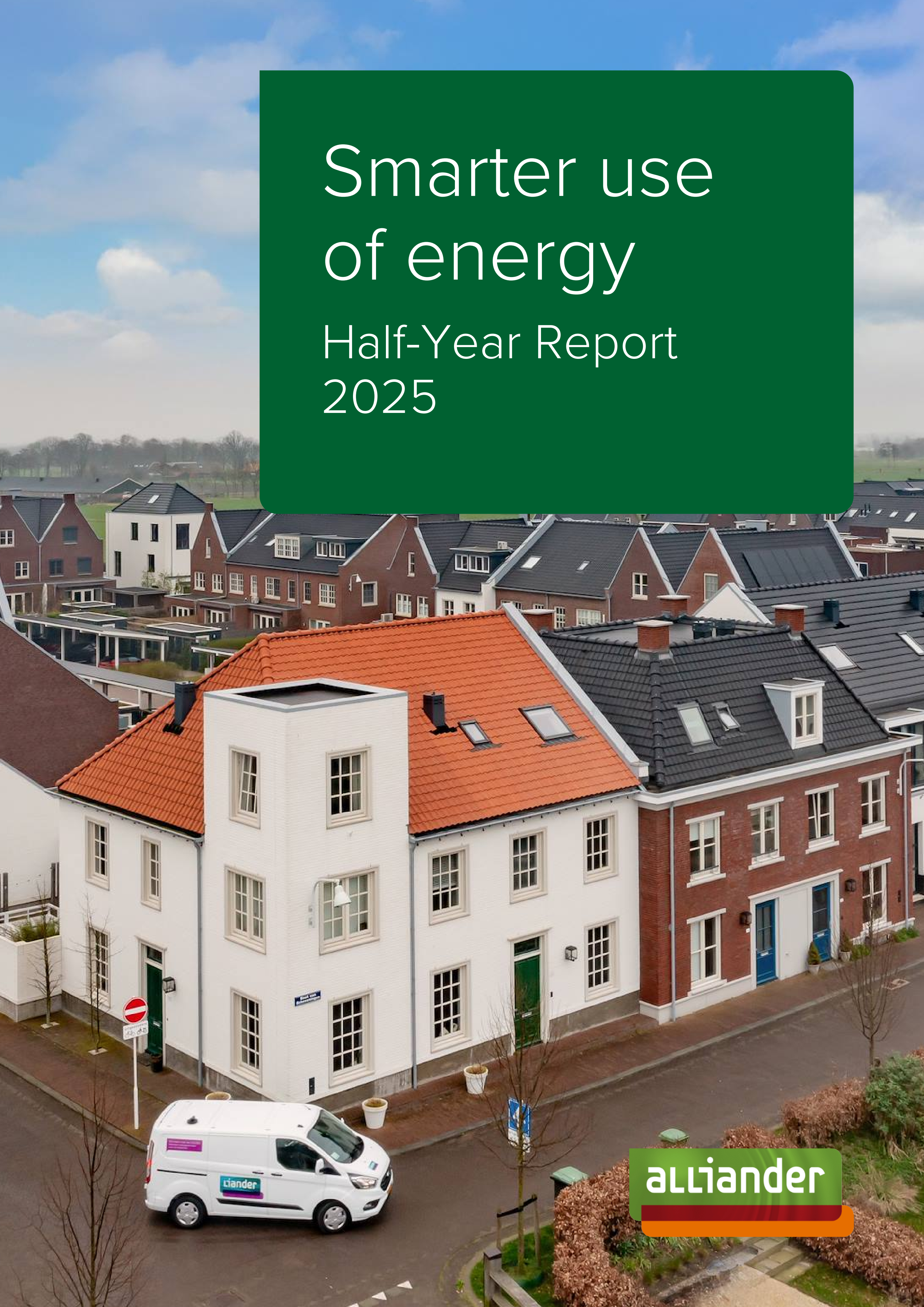
Smarter use of energy

Half-Year Report 2025



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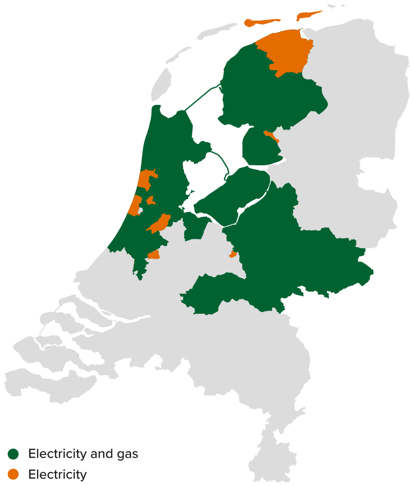
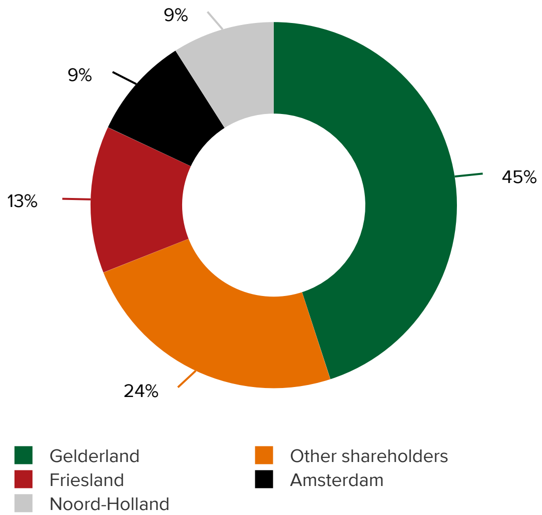
Profile of Alliander

Alliander N.V. is a network company comprising a group of companies employing some 10,600 people (10,100 FTEs) in all, including agency workers. Our shareholders are provincial authorities and municipalities.

Our service area



Shareholders



Our role in the energy system

We advocate an energy supply system where everyone has access to reliable, affordable and sustainable energy on equal terms. This is a mission we work towards every day. By continuously improving our network, we are preparing for the future. A future in which everyone can use, produce and share sustainable energy. We invest in the development of the energy networks and explore and implement innovative solutions. Together with our partners and shareholders, we define a roadmap for our customers' plans for the future and offer solutions to complex energy transition issues. Affordability and sustainability play a key role in the choices we make.

Management and development

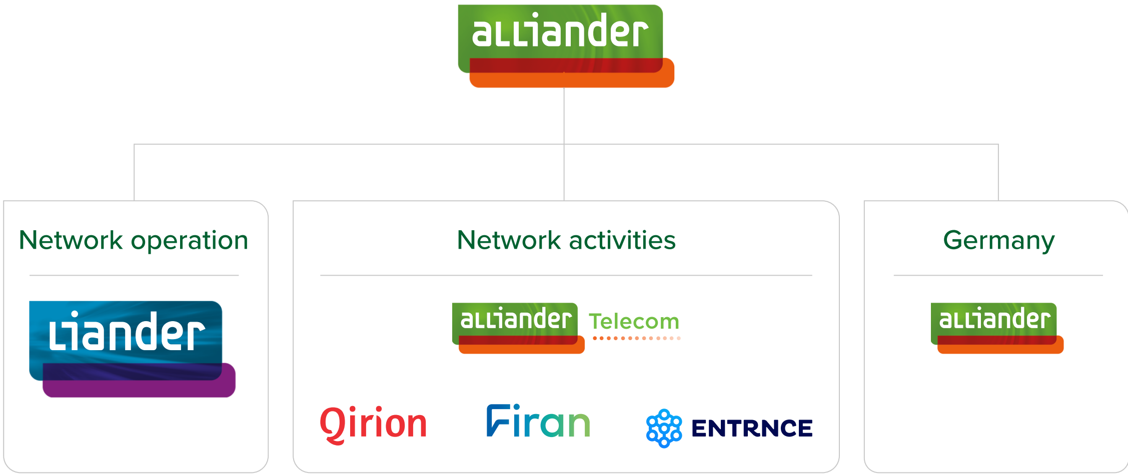
As a network operator, we have been statutorily tasked with managing and further developing the gas and electricity grids. We are on call day and night to deal with outages. The energy we distribute comes from power stations, wind farms, solar farms and imports from abroad, among other sources. In addition, more and more consumers and businesses are feeding the sustainable energy they produce with their own systems back into our energy networks. As a result, energy supply and demand have become interwoven, influencing one another.

Innovation and design

Alliander and its subsidiaries collaborate with various parties in the energy sector and with organisations that innovate in the field of energy. We facilitate the local exchange of energy and work closely in conjunction with public authorities on issues related to the heating transition.

As a co-designer, we provide municipalities, provincial authorities and businesses with knowledge that helps in the long-term development of the energy system. We show them what the energy network can handle and the social costs associated with specific choices. In addition, we help organisations by offering data services and we collaborate with others to develop a flexible energy market that is driven by supply and demand. Our products and services contribute to a future-proof energy network.

How we are organised*



* This is a simplified version of the organisational chart.

References in this report to ‘we’, ‘Alliander’, ‘the company’, ‘Alliander group’ or similar designations are to be read as references to Alliander N.V. and its subsidiaries. Alliander N.V. holds all shares in Liander N.V., Qirion B.V., Firan B.V., and Alliander AG, among other subsidiaries. Any references to Liander are to be read as references to the network operator Liander N.V. In this report, names are used without stating the legal form of the entities in question.

Our mission

We stand for an energy supply system where everyone has access to reliable, affordable and renewable energy on equal terms. This is the social mission that we work to achieve every day. We make sure the lights are on, homes are heated and businesses can keep operating, not just today, but in a sustainable tomorrow too.

How we make a difference for customers

Through our cables and pipes, over three million Dutch homes and businesses are supplied with electricity, gas and heating. We manage about 98,000 km of electricity grid and 42,000 km of gas grid. Our grids are among the most reliable in the world. Our colleagues work hard day and night to achieve this.

Reliability

Our customers need to have access to energy 24 hours a day, 7 days a week, in line with the highest possible safety and continuity standards. This is what drives us to put safety first in our working practices and try to avoid planned and unplanned energy outages wherever possible.

Affordability

We want our customers to pay as little as possible for their reliable energy supply, and so we work ceaselessly every day to improve the effectiveness and efficiency of our operations.

Accessibility

Our customers need to be able to make their own energy choices. This is why we enable customers to choose their own supplier and service providers, and to feed power back into the grid. Plus, we actively help customers switch to sustainable forms of energy.

Our strategy

Our goal is to offer customers timely solutions that fit within an affordable and reliable energy system, both today and in the future. Alliander goes by seven complementary, synergistic strategic pillars. These pillars will see us maintain a strong focus on further upscaling the required network upgrades and expansions, making the power grid more flexible and further upscaling and improving communication with the users and partners in the energy system in the upcoming period.

1. Excellent management: optimising maintenance and improving customer services

We service our networks smartly and efficiently, and we are a reliable partner for our customers and society. As we keep improving our communications, our customers know what to expect, when they can be connected, what the waiting times are, but also what alternatives they have. Providing such clarity is crucial because scarcity in transmission capacity on the energy grid has increased significantly. We see to it that outages, questions and complaints are prevented as much as possible, and when they do occur, we make sure they are addressed and solved in a timely and effective manner. We have adopted a customer-driven approach and we invest in low-threshold access for our customers and partners to the information they need to make their choices. Needless to say, these choices will always be within the boundaries of what the energy network can handle and in keeping with an affordable and reliable energy system in the future.

2. Reducing demand for transmission capacity

We help customers make smart choices to reduce energy usage. This is not only good for their energy bills, but it also prevents needless expansion of and load on the energy grid. In addition, we are working closely together with provincial and local authorities to align our investments in expanding and upgrading energy infrastructure with their spatial plans. This close coordination allows us to better utilise the networks' current capacity, to avoid making unnecessary investments, and to ensure effective use of scarce labour capacity, space and financial resources.

3. Making better use of the network

Better utilisation of the network empowers us to serve more customers as we expand and upgrade the networks in the meantime. Flexibility will be integral to the future energy system. We have seen that many customers have the potential to be more flexible in their energy consumption, and we are helping to accelerate this development towards flexibility by offering new contract types and tariffs. We are digitising the networks, which gives us more insight and control options, and allows us to handle the available network capacity with greater flexibility anywhere and at any given time. Our aim is to safely increase the load on the grids, and to incentivise grid-friendly use of energy by offering new types of contracts.

4. Completing more work

The completion of network expansions and upgrades is our highest priority. Alliander is working closely together with local, regional and national governments to waste no time in finding the right spatial integration of the required infrastructure. Where possible, we take a district-by-district approach that helps us to scale up faster. As part of this, we seek to strike lasting partnerships and enter into long-term planning agreements with contractors and suppliers, so that they, too, can invest in upscaling. Getting more technicians on board is a crucial precondition for this. We are doing that by making engineering more appealing in the sector and by making it easier for technicians to move to our company from other sectors. We are shortening training periods and investing in outsourcing extensive work packages together with contractors to make optimum use of the capacity in the sector.

5. Sharing data and developing new market services

By proactively making more and more data from our networks and services available, we ensure that the energy market can function properly, customers can make choices beneficial to the network, and we can balance supply and demand on a local level. Between now and 2030 we will be making (even more) asset and customer data available and offering it to customers, so that they can control their own energy usage and make independent optimisation choices.

6. Developing infrastructure for heating and sustainable gases

Hydrogen and biomethane are going to play an important role in our energy system, especially in industry. We are adding more biomethane to the gas grid and making sure that it reaches the users. Additionally, we are investing in new networks for hydrogen for industrial customers and building more district heating networks in areas where renewable heat is available and where a district heating network is the option that involves the lowest cost to society. We are working together with public authorities and companies to provide complete solutions, from design to management. This allows quick and large-scale use of sustainable heat, which is yet another way in which we are helping to accelerate the energy transition.

7. Future-proof foundations

Our organisation, our people, our working methods and our systems make up the foundations for implementing the strategies described above. Over the coming years, we will further invest in optimising the integrated management of the company, which revolves around the flow from initial customer request to actually served customer. We are increasing our agility to be able to respond decisively to uncertainties around economic growth and geopolitical developments. We continue to invest in a culture that prioritises safety, results, cost awareness, sustainability and inclusion. This includes investments in an IT landscape that enables robust implementation of the strategy – with a focus on what is needed to be able to scale up the work and for collaboration with contractors, flexible use of our grid, and communications and solutions for our customers.

Objectives and results

Access to energy with high reliability at the lowest possible cost

KPI	Result 30 June 2025	Target for 2025	Result 31 December 2024
Customer convenience (% effort)[1] Private Customers	15%	Maximum 17%	17%[2]
Customer convenience (% effort)[1] Business Customers	32%	Maximum 22%	28%[2]
Customer convenience (% effort)[1] Maintenance & Outages	9%	Maximum 9%	10%[2]
Customer convenience (% effort)[1] Market Parties	2%	Maximum 8%	3.9%[2]
Electricity outage duration	22.3 minutes	Maximum of 26 minutes	24.6 minutes
Unresolved valid voltage-related complaints	5,631	Maximum 5,601	5,478[3]
Number of transport restrictions	9,581	Maximum 8,535	9,381[4]

Making the energy supply and our organisation sustainable

KPI	Result 30 June 2025	Target for 2025	Result 31 December 2024
CO_2 emissions from own operations	91 kt[5]. This includes procurement of 148 kt of renewable energy (total: 239 kt).	171 kt. This includes procurement of 271 kt of renewable energy (total: maximum of 442 kt).	446 kt. This does not include procurement of 271 kt of renewable energy (total: 175 kt).
Circular procurement[6]	8.6%	At least 9.0%	6.8%
Replacement of brittle gas pipes	74 kilometres	132 kilometres	156 kilometres
Gross investments	€968 million	€2,116 million	€1,773 million

Ensuring a safe energy network, a safe working environment and a secure data environment

KPI	Result 30 June 2025	Target for 2025	Result 31 December 2024
LTIF (lost time injury frequency)	2.3	N/A[7]	2.9
Position on the Safety Culture Ladder	Level 4[8]	Level 4	Level 4

Being an attractive, inclusive employer with equal opportunities for all

KPI	Result 30 June 2025	Target for 2025	Result 31 December 2024
Employee survey: enthusiasm and engagement	84%	At least 81%	84%
Sickness absence among own employees	4.2%	Maximum 4.3%	4.1%
Women in managerial positions	35%	At least 35% of all managerial positions	33.4%
People with poor employment prospects	173[9]	Offer at least 188 apprenticeships.	180

Being a creditworthy company with solid returns

KPI	Result 30 June 2025	Target for 2025	Result 31 December 2024
Credit rating	Solid A rating: S&P A, Moody's A1	Maintain solid A rating profile	Solid A rating: S&P A+, Moody's Aa3
FFO/net debt[10]	16.2%	At least 11%	17.9%
Solvency ratio	44.5%	At least 30%	48.1%

1 Starting in 2025, we report the Customer Effort Score (CES) instead of the Net Effort Score (NES). The CES represents customer convenience, i.e. the degree of effort (expressed as a percentage) the customer had to put into getting things arranged with respect to their grid connection. The NES was a dual score that measured both effort and convenience as a percentage. In our aim to reduce the degree of effort customers have to exert, it is easier and more direct if we focus only on getting the effort rate down. Instead of tallying the scores to get a score for consumers and a score for businesses, the CES is subdivided into four categories (i.e. Private Customers, Business Customers, Maintenance & Outages, and Market Parties) for better internal control.

2 We have not previously reported the CES results as at 31 December 2024; in the 2024 annual report, we still reported the NES instead of the CES.

3 The number of unresolved valid voltage-related complaints as at 31 December 2024 has not previously been reported. in the 2024 annual report, this KPI was not yet included in the table of objectives and results.

4 The number of transport restrictions as at 31 December 2024 has not previously been reported based on the current definition; in the 2024 annual report, this KPI was not yet included in the table of objectives and results.

5 In the first half of 2025, carbon emissions from our own operations totalled 90 kt for scope 1, 0 kt for scope 2 and 1 kt for scope 3. Our scope 2 emissions were zero because all electricity was made sustainable through the procurement of clean energy. Over the period up to the end of June 2025, a total of 148 kt of CO_2 was offset through the procurement of Guarantees of Origin (GOs) for Dutch clean energy. The target for the end of 2025 is to offset 271 kt.

6 The definition of the 'Circular procurement' KPI has been amended to bring it into line with the Corporate Sustainability Reporting Directive (CSRD). The amended definition looks exclusively at actual circular procurement of products, omitting end-of-life recyclability from the assessment. This led to the target for 2025 being lowered from 45% to 9%. Percentages of recycled materials are determined based on raw material passports provided by our suppliers, which state these percentages. We therefore rely on the input and expertise of our suppliers to identify these percentages, and we validate these percentages with data provided by DNVL, an independent research and consultancy firm. The scope comprises the main assets, i.e. low-voltage, medium-voltage and high-voltage cables, gas pipes, distribution and power transformers, legacy and smart electricity & gas meters, and switchgear.

7 No target has been set for the LTIF because the number of accidents leading to sickness absence should ideally be zero.

8 Reaching level 4 out of 5 of the safety ladder means that we have achieved a fully proactive safety culture.

9 The number of employees with poor prospects in the labour market is 173 (year-end 2024: 180) and amounts to 140.4 FTEs (year-end 2024: 145.3 FTEs).

10 The funds from operations (FFO)/net debt position is the 12-month profit after tax adjusted for deferred tax movements, the equity component in the payment relating to hybrid loans, incidental items and fair value movements plus depreciation of property, plant and equipment and amortisation of intangible assets and deferred income, expressed as a percentage of net debt.

Financial key figures

€ million	1st half 2025	1st half 2024
Total income[1]	1,725	2,315
Operating expenses	1,432	1,352
Operating profit[1]	293	963
Profit after tax[1]	197	879
Profit after tax excluding incidental items and fair value movements	127	122
Investments in property, plant and equipment	968	797
Cash flow from operating activities	356	385
	30 June 2025	**31 December 2024**
Total assets	13,557	12,956
Total equity	5,616	6,038
Net debt[2]	4,517	3,961

1 The total operating income, operating profit and post-tax profit in the first half of 2024 include the proceeds from the sale of Kenter B.V.

2 The net debt position is calculated by deducting cash and cash equivalents from interest-bearing debt.

Report by the Management Board

Smarter energy use

Companies want to grow and innovate. Consumers want to live comfortably and sustainably. And local authorities would like to realise their ambitions, including those in the area of sustainability. We work every day to support our customers in these efforts and supply them with energy. Our goal: the right solution for every customer by 2030. This will require exponential growth in upgrades and expansion of energy grids for electricity, sustainable gases and heat over the coming years. We are working on smart solutions to better utilise our grid. Better grid utilisation will not only make the energy network more robust, but it will also benefit the affordability of the energy system as a whole. Partly thanks to all our colleagues' tireless efforts and great skill, we again managed to scale up further over the past six months.

Operating and financial results at a glance

In the first half of 2025, we invested €968 million (first half of 2024: €797 million, up 21%) in expanding and upgrading our networks. We built and renovated 1,248 power transformer substations and laid 1,312 kilometres of cable. We replaced 74 kilometres of gas pipeline to also future-proof the gas network. We hired 285 new technicians. Our net profit for the first half of the year came in at €127 million, without including exceptional income (first half of 2024: €122 million). When including exceptional income, our net profit for the first half of 2025 totalled €197 million (first half of 2024: €879 million, primarily as a result of the exceptional income generated by the sale of Kenter B.V.).

In all the work we do, safety is an absolute prerequisite and non-negotiable. It is our job to ensure that contractors, employees and persons passing by our works get home safely every day. Minor incidents, such as workers falling or slipping, are the ones that are most likely to lead to lost time. We therefore ran a campaign in June to raise awareness of this. The LTIF, i.e. the number of lost-time accidents per 1 million hours worked, was 2.3 for the first half of 2025 (year-end 2024: 2.9). This is something we will be persistently and actively focusing on over the coming six months through training, campaigns and other means.

No change in power grid congestion

By taking a different and smarter approach to how we work, we were again able to build up momentum in our operations. In March, for example, we launched a major €1 billion tender procedure for the reinforcement of the power grid in hundreds of neighbourhoods. This tender procedure is part of our neighbourhood approach and guarantees the selected contractors at least six years' worth of work.

Even so, it continues to be challenging to stay ahead of the curve of rising demand for electricity. The waiting list for companies is still long, and households, too, increasingly face the consequences of congestion on the power grid. Earlier this year, it became clear that several planned housing projects in the provinces of Noord-Holland and Friesland will not immediately be able to be connected to the grid. We are coming up against the limits in terms of the work we can do. Due to a shortage of technicians, space and materials, as well as the Dutch government's policy to curb nitrogen emissions, we are simply unable to get everyone connected to the grid right away.

Greater clout with an expanded ExCo

In order to give ourselves greater clout in our work, we have changed our governance in the past period The day-to-day management of the company is in the hands of the Executive Committee (ExCo), which has now been expanded. Over the past period, Charlotte Sanders (Chief Operating Officer for Networks), Sarike van Wette (Chief Operating Officer for Customers) and Joris de Groot (Chief Transition Officer) started in their new ExCo roles. The addition of these new roles puts greater emphasis on speeding up implementation, scaling up further in collaboration with our value chain partners, and building a future-proof and sustainable energy system.

Building and flexibility go hand in hand

To ensure a reliable and affordable energy system, we not only need to expand the energy supply, we also need to make smarter use of the energy that is already available. Flexibility will be integral to the new energy system. We are engaging with customers to explore ways to be more flexible in how they use electricity. One of these customers is PepsiCo, with whom we have sealed a flexible contract that only lets them consume power when there is sufficient capacity available on the grid. PepsiCo's flexible use of the power grid enables them to make their crisps factory in Broek op Langedijk more sustainable. Over the past six months, we signed just under 250 such flex contracts,

Even in residential districts, flexible use of electricity is increasingly becoming embedded into our approach to energy; this is a way for consumers to help ease the pressure on the power grid. On top of that, they will see their energy bills go down as power is cheaper during off-peak hours. Over the past six months, we ran a pilot encouraging EV owners who charge their cars at home to do so during off-peak hours. Together with other network operators and energy providers, we announced a new flexibility control initiative to help 35,000 homes shift their power consumption to quieter times of the day over the coming winter.

Better utilisation means less expansion

All these initiatives are only the beginning; we need a lot more of them. After all, the better we utilise the grid together, the less we are going to have to expand it.

Other sources of electricity also have a role to play in forging smarter use of energy and the infrastructure. We have signed a collaboration agreement with a large number of industrial parties to pave the way for hydrogen infrastructure in the Amsterdam port area. And the recently adopted Collective Heating Supply Act provides key enabling conditions for the development of district heating networks and heating companies.

All hands on deck

Our company's workforce has grown to over 10,000 over the past few years. To keep up the momentum in the implementation, we need all hands on deck, from local authorities and our customers to contractors. Together, we decide where to build power stations, fit in power transformer substations, and construct district heating networks.

Every day that we succeed in collectively upping the pace means value for businesses, consumers and society as a whole. The work of our colleagues – i.e. the results they achieve and everything they learn in the process – is indispensable. As the Executive Committee, we see their efforts and are again extremely grateful for everyone's effort and dedication to the task at hand.

Management Board,
25 July 2025

Maarten Otto (CEO)
Walter Bien (CFO)

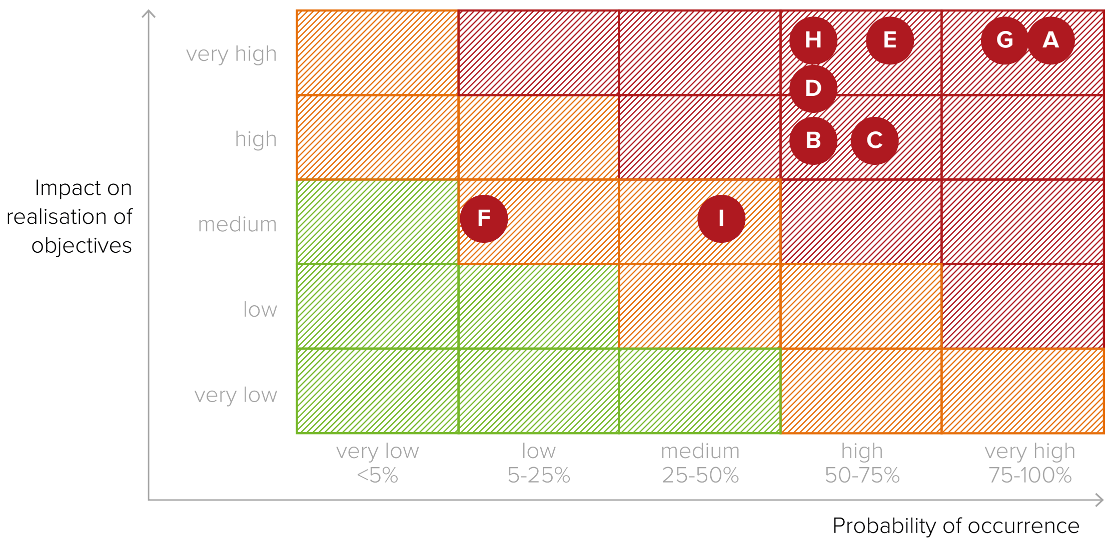
The Alliander Executive Committee, from left to right: Joris de Groot, Rinke van de Rhee, Heleen Cocu-Wassink, Charlotte Sanders, Maarten Otto, Walter Bien, Sarike van Wette.

Risk management

The effort that Alliander puts into keeping energy reliable, affordable and accessible for everyone entails risks, including safety, quality and financial risks. Risks occur; that is inevitable. This is why it is so important to have a clear picture of these risks. Having a clear picture of the risks we face will help us in choosing risk management options and achieving our strategic objectives in a responsible way.

The risk matrix below shows Alliander's top risks along with how each risk developed over the past six months (downward trend ↓, neutral → or upward trend ↑). The Management Board frequently discusses these risks with the Supervisory Board. The potential impact on our strategic objectives and the probability of occurrence determine which risks we see as our main risks.

A Inadequate completion of work package →
B Inadequate capacity to deliver and for change →
C Accidents caused by unsafe situations →
D Restrictions and uncertainties around laws, regulations, and policy →
E Insufficient security resilience ↑
F Pressure on our financial position →
G Not meeting customers expectations →
H Uncertainty over the future energy system →
I Ineffective growth of the organisation →



Developments in top risks

Over the past six months, we have seen a rapid succession of international developments, including geopolitical threats, trade restrictions, dependence on resources from unstable countries, and climate change. Also domestically, politicians have not delivered the long-term policy we so greatly need to achieve the climate goals. The recent collapse of the Dutch government has only compounded the uncertainty. Government priorities on a national level, as well as the public debate and our society becoming more intransigent are topical issues that impact our top risks.

We are well aware of the main risk topics. By sticking to the course we have set, with great focus on control in our processes and systems, we are actively managing our key risks.

We are seeing a rising trend in the 'insufficient security resilience' risk. This is related to the increased threat level due to geopolitical developments. We are taking additional measures to further strengthen our resilience and promote security maturity. Through our continuity plans, we are reducing the potential impact of a crisis on our business processes.

Legal proceedings and claims

As at and immediately after the balance sheet date, a number of claims were filed against Alliander. Alliander was also involved in a number of legal proceedings at the balance-sheet date. These were in connection with normal business operations, regarding timely connection of customers to the grid and the allocation of transmission capacity, for example. The outcomes of these claims/legal proceedings could potentially have a material impact on Alliander's results. Provisions have been recognised where necessary.

Carbon footprint

Climate targets

With our energy infrastructure, we, together with our stakeholders, contribute to the realisation of the Netherlands' energy and climate ambitions. Our focus is on increasing our positive impact on the climate and society. In our operations and supply chains, we operate as sustainably as possible. In line with our strategy, we thus promote sustainable value creation and broad prosperity in the long term.

Development in carbon emissions from company operations

For 2025, we are maintaining our emission reduction target. In accordance with Dutch and international agreements, our policy is geared towards complying with the Paris Agreement. Using the methodology of the Science Based Targets initiative (SBTi), we have embarked on a pathway towards net-zero emissions, i.e. we have set ourselves net-zero targets. The SBTi methodology allows us to validate our target externally and set quantitative targets for each scope for the 2030-2050 period.

In the first half of 2025, scope 1 and 2 emissions from company operations and scope 3 emissions from staff commuting/business travel totalled 91 kt, down 6 kt of CO_2e on the first half of 2024. This is primarily thanks to lower methane leakage losses in our gas grids compared to the same period in 2024. See the Development in carbon emissions appendix for detailed notes to the figures.

For 2025, our targeted measures and use of Dutch Guarantees of Origin will limit net carbon emissions from our business operations to a maximum of 171 kt CO_2 equivalent for scopes 1, 2 and staff commuting/business travel in scope 3.

Given the immense task of network expansion and the strong workforce growth over the past period, embedding the carbon emission reduction in our daily choices remains extremely important. To this end, we go by an internal CO_2 price of €150/tCO_2, focus on measures and the CO_2 Performance Ladder, have implemented SBTi targets and a climate plan, and monitor and report on progress in compliance with the Corporate Sustainability Reporting Directive (EU Directive 2022/2464). For details of our climate policy, see the sustainability statement in Alliander's 2024 annual report.

Our carbon footprint was as follows in the first half of 2025:[1]

1 The infographic presented above shows Alliander's progress towards its current climate target. Contrary to the annual report, due to data availability this report only includes emissions related to staff commuting/business travel in scope 3. This is because emissions from other scope 3 categories are calculated annually. By implementing the SBTi methodology, we will have better interim data availability next year.

Financial performance

General

The profit after tax for the first half of 2025 came in at €197 million, down €682 million on the first half of 2024 (€879 million). The main reason behind this drop in profit is the exceptional book profit that we posted in 2024 following the sale of Kenter B.V. (hereinafter Kenter) (€757 million). Our profit for 2025 reflects gains from the sale of our high-voltage network to TenneT TSO B.V. and the transfer of power transformers to Kenter. When excluding these exceptional items, the net result for 2025 is €5 million higher than in the first half of 2024 (€127 million in the first half of 2025 versus €122 million in the first half of 2024). For a run-down of the incidental items and their impact on the income statement, see Exceptional items and fair value movements.

Investments in the first half of 2025 totalled €968 million, which is €171 million higher than in the same period last year. Because we are unable to finance this growing level of investment through the operating cash flows, we saw a negative free cash flow of €700 million in the first half of 2025, without including the proceeds from the sale of the high-voltage network. In the same period of 2024, we saw a negative cash flow, excluding the Kenter sale, of nearly €500 million. The negative cash flow in 2025 pushed up the net debt position by €556 million to €4,517 million, compared to year-end 2024. This increase in the net debt position resulted in the FFO/net debt moving downward to 16.2% (31 December 2024: 17.9%).

Income statement

Operating income

Total operating income was impacted by exceptional income both in the first half of 2025 and the same period in 2024. When not considering this exceptional income, total operating income was up by €83 million. This increase was fuelled primarily by the rise in regulated tariffs following the (partial) compensation for rising costs.

Operating expenses

In the first half of 2025, total operating expenses rose by €80 million compared to the same period in 2024, totalling €1,432 million (first half of 2024: €1,352 million). The main reasons behind this are as follows:

- Employee benefit expenses for permanent staff were €79 million higher than last year. This rise came primarily on the back of a 3% pay rise under the collective labour agreement and the growth of our workforce by 850 FTEs compared to the first half of 2024. Contract staff costs rose by €13 million.
- Other operating expenses were up €29 million over last year's. This increase was due in part to higher consultancy and maintenance costs, but it was also related to the growth of our digitalisation portfolio.
- Depreciation costs were up €16 million on last year. This increase resulted from the high level of investment over the past year.
- Counter to the cost increases stated above, there was an increase in our work package and the costs involved in compensating network losses in the first half of 2025 were down €18 million on the first half of 2024 owing to lower prices in the energy market.

Finance income and expenses

Finance income and expenses in the first half of 2025 resulted in a net expense of € 40 million (first half of 2024: €36 million). This €4 million uptick can mainly be attributed to taking out new loans at higher interest rates.

Results of non-consolidated participating interests

Non-consolidated participating interests generated a net expense of €1 million in the first half of 2025, compared to an expense of €5 million in the first six months of 2024. This loss on non-consolidated participating interests in 2024 was due to falling profits at a joint venture of one of the German entities.

Tax

The effective tax rate in the first half of 2025 was 21.7% (mid-2024: 4.6%). The effective tax rate was lower than the nominal tax rate of 25.8% in both years. In 2025, this was due to the participation exemption with regard to the sale of the high-voltage grid to TenneT TSO B.V., while in 2024 it was the result of the participation exemption that meant that Alliander did not have to pay tax on the proceeds from the sale of Kenter.

Exceptional items and fair value movements

Alliander's results can be affected by exceptional items and fair value movements. Alliander defines exceptional items as items that, in the management's opinion, do not derive directly from the ordinary activities and/or whose nature and size are so significant that they must be considered separately to permit proper analysis of the underlying results.

Reported figures and figures excluding exceptional items and fair value movements

	1st half					
	Reported		Incidental items and fair value movements		Excluding incidental items and fair value movements	
€ million	2025	2024	2025	2024	2025	2024
Revenue	1,618	1,529	-	-	1,618	1,529
Other income	107	786	84	757	23	29
Total purchase costs, costs of subcontracted work and operating expenses	-1,369	-1,262	-	-	-1,369	-1,262
Depreciation and impairments	-283	-267	-	-	-283	-267
Own work capitalised	220	177	-	-	220	177
Operating profit (EBIT)	**293**	**963**	**84**	**757**	**209**	**206**
Finance income/(expense)	-40	-36	-	-	-40	-36
Result from associates and joint ventures	-1	-5	-	-	-1	-5
Profit before tax	**252**	**922**	**84**	**757**	**168**	**165**
Tax	-55	-43	-14	-	-41	-43
Profit after tax from continuing operations	197	879	70	757	127	122
Profit after tax	**197**	**879**	**70**	**757**	**127**	**122**

Notes to exceptional items

In April 2025, we sold the Randmeren high-voltage network to TenneT TSO B.V., which led to a provisional book profit of €30 million that we have recognised under other income. In June 2025, the free-domain power transformers were transferred to Kenter, as agreed in the deal for the sale of Kenter in 2024, delivering a one-off book profit of €54 million that we have recognised under other income. The sale of our subsidiary Kenter had a positive impact of €757 million on our operating profit in the comparative figures for 2024.

Segment results

The operating profit for the Liander segment for the first half of 2025 totalled €216 million, up €17 million on the same period last year. This increase was mainly driven by higher regulated tariffs. On the other hand, however, costs were up due to workforce growth, pay rises under the collective labour agreement, higher internal costs and an increase in maintenance and outage-related work. At the same time, falling costs relating to network losses, especially due to lower tariffs for power grid losses (€18 million), and a higher level of capitalised production (€30 million) had a dampening effect on total cost developments.

The Other segment (mainly comprising unregulated activities, corporate staff departments and service units) posted an operating loss of €7 million negative (first half of 2024: €7 million positive).

Cash flow

Cash flow from operating activities

The cash flow from operating activities in the first half of 2025 was €356 million (first half of 2024: €385 million). This €29 million drop was caused primarily by changes in the working capital.

Cash flow from investing activities

The cash flow from investing activities in the first half of 2025 amounted to an outflow of €771 million (first half of 2024: inflow of €221 million, which would have been an outflow of €698 million if we take the sale of Kenter out of the equation). Investments in intangible assets and property, plant and equipment in the first half of 2025 totalled €968 million, up €171 million on the first half of 2024. The higher investments are the result of the larger work package and is one of the reasons behind the lower investment cash flow. In 2025, cash flow from investing activities was driven up not only by the investments but also by the sale of the high-voltage grid to TenneT TSO B.V. and the transfer of power transformers to Kenter for a total of €136 million.

Investments in intangible assets and property, plant and equipment

€ million	Realised until June 2025	Realised until June 2024	Target at year-end 2025	Realised 2024
Electricity regulated	754	622	1,599	1,370
Gas regulated	114	97	185	209
Metering devices	29	23	60	44
Buildings, ICT, etc.	71	55	272	150
Total investments	**968**	**797**	**2,116**	**1,773**
Maintenance costs	223	190	568	379
Total maintenance costs and investments	**1,191**	**987**	**2,684**	**2,152**

Alliander's investments totalled €968 million in the first half of 2025 (first half of 2024: €797 million). Investments in electricity grids totalled €754 million (first half of 2024: €622 million). At €223 million, costs relating to outages and maintenance in the first half of 2025 were higher than in the first half of 2024 (€190 million).

Cash flow from financing activities

Cash flow from financing activities in the first half of 2025 was a cash inflow of €350 million, compared with an outflow of €91 million in the corresponding period in 2024. In 2025, a €992 million EMTN loan was raised to repay, among other outstanding debts, the €500 million subordinated perpetual bond loan. An amount of €96 million in dividend and the coupon on the subordinated perpetual bond loans (€31 million) were also paid out.

The net outflow of €91 million in the first half of 2024 consisted of repayment of an EMTN loan (€400 million) and a dividend payment of €173 million (consisting of a €120 million profit appropriation for 2023 and a one-off interim dividend of €53 million). This was offset by issuing a subordinated perpetual bond loan for €496 million.

Financing and credit rating

Financial policy

Alliander's financial policy is aimed at achieving a balance between protecting bond holders and other providers of borrowed capital and maintaining an adequate shareholders' return, while preserving the necessary flexibility to enable the company to grow and invest. The general principles of the financial policy are to ensure a balanced repayment schedule and to have access to committed credit facilities and sufficient cash and cash equivalents. By operating within the financial framework and in accordance with the general principles, we target a solid A rating profile as a minimum. The financial framework within which Alliander operates is based on the following credentials:

- FFO/net debt: at least 11%
- Compliance with regulatory requirements for network operators

As part of the financial policy, Alliander goes by a dividend policy that provides for dividend payments of up to 45% of the profit after tax, adjusted for fair value movements, periodic payments relating to loans that are recognised in equity, and exceptional items that did not lead to a cash flow, unless investments or financial criteria demand a higher profit retention percentage and/or unless the solvency ratio falls below 30% after payment of dividend. Dividend is capped at €100 million. As of the 2026 financial year, this cap will be indexed annually based on the consumer price index published by Statistics Netherlands (*Centraal Bureau voor de Statistiek*, or CBS).

Credit rating

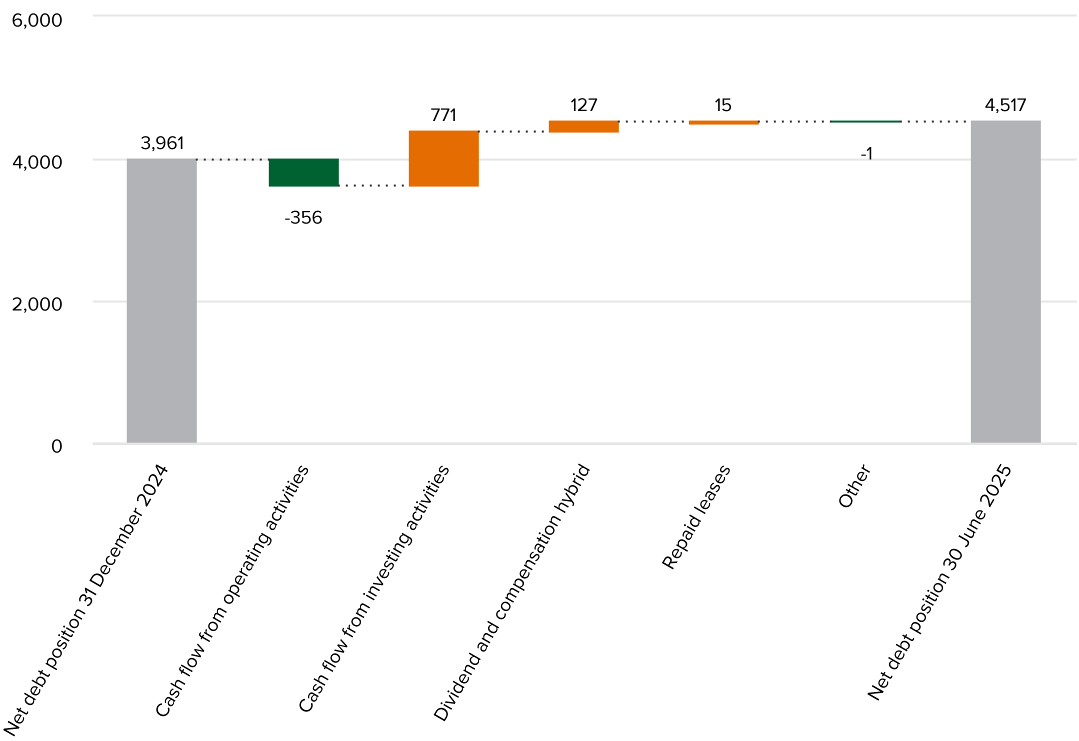
As at 30 June 2025, Alliander's credit ratings were as follows and thus complied with our targeted solid A rating:

	Long term	Short term
Standard & Poor's	A (stable outlook)	A-1
Moody's	A1 (stable outlook)	P-1

Net debt position and financing

The net debt position as at 30 June 2025, based on IFRS, amounted to €4,568 million (year-end 2024: €3,517 million). Based on Alliander's financial policy, it was €4,517 million (year-end 2024: €3,961 million). The €556 million increase came mainly as a result of the significantly lower operating cash flow compared to investment expenditures. The dividend payment and the interest paid to holders of the subordinated perpetual bond loans were offset by the proceeds from the sale of high-voltage grids and power transformers.

Development of the net debt position (€ million)

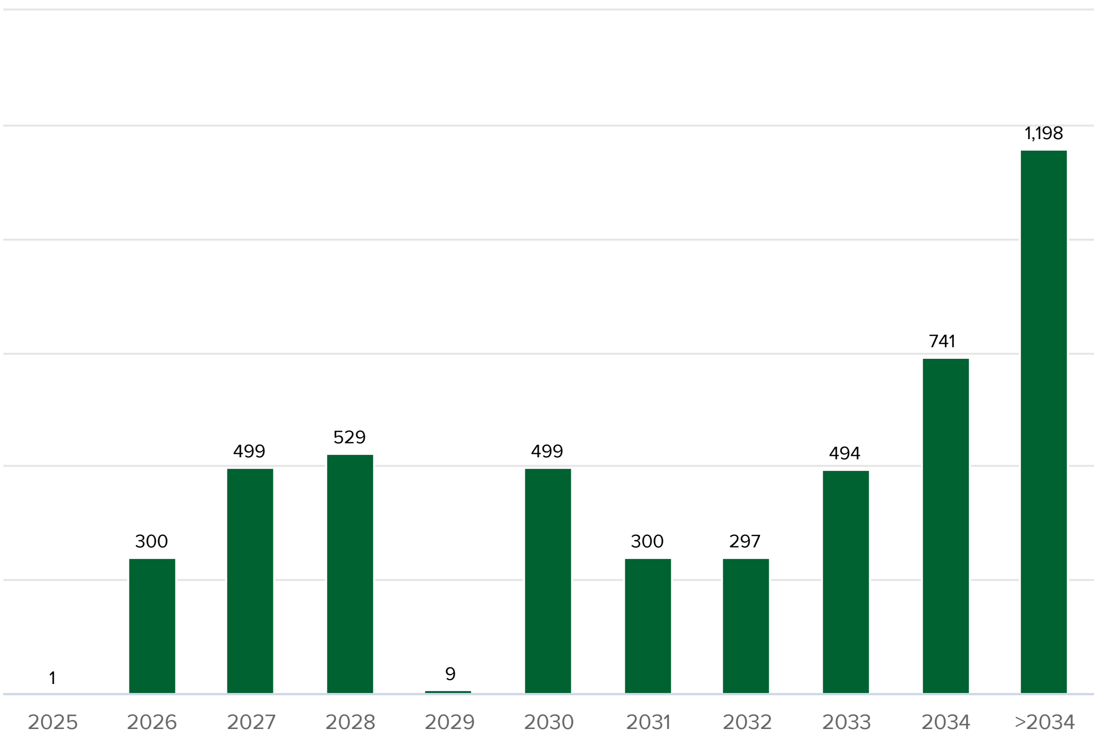


Reconciliation of net debt position

€ million	30 June 2025	31 December 2024
Long-term interest-bearing debt	4,866	3,872
Short-term interest-bearing debt	1	26
Lease liabilities	132	115
Gross debt	**4,999**	**4,013**
Cash and cash equivalents	431	496
Net debt in accordance with the annual financial statements (IFRS)	**4,568**	**3,517**
100% of the subordinated perpetual bond loan 2018	-	495
50% of the subordinated perpetual bond loan 2024	248	248
50% of the convertible shareholder loan	-299	-299
Net debt on the basis of Alliander's financial policy	**4,517**	**3,961**

The subordinated perpetual bond loan from 2018 was paid off on 30 June 2025.

Repayment schedule for interest-bearing debt (€ million)



EMTN and ECP programmes

Alliander has an EMTN programme of €5 billion under which a nominal amount of €4 billion was issued in bonds as at 30 June 2025 (31 December 2024: €3 billion). On 6 May 2025, two new green bond loans were issued with each a face value of €500 million with terms through to 2033 and 2037 respectively. Additionally, Alliander has two ECP programmes totalling €1.5 billion, under which no short-term loans had been issued as at 30 June 2025 (as at 31 December 2024: zero).

Credit facilities

As at mid-2025, Alliander had at its disposal a back-up credit facility (a RCF) for a total amount of €900 million, running until the end of December 2028. The RCF had not been drawn upon as at 30 June 2025 (unchanged from 31 December 2024). Alliander has also concluded bilateral RCFs with five banks totalling €1 billion, running up to the end of 2025 and with the option of extending these for one year.

Available green financing capacity

Alliander has taken out various green financing facilities since 2016. As at 30 June 2025, the green loan portfolio includes a total of ten long-term green financing facilities. The proceeds of these financing facilities have been used to fund various assets that are defined in more detail in the Green Finance Framework. These assets and financing facilities are accounted for in separate reports. See our website for details. A summary referred to as the allocation table forms part of these reports. This summary gives information on the size and composition of Alliander's green asset portfolio and green financing facilities.

Allocation table: use of funds available from green financing facilities

€ million	Net carrying amount
Electricity network	5,939
Smart meters	453
Fibre optic network	45
Total energy efficiency	**498**
Energy-efficient buildings	57
Total green asset portfolio	**6,494**

€ million	Instrument (ISIN)	Date of issue	Maturity date	Principal sum
Green bond loan	XS1400167133	22/04/2016	22/04/2026	300
Green bond loan	XS2014382845	24/06/2019	24/06/2032	300
Green private loan	XS2152901315	08/04/2020	08/04/2035	100
Green bond loan	XS2187525949	10/06/2020	10/06/2030	500
Green bond loan	XS2531420730	09/09/2022	09/09/2027	500
Green bond loan	XS2635647154	13/06/2023	13/06/2028	500
Green subordinated perpetual bond loan	XS2829852842	27/06/2024	Perp Nc8	500
Green bond loan	XS2913310095	07/10/2024	07/10/2034	750
Green bond loan	XS3065239702	06/05/2025	06/05/2033	500
Green bond loan	XS3065241195	06/05/2025	06/05/2037	500
Total green financing				**4,450**

The table above is the updated version of that included in the 2024 Green Finance Report (dated 6 June 2025). This allocation table is also in line with the new Green Finance Framework of April 2025.

The table shows that the net carrying amount of green assets at 30 June 2025 was €6,494 million. This represents an increase of €464 million since 31 December 2024. As a result, €2,044 million in green financing capacity was available as at 30 June 2025.

Statement by the Management Board

The Management Board declares that, to the best of its knowledge:

1. the consolidated half-year figures for 2025 provide a true and fair view of the assets, liabilities, financial position and profit of Alliander N.V. and its consolidated companies; and
2. the report by the Management Board provides a true and fair view of the situation on the balance-sheet date and describes the main events during the first six months of 2025 and the main risks and uncertainties for the remaining six months of the 2025 financial year for Alliander N.V. and its consolidated companies.

Arnhem, 25 July 2025

Maarten Otto, CEO
Walter Bien, CFO

Condensed consolidated half-year results 2025

Consolidated income statement

€ million	1st half 2025		1st half 2024	
Income				
Revenue	1,618		1,529	
Other income	107		786	
Total income		**1,725**		**2,315**
Operating expenses				
Purchase costs and costs of subcontracted work	-624		-638	
Employee benefit expenses	-580		-488	
Other operating expenses	-165		-136	
Total purchase costs, costs of subcontracted work and operating expenses	**-1,369**		**-1,262**	
Depreciation and impairment of property, plant and equipment	-283		-267	
Less: Own work capitalised	220		177	
Total operating expenses		**-1,432**		**-1,352**
Operating profit		**293**		**963**
Finance income		8		4
Finance expense		-48		-40
Result from associates and joint ventures after tax		-1		-5
Profit before tax from continuing operations		**252**		**922**
Tax		-55		-43
Profit after tax		**197**		**879**

Consolidated statement of comprehensive income

€ million	1st half 2025	1st half 2024
Profit after tax	197	879
Other elements comprehensive income		
Elements that are not settled through the income statement		
Result interest rate swap	-1	-1
Comprehensive income	**196**	**878**

Consolidated balance sheet

€ million	30 June 2025		31 December 2024	
Assets				
Non-current assets				
Property, plant and equipment[1]	11,712		11,165	
Right-of-use assets	150		157	
Intangible assets[1]	363		347	
Investments in associates and joint ventures	8		12	
Other financial assets	44		38	
Total non-current assets		**12,277**		**11,719**
Current assets				
Inventories	198		197	
Trade and other receivables	641		536	
Cash and cash equivalents	431		496	
Total current assets		**1,270**		**1,229**
Assets held for sale		10		8
Total assets		**13,557**		**12,956**
Equity & liabilities				
Equity				
Share capital	684		684	
Share premium	671		671	
Subordinated perpetual bond loan	495		990	
Hedge reserve	3		4	
Other reserves	3,566		2,713	
Result for the period	197		976	
Total equity		**5,616**		**6,038**
Liabilities				
Non-current liabilities				
Interest-bearing debt	4,866		3,872	
Lease liabilities	106		115	
Deferred income	2,069		2,050	
Provisions for employee benefits	20		19	
Deferred tax liabilities	8		6	
Other provisions	28		30	
Total non-current liabilities		**7,097**		**6,092**
Short-term liabilities				
Trade and other payables	350		256	
Tax liabilities	89		108	
Interest-bearing debt	1		1	
Lease liabilities	26		25	
Provisions for employee benefits	95		51	
Accruals and deferred income	273		375	
Total short-term liabilities		**834**		**816**
Total liabilities		**7,931**		**6,908**
Liabilities held for sale		10		10
Total equity and liabilities		**13,557**		**12,956**

1 The comparative figure has been adjusted for comparison purposes.

Consolidated cash flow statement

€ million	1st half			
	2025		2024	
Cash flow from operating activities				
Profit after tax		197		879
Adjustments for:				
- finance income and expense		40		36
- tax		55		43
- profit after tax from associates and joint ventures		-		5
- depreciation and impairment less amortisation		240		225
- book profit on sales		-70		-757
Changes in working capital:				
- inventories	1		13	
- trade and other receivables	-83		-30	
- trade and other payables and accruals	56		69	
Total changes in working capital		**-26**		**52**
Changes in deferred tax, provisions, derivatives and other		8		5
Cash flow from operations		**444**		**488**
Dividend received	4		3	
Interest paid	-27		-41	
Corporate income tax paid	-65		-65	
Total		**-88**		**-103**
Cash flow from operating activities		**356**		**385**
Cash flow from investing activities				
Investments in property, plant and equipment and in intangible assets	-968		-797	
Construction contributions received	68		60	
Investments in subsidiaries	-		-1	
Sale of subsidiaries	136		919	
Loans granted	-6		-	
Repayment on long-term loans granted	-		1	
Paid (redemption) security deposits	-1		39	
Cash flow from investing activities		**-771**		**221**
Cash flow from financing activities				
Repayment of subordinated perpetual bond loan	-500		-	
Issued green bond / subordinated perpetual bond loan	-		496	
Long-term loans issued	992		-	
Issued (repaid) ECP and other short-term loans	-		-400	
Repayment lease liabilities	-15		-14	
Dividend paid	-96		-173	
Reimbursement on subordinated perpetual bond loan[1]	-31		-	
Cash flow from financing activities		**350**		**-91**
Net cash flow		**-65**		**515**
Cash and cash equivalents as at 1 January		496		244
Net cash flow		-65		515
Cash and cash equivalents as at 30 June		**431**		**759**

1 The annual coupon of €8 million was paid out on 1 July 2024.

Consolidated statement of changes in equity

	Equity attributable to shareholders and other providers of equity						
€ million	Share capital	Share premium	Subordinated perpetual bond loan	Hedge reserve	Other reserves	Profit for the year	Total
As at 1 January 2024	**684**	**671**	**495**	**5**	**2,627**	**267**	**4,749**
Profit after tax for the first half of 2024	-	-	-	-	-	879	879
Result interest rate swap				-1			-1
Comprehensive income for the first half of 2024	**-**	**-**	**-**	**-1**	**-**	**879**	**878**
Other / rounding differences	-	-	-	-	-1	-	-1
Reimbursement on subordinated perpetual bond loan after tax	-	-	-	-	-6	-	-6
Issue of subordinated perpetual bond loan	-	-	495	-	-	-	495
Dividend for 2023	-	-	-	-	-53	-120	-173
Profit appropriation for 2023	-	-	-	-	147	-147	-
Total movements for the first half of 2024	**-**	**-**	**495**	**-**	**87**	**-267**	**315**
As at 30 June 2024	**684**	**671**	**990**	**4**	**2,714**	**879**	**5,942**
Profit after tax for the second half of 2024	-	-	-	-	-	97	97
Result interest rate swap	-	-	-	-	-	-	-
Other / rounding differences	-	-	-	-	-1	-	-1
As at 31 December 2024	**684**	**671**	**990**	**4**	**2,713**	**976**	**6,038**
Profit after tax for the first half of 2025	-	-	-	-	-	197	197
Result interest rate swap	-	-	-	-1	-	-	-1
Comprehensive income for the first half of 2025	**-**	**-**	**-**	**-1**	**-**	**197**	**196**
Other / rounding differences	-	-	-	-	1	-	1
Reimbursement on subordinated perpetual bond loan after tax	-	-	-	-	-23	-	-23
Repayment of subordinated perpetual bond loan	-	-	-495	-	-5	-	-500
Dividend for 2024	-	-	-	-	-	-96	-96
Profit appropriation for 2024	-	-	-	-	880	-880	-
Total movements for the first half of 2025	**-**	**-**	**-495**	**-**	**853**	**-976**	**-618**
As at 30 June 2025	**684**	**671**	**495**	**3**	**3,566**	**197**	**5,616**

Dividend

Dividend for the 2024 financial year (€96 million) was paid in April 2025 (€0.70 per share).

Subordinated perpetual bond loan

The subordinated perpetual bond loan is treated as equity under IFRS, since Alliander does not have any contractual obligation to repay the loan. Any periodical payments on the loans are also conditional and depend on payments to shareholders. As and when resolutions are passed making distributions to shareholders, Alliander will also pay any arrears of the perpetual contractual coupon to the holders of the subordinated perpetual bond loan out of the other reserves.

Notes to the consolidated half-year results

General

Alliander N.V. is a public limited liability company, with registered offices in Arnhem, the Netherlands. This half-year report documents the financial data of the company and its subsidiaries for the first half of 2025. The half-year figures have been prepared in accordance with IAS 34 'Interim Financial Reporting'.

Accounting policies

Apart from the following changes in standards and interpretations effective as from 1 January 2025, the same accounting policies were applied in preparing this report as were applied for Alliander's 2024 annual report, which can be found at www.alliander.com.

New or amended IFRS standards for 2025

The IASB has issued an amended accounting standard, which applies to Alliander with effect from the 2025 financial year. The accounting standard amendment has been approved by the European Union:

- Amendment to IAS 21: The Effects of Changes in Foreign Exchange Rates.

This half-year report was prepared in compliance with this EU-endorsed amendment. However, the change did not have any material impact on Alliander and will, therefore, not be discussed further in this half-year report.

Expected changes in accounting policies

In addition to the aforementioned amended standard, the IASB and the IFRIC have issued new and/or amended standards and/or interpretations, which will apply to Alliander in subsequent financial years. These standards and interpretations can only be applied if adopted by the European Union. In particular, the implementation of IFRS 18 – Presentation and Disclosure in Financial Statements – will apply to Alliander. This standard replaces parts of IAS 1 and will apply to financial periods beginning on or after 1 January 2027, although early voluntary adoption is permitted. This new standard aims to improve the reporting of companies' financial performance and achieve better comparability between companies. It deals with the presentation and comparability of the income statement, with rules for the categorisation and breakdown of items in the financial statements and a mandatory explanation of 'management defined performance measures'. Alliander will further determine the impact on the consolidated financial statements in the second half of 2025.

The other future amendments to accounting standards and interpretations are not relevant to Alliander and/or do not have any material impact on Alliander, so they will not be discussed further in the financial statements.

Estimates, judgements and assumptions

In preparing this half-year report, Alliander makes use of judgements, assumptions and estimates. In particular, this concerns the following: the measurement of provisions; the calculation of grid losses in gas and electricity; deciding the useful lives of items of property, plant and equipment; determining any indication of impairment of items of property, plant and equipment; revenue recognition; measurement of trade receivables; and the calculation of the size of the deferred tax assets and the determination of the current tax position. The estimates, judgements and assumptions are mainly based on past experience and Alliander's management's best estimate of the specific circumstances that are, in the opinion of management, applicable in a given situation. Actual developments may differ from the estimates and assumptions used. As a result, the actual outcome may differ significantly from the current measurement of a number of items in the half-year report. The judgements, estimates and assumptions used are tested regularly and adjusted if necessary. Alliander is developing a number of new activities within the framework of its strategy. Due to the start-up nature of these activities, inherent uncertainties are attached to their valuation.

Changes in estimations

Like in the first half of 2024, no changes in estimations were implemented in the first half of 2025.

Business combinations

Alliander did not enter into any new business combinations in the first half of 2025 or 2024.

Assets and liabilities held for sale

Assets held for sale and liabilities held for sale at year-end 2024 and by mid-2025 all relate to the assets and liabilities of a district heating network in Hengelo. On 14 July 2025, these assets and liabilities were transferred to Ennatuurlijk B.V.; this did not result in a book profit.

Segment information

Alliander distinguishes the following reporting segments in 2025:

- Network operator Liander
- Other

This segmentation reflects the internal reporting structure, specifically the internal consolidated and segmented quarterly reports, the annual plan and the business plan for the Alliander Management Board.

Reconciliation of segment operating profits and consolidated profit

	1st half	
€ million	**2025**	**2024**
Consolidated segment operating profits excluding incidental items	209	206
Incidental items and fair value movements	84	757
Finance income and expense	-40	-36
Share in results from associates and joint ventures	-1	-5
Profit before tax from continuing operations	**252**	**922**

Primary segmentation for first half-year

	Network operator Liander		Other		Eliminations		Total	
€ million	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Income								
External income	1,550	1,462	91	96	-	-	1,641	1,558
Internal income	2	1	306	252	-308	-253	-	-
Operating income	**1,552**	**1,463**	**397**	**348**	**-308**	**-253**	**1,641**	**1,558**
Operating expenses								
Operating expenses	-1,336	-1,264	-404	-341	308	253	-1,432	-1,352
Operating profit	**216**	**199**	**-7**	**7**	**-**	**-**	**209**	**206**

	Network operator Liander		Other		Eliminations		Total	
€ million	**30 June**	**31 December**	**30 June**	**31 December**	**30 June**	**31 December**	**30 June**	**31 December**
Total assets	11,969	11,446	4,754	4,534	-3,166	-3,024	13,557	12,956
Total liabilities	8,630	8,280	5,457	4,377	-6,156	-5,749	7,931	6,908

Revenue for the first half of 2025 came in at €1,618 million (first half of 2024: €1,529 million), with other income of €23 million (first half of 2024: €29 million). In total, external revenue came in at €1,641 million (first half of 2024: €1,558 million). This increase in external revenue is due largely to the increase in the regulated-domain revenue for electricity as a result of an increase in the tariffs.

Product segmentation

In compliance with IFRS 15, the following table discloses revenue broken down by product (product segmentation).

€ million	1st half 2025	2024
Transport and connection service Electricity	1,189	1,117
Transport service Gas	173	193
Connection service Gas	75	68
Metering service small consumers Electricity	52	21
Metering service small consumers Gas	35	35
Other activities	94	95
Total	**1,618**	**1,529**

In compliance with IFRS 15, the following table discloses the geographic segmentation of the consolidated revenue.

€ million	1st half 2025	2024
The Netherlands	1,603	1,515
Abroad	15	14
Total revenue	**1,618**	**1,529**

Over time

Within Alliander, almost the entire amount of the revenue is classed as being ‘over time’ under IFRS 15.

Seasonal influences

Alliander’s results are not materially affected by seasonal influences.

Financing

On 6 May 2025, Alliander issued green bonds with a total face value of €1 billion, split into two tranches of €500 million. The first tranche of bonds was issued at 99.11% of par value with a coupon rate of 3.0%. The bonds have a term of 8 years. The second tranche was issued at 99.65%, with a coupon rate of 3.5% and a term of 12 years. This financing was used to cover the aforementioned repayment of the subordinated perpetual bond loan with a face value of €500 and to finance Alliander’s investment projects for the energy transition.

On 30 June 2025, the subordinated perpetual bond loan issued in 2018 was redeemed when its carrying amount stood at €495 million. At €500 million, the redemption value equalled the face value. The difference between the redemption value and the carrying amount was, while factoring in corporate income tax, charged to the other reserves. In accordance with Alliander’s financial policy, this repaid bond loan was treated as 100% borrowed capital when calculating the ratios. The current subordinated perpetual bond loan continues to be treated as 50% equity.

Sale of Randmeren high-voltage network

On 24 April 2025, Liander completed the sale of the Randmeren high-voltage network operated by Liander subsidiary Nadine II B.V. to TenneT TSO B.V. This sale stems from the legal obligation under the Independent Network Operation Act (*Wet onafhankelijk netbeheer*, or WON) to transfer 110 kV and 150 kV networks to the national grid operator TenneT. When this legislation came into force in 2008, the Randmeren network still came under an ongoing cross-border lease, exempting Liander from the transfer obligation for this network. Termination of this lease in January 2025 meant that Liander had to transfer the network after all.

The sale was effectuated through a share transaction by Nadine II B.V., to which the network in question, the associated customer contracts and a small number of other assets and liabilities had been transferred.

Liander received €139 million in provisional proceeds from the sale, which meant a provisional book profit of €30 million. The actual proceeds will depend on the network's regulated asset value, which is yet to be determined by the Netherlands Authority for Consumers & Markets (ACM). Clarity on the actual proceeds from the sale, and with that on the final book profit, is expected in the third quarter of 2025.

Sale of power transformers to Kenter

As part of the sale of Kenter in January 2024, Liander and Kenter agreed a deal on the purchase and sale of power transformers in the free domain. These power transformers could not be transferred from Liander to Kenter when the sale was transacted because Liander was not yet authorised to do so due to a cross-border lease that was still in effect at the time. When this cross-border lease ended as of 2 January 2025, Liander regained full economic and legal ownership of the power transformers and subsequently transferred these to Kenter on 30 June 2025, for a purchase price that was ultimately set at €62 million. The gross book profit realised totalled €54 million, delivering a net book profit of €40 million after deduction of corporate income tax.

Cross-border leases

In the period from 1998 to 2000, subsidiaries of Alliander used cross-border lease transactions for networks with US investors. The networks were leased for a long period to US parties (head lease), which have in turn subleased the assets to the various Alliander subsidiaries (sublease). At the end of the sublease, there was the option of purchasing the rights of the US counterparty under the head lease, thus ending the transaction. The fees earned on the cross-border leases were recognised in the year in which the transaction in question was concluded. On 2 January 2025, the last remaining cross-border lease ended. Consequently, there are no longer any gas or district heating networks with an American lease. Up to the end of 2025, Alliander still has conditional and unconditional contractual rights and obligations regarding the financial settlement of the contract.

Provision for gas connection removals

Other provisions at mid-2025 include a provision of €16 million for gas connection removals (year-end 2024: €20 million). This provision concerns the costs of removing gas connections for which the customer has submitted an end-of-use notification, without specifying a date by which they want to have the gas connection removed. It is then up to the network operator to determine when, considering safety reasons, the connection will be removed. After such a removal, Alliander will receive compensation through the periodic tariffs two years after the work has been carried out.

This does not apply to cases where the customer stipulates when exactly they want their gas connection removed. In those cases, removal costs are charged directly to the customer.

Alliander has not made a provision for future removals that have not yet been requested. Such removals could lead to a significant outflow of resources, depending among other things on the speed of the energy transition and development choices for the new energy system. Under the current regulatory arrangements, these costs would also be covered through the tariffs.

Related parties

The Alliander group has interests in various associates and joint ventures over which Alliander exercises either significant influence but not control or joint control of operations and financial policy. These associates and joint ventures are consequently designated as related parties. Transactions with these parties, some of which are significant, are executed on market terms and at market prices that are not more favourable than those that would be negotiated with independent third parties.

The following transactions were entered into with related parties for the purchase and sale of goods and services: sale of goods and services to joint ventures of €99 million (first half of 2024: €86 million); there were no sales to associates in the first half of 2024 and the first half of 2025; procurement of goods and services from associates of €19 million (first half of 2024: €24 million) and from joint ventures of €181 million (first half of 2024: €142 million).

As at the end of June 2025, Alliander had receivables of €31 million (year-end 2024: €26 million) in respect of loans granted to related parties, and a receivable of €5 million in respect of agreed borrowings on current accounts with related parties (year-end 2024: a receivable of €9 million).

Other

Just as in 2024, Alliander encountered a few situations of re-evaluation of already concluded agreements in the first half of 2025. The original contracts were concluded following a European tender process. Alliander found itself compelled to implement adjustments to the contracts due to social impact. Risks related to this have been mitigated, and monitoring is taking place.

Information on risks and financial instruments

Financial risks

The following financial risks can be identified: market risk, credit risk, currency risk and liquidity risk. Contrary to what is required for the consolidated financial statements for the whole year, the abridged consolidated interim financial statements do not contain all the information on the above financial risks to which Alliander is exposed and the policy regarding the management of risks related to financial instruments. Therefore, these should be considered in conjunction with the 2024 consolidated financial statements. The risk management process and the risk management policy have not changed since year-end 2024. Alliander has not sustained any material credit losses in the first half of 2025.

The following table lists the fair values of the financial instruments that are recognised at amortised cost. Also shown is the input data level according to the fair value hierarchy. The input data levels for measuring fair values are defined as follows:

- Level 1: prices (unadjusted) on active markets for comparable assets or liabilities.
- Level 2: inputs other than the level 1 quoted prices that are observable – either directly (i.e. in the form of actual prices) or indirectly (i.e. derived from prices) – for a particular asset or liability.
- Level 3: inputs not based on observable market data.

Fair value of financial assets and liabilities measured at amortised cost

	30 June 2025		31 December 2024	
€ million	**Fair value**	**Level**	**Fair value**	**Level**
Non-current assets				
Other financial assets	20	2	18	2
Liabilities				
Non-current liabilities				
Interest-bearing debt:				
Euro Medium Term Notes	-3,814	1	-2,822	1
Other interest-bearing debt	-547	2	-503	2
Total non-current liabilities	**-4,361**		**-3,325**	
Short-term liabilities				
Interest-bearing debt:				
Euro Medium Term Notes	-		-	1
Euro Commercial Paper	-	2	-	2
Other interest-bearing debt	-5	2	-20	2
Total short-term liabilities	**-5**		**-20**	
Total liabilities	**-4,366**		**-3,345**	

Measurement of fair value

The fair value of these instruments is measured as follows:

- Other financial assets: the fair value of loans granted and investments is measured on the basis of the incoming cash flows discounted using risk-free interest rates plus credit spreads for these or similar investments. As regards the current portion of these receivables, it is assumed that the fair value is more or less the same as the carrying amount.
- Loans received: the fair value of the EMTN is measured on the basis of market prices quoted by Bloomberg. The fair value of the other loans received is measured on the basis of the outgoing cash flows discounted using risk-free interest rates plus the credit spreads applicable to Alliander. As regards the current portion of these liabilities, it is assumed that the fair value is more or less the same as the carrying amount.

The fair value of the following financial assets and liabilities is more or less the same as the carrying amount:

- Trade and other receivables.
- Current tax assets.
- Current other financial assets.
- Cash and cash equivalents.
- Trade and other payables.
- Current tax liabilities.

Events after the balance sheet date

No notable events occurred after the balance sheet date.

Independent auditor's review report

This review report is an unofficial translation of the original Review Report accompanying the original half year report 2025, both stated in Dutch. In case of any conflict between this translation and the original review report, the latter will prevail. The original review report can be found on the website of Alliander N.V.

To: the management board and the supervisory board of Alliander N.V.

Our conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated half-year results of Alliander N.V. for the 6-month period ended 30 June 2025 is not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim financial reporting' as adopted by the European Union.

What we have reviewed

We have reviewed the accompanying condensed consolidated half-year results for the 6-month period ended 30 June 2025 of Alliander N.V., Arnhem, which comprises the consolidated balance sheet as at 30 June 2025 and the following statements for the 6-month period ended 30 June 2025: the consolidated income statement, the consolidated statement of comprehensive income, the consolidated cash flow statement, the consolidated statement of changes in equity and the notes to the consolidated half-year results comprising material accounting policy information and other explanatory information.

Basis for our conclusion

We conducted our review in accordance with Dutch law, including the Dutch Standard 2410 'Het beoordelen van tussentijdse financiële informatie door de accountant van de entiteit' (Review of interim financial information performed by the independent auditor of the entity). A review of half-year results in accordance with the Dutch Standard 2410 is a limited assurance engagement. Our responsibilities under this standard are further described in the 'Our responsibilities for the review of the condensed consolidated half-year results' section of our report.

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Independence

We are independent of Alliander N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

Responsibilities with respect to the condensed consolidated half-year results and the review

Responsibilities of the management board and the supervisory board for the condensed consolidated half-year results

The management board of the company is responsible for the preparation of the condensed consolidated half-year results in accordance with International Accounting Standard 34, 'Interim financial reporting' as adopted by the European Union. Furthermore, the management board is responsible for such internal control as the management board determines is necessary to enable the preparation of the condensed consolidated half-year results that is free from material misstatement, whether due to fraud or error.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the review of the condensed consolidated half-year results

Our responsibility is to express a conclusion on the accompanying condensed consolidated half-year results. This requires that we plan and perform the review in a manner that allows us to obtain sufficient appropriate assurance evidence for our conclusion.

A review of half-year results in accordance with the Dutch Standard 2410 is a limited assurance engagement. The procedures performed consisted primarily of making inquiries of the management board and others within the company, as appropriate, applying analytical procedures and evaluating the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with the Dutch Standards on Auditing. Accordingly, we do not express an audit opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the review, in accordance with Dutch Standard 2410.

Our review included among others:

- Updating our understanding in the company and its environment, including its internal control, and the applicable financial reporting framework, in order to identify areas in the condensed consolidated half-year results where material misstatements are likely to arise due to fraud or error, designing and performing procedures to address those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion.
- Obtaining an understanding of internal control, as it relates to the preparation of the condensed consolidated half-year results.
- Making inquiries of the management board and others within the company.
- Applying analytical procedures with respect to information included in the condensed consolidated half-year results.
- Obtaining assurance evidence that the condensed consolidated half-year results agrees with or reconciles to the company's underlying accounting records.
- Evaluating the assurance evidence obtained.
- Considering whether there have been any changes in accounting principles or in the methods of applying them and whether any new transactions have necessitated the application of a new accounting principle.
- Considering whether the management board has identified all events that may require adjustment to or disclosure in the condensed consolidated half-year results.
- Considering whether the condensed consolidated half-year results has been prepared in accordance with the applicable financial reporting framework and represents the underlying transactions free from material misstatement.

Utrecht, 25 July 2025

PricewaterhouseCoopers Accountants N.V.
drs. K. Hofstede RA

Development of carbon emissions

tonnes of CO_2 equivalent	CO_2 emissions from company operations Year-end 2021	30 June 2024[1]	30 June 2025	Target Year-end 2025
Direct GHG emissions (scope 1)				
Use of generators	8,848	24	16	40
Gas consumption in buildings	2,014	188	211	368
SF_6 emissions	1,441	960	516	999
Lease & company cars	12,148	4,740	4,146	7,097
Gas network losses, administrative	83,868	49,787	42,733	106,590
Gas network losses, technical	95,712	39,776	41,825	53,999
Total indirect GHG emissions (scope 1)	**204,031**	**95,476**	**89,447**	**169,093**
Indirect GHG emissions (scope 2)				
Market-based[2]				
Heat consumption in buildings	32	11	12	24
Lease & company cars	587	-	-	-
Electricity consumption in buildings	1,566	-	-	-
Electricity consumption in stations	2,339	-	-	-
Electricity network losses, administrative	56,792	-	-	-
Electricity network losses, technical	87,748	-	-	-
Total market-based[2]	**149,032**	**11**	**12**	**24**
Location-based				
Heat consumption in buildings	209	11	12	24
Lease & company cars	985	1,077	941	2,710
Electricity consumption in buildings	3,322	850	950	2,357
Electricity consumption in stations	4,963	1,861	1,624	3,262
Electricity network losses, administrative	227,581	121,700	95,750	245,211
Electricity network losses, technical	351,633	58,343	46,426	118,894
Total location-based	**587,499**	**183,841**	**145,703**	**372,458**
Indirect GHG emissions (scope 3)				
C6. Business travel	64	63	69	132
C7. Employee commuting	1,421	1,326	1,306	1,929
Total indirect GHG emissions (scope 3)	**1,485**	**1,389**	**1,375**	**2,061**
Total GHG emissions (location-based)	**793,015**	**280,707**	**236,525**	**543,612**
Total GHG emissions (market-based)	**354,548**	**96,876**	**90,834**	**171,178**

1 The results of the carbon emissions in the first half of 2024 were recalculated based on the most recent emission factors and more up-to-date insights into the total gas network losses in 2024.

2 Market-based scope 2 emissions reflect the use of renewable energy through the purchasing of Guarantees of Origin (GOs). These are used to bring carbon emissions from electricity consumption down to 0 tonnes CO_2 equivalent. The quantity of CO_2 equivalent offset in 2021 through to June 2024 and through to June 2025 using GOs was 167,936 tonnes (2021), 126,107 tonnes (30 June 2024) and 147,958 tonnes (30 June 2025). Our target for 2025 is to offset 270,779 tonnes of our electricity consumption using GOs.

Total location-based GHG emissions

In the first half of 2025, location-based GHG emissions fell to 236,525 tonnes of CO_2e, a 16% drop from the 280,707 t tonnes of CO_2e registered in the same period of 2024. This method covers both scope 1 and scope 2 emissions, i.e. direct emissions and indirect emissions from customers' use of the power we supply, as well as scope 3 emissions, albeit only to the extent that these latter emissions are related to our own operations, such as employee commuting emissions. The drop in emissions was largely caused by a lower emission factor for electricity in scope 2. Alliander calculates scope 2 emissions using the average emission factor for the Dutch power grid, as published on www.co2emissiefactoren.nl. In 2025, this factor was 0.220 kg CO_2/kWh, compared to 0.270 kg CO_2/kWh in 2024.

The location-based method does not take into account individual contracts for renewable energy, such as Guarantees of Origin (GOs). This method calculates total emissions based on the average emissions from the national energy mix.

There was also a drop in scope 1 emissions, mainly as a result of a reduction in methane leakage losses in the gas network. In scope 3, emissions fell slightly, despite an increase in the number of kilometres travelled by our employees. This decrease was because of a lower emission factor used for train travel in 2025 (0.002 kg CO_2/km), compared to 2024 (0.0023 kg CO_2/km).

Emissions were 47,733 tonnes of CO_2 equivalent (tCO_2e) below the budgeted level of 284,157 tCO_2e. This difference is largely explained by the lower emission factor for electricity (scope 2). In addition, a drop of around 9,000 tCO_2e in scope 1 emissions, due to fewer methane leakage losses in the gas network, contributed substantially.

Total market-based GHG emissions

In the first half of 2025, market-based GHG emissions fell to 90,834 tCO_2e, a 6% drop from the 96,876 tCO_2e in the same period of 2024. The market-based method calculates emission factors derived from the electricity labels of the suppliers from which Alliander procures electricity. Alliander makes all electricity within scope 2 entirely sustainable through the purchase of Dutch Guarantees of Origin (GOs). As a result, our scope 2 emissions were virtually zero.

The decrease in total market-based emissions was mainly thanks to lower emissions under scope 1, primarily as a result of a reduction in methane leakage losses in the gas network. A slight decrease was seen in scope 3, despite an increase in the number of kilometres travelled by our employees. Here too, the lower emission factor for train travel (0.002 kg CO_2/km in 2025 compared to 0.0023 kg CO_2/km in 2024) played a role.

Emissions were about 8,217 tCO_2e below the budgeted level of 99,051 tCO_2e. This difference is mainly explained by the decrease under scope 1 due to less methane leakage losses in the gas network.

Disclaimer

This report is a translation of the Dutch half-year report 2025 of Alliander N.V. Although this translation has been prepared with the utmost care, deviations from the Dutch half-year report may nevertheless occur, such that the information in this report may be misinterpreted or different conclusions may be drawn. In such cases, the Dutch half-year report 2025 will prevail.

Parts of this report contain statements about the future outlook. These parts may include – without limitation – expectations regarding government measures, including regulatory measures, Alliander's share and the share of its subsidiaries and joint ventures in existing and new markets, industrial and macroeconomic trends, and the impact of these expectations on Alliander's operating results. Such statements are typically preceded or followed by, or include words like 'believe', 'expect', 'intend', 'anticipate' or similar expressions. These statements concerning the future are based on the current assumptions and are subject to known and unknown factors and other uncertainties, many of which are beyond Alliander's control, so that actual future outcomes may differ significantly from these expectations.

This report has been prepared using the accounting policies applied in the preparation of the 2024 financial statements of Alliander, which can be found on www.alliander.com.

This report, including the sustainability indicators disclosed in this report, has not been audited.

July 2025

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