

SECOND PARTY
OPINION (SPO)

Sustainability Quality of the Issuer and Green Finance Framework

Stedin Holding NV

19 September 2025

VERIFICATION PARAMETERS

Type(s) of instruments contemplated	Green financing instruments¹
Relevant standards	- Green Bond Principles (GBP), as administered by the International Capital Market Association (ICMA) (as of June 2025) - Green Loan Principles (GLP), as administered by the Loan Market Association (LMA) (as of March 2025) - EU Taxonomy Climate Delegated Act, Annex I (as of June 2023)
Scope of verification	- Stedin’s Green Finance Framework (as of September 19, 2025) - Stedin’s Eligibility Criteria (as of September 19, 2025)
Lifecycle	Pre-issuance verification
Validity	Valid as long as the cited Framework remains unchanged

CONTENTS

¹ May include bonds, loans, hybrid bonds (excluding convertible bonds), Schuldscheine, (US) Private Placements and commercial papers.

CONTENTS

SCOPE OF WORK.....3

STEDIN OVERVIEW4

ASSESSMENT SUMMARY5

SPO ASSESSMENT.....6

 PART I: ALIGNMENT WITH THE GREEN BOND PRINCIPLES AND GREEN LOAN PRINCIPLES6

 PART II: SUSTAINABILITY QUALITY OF THE ELIGIBILITY CRITERIA.....9

 CONTRIBUTION OF THE GREEN FINANCING INSTRUMENTS TO THE U.N. SDGs.....9

 PART III: ALIGNMENT OF THE ELIGIBILITY CRITERIA WITH THE EU TAXONOMY CLIMATE
 DELEGATED ACT 10

 PART IV: CONSISTENCY OF GREEN FINANCING INSTRUMENTS WITH STEDIN’S
 SUSTAINABILITY STRATEGY..... 17

ANNEX 1: METHODOLOGY 22

ANNEX 2: QUALITY MANAGEMENT PROCESSES..... 24

About this SPO..... 25

SCOPE OF WORK

Stedin Holding BV ("the Issuer," "the Company" or "Stedin") commissioned ISS-Corporate to assist with its green financing instruments by assessing three core elements to determine the sustainability quality of the instruments:

1. Stedin's Green Finance Framework (as of September 19, 2025), benchmarked against the International Capital Market Association's (ICMA) Green Bond Principles (GBP) and the Loan Market Association's (LMA) Green Loan Principles (GLP).
2. The Eligibility Criteria — whether the project categories contribute positively to the U.N. SDGs.
3. The alignment of the project categories with the EU Taxonomy on a best-efforts basis² — whether the nominated project categories are aligned with the EU Taxonomy Technical Screening Criteria (including Substantial Contribution to Climate Change Mitigation Criteria and Do No Significant Harm Criteria) and Minimum Safeguards requirements as included in the EU Taxonomy Climate Delegated Act (June 2023).³
4. Consistency of green financing instruments with Stedin's sustainability strategy, drawing on the key sustainability objectives and priorities defined by the Issuer.

² While the Final Delegated Acts for Mitigation and Adaptation were published in June 2023, the Technical Screening Criteria allow for discretion on the methodologies in determining alignment in certain cases. Therefore, at this stage, the alignment with the EU Taxonomy has been evaluated on a "best efforts basis."

³ Commission [Delegated Regulation \(EU\) 2023/2485](#) of 27 June 2023 amending [Delegated Regulation \(EU\) 2021/2139](#).

STEDIN OVERVIEW

Stedin Holding NV operates as a financial holding company with activities in the energy sector. The Company was founded in 1998 and is headquartered in Rotterdam, the Netherlands.

ESG risks associated with the Issuer's industry

Stedin is classified in the Gas and Electricity Network Operators industry, as per ISS ESG's sector classification. Key sustainability issues faced by companies⁴ in this industry are worker safety and accident prevention, environmentally safe operation of plants and infrastructure, promotion of a sustainable energy system, accessibility and reliability of energy supply, and protection of human rights and community outreach.

This report focuses on the sustainability credentials of the issuance. Part IV of this report assesses the consistency between the issuance and the Issuer's overall sustainability strategy.

⁴ Please note that this is not a company-specific assessment but rather areas that are of particular relevance for companies within this industry.

ASSESSMENT SUMMARY

SPO SECTION	SUMMARY	EVALUATION ⁵
Part I: Alignment with GBP and GLP	The Issuer has defined a formal concept for its green financing instruments regarding the use of proceeds, processes for project evaluation and selection, management of proceeds and reporting. This concept is in line with the GBP and GLP.	Aligned
Part II: Sustainability quality of the Eligibility Criteria	The Green financing instruments will (re)finance the following eligible green asset category: Renewable Energy. The product and/or service-related use of proceeds category⁶ contributes to the following SDGs:  	Positive
Part III: Alignment with EU Taxonomy	Stedin's project characteristics, due diligence processes and policies have been assessed against the requirements of the EU Taxonomy (Climate Delegated Act of June 2023). The nominated project categories are considered to be: ▪ Aligned with the Climate Change Mitigation Criteria ▪ Aligned with the Do No Significant Harm Criteria ▪ Aligned with the Minimum Safeguards requirements	
Part IV: Consistency of green financing instruments with Stedin's sustainability strategy	The key sustainability objectives and the rationale for issuing green financing instruments are clearly described by the Issuer. All the project categories considered are in line with the Issuer's sustainability objectives.	Consistent

⁵ The evaluation is based on Stedin's Green Finance Framework (September 19, 2025, version), on the analyzed eligibility criteria as received on September 19, 2025.

⁶ Renewable Energy.

SPO ASSESSMENT

PART I: ALIGNMENT WITH THE GREEN BOND PRINCIPLES AND GREEN LOAN PRINCIPLES

This section evaluates the alignment of Stedin's Green Finance Framework (as of August 8, 2025) with the GBP and GLP.

GBP AND GLP	ALIGNMENT	OPINION
1. Use of proceeds	✓	The use of proceeds' description provided by Stedin's Green Finance Framework is aligned with the GBP and GLP. The Issuer's green categories align with the project categories as proposed by the GBP and GLP. Criteria are defined clearly and transparently. Disclosure of an allocation period and commitment to report by project category has been provided. Environmental benefits are described. The Issuer does not define the share of refinancing and financing or the expected look-back period for commercial papers. For CPs, the percentage of financing and refinancing is not provided, as it is driven by the percentage issuance of green CPs, which is still unknown. The commercial papers will be used to finance assets that meet the eligibility criteria, without a look-back period.
2. Process for project evaluation and selection	✓	The process for project evaluation and selection description provided by Stedin's Green Finance Framework is aligned with the GBP and GLP. The project selection process is defined and structured in a congruous manner. ESG risks associated with the project categories are identified and managed appropriately. Moreover, the assets selected show alignment with the Issuer's sustainability strategy. The Issuer involves various stakeholders in this process and identifies the alignment of its Green

GBP AND GLP	ALIGNMENT	OPINION
		Finance Framework and its green assets with the EU taxonomy, in line with best market practice.
3. Management of proceeds	✓	The management of proceeds provided by Stedin's Green Finance Framework is aligned with the GBP and GLP. The net proceeds collected will equal the amount allocated to eligible assets. The net proceeds are tracked appropriately and are managed on an aggregated basis for all eligible green instruments (portfolio approach). The Issuer confirms that all green eligible instruments, including each loan tranche, will be clearly labeled as green. Further, the Issuer discloses all the temporary investment instruments for unallocated proceeds. The Issuer defines the monitoring process for commercial papers, as well as its frequency in the Framework. The Issuer has defined an expected allocation period of 12-24 months. Where possible, Stedin will give preference to ESG or sustainability-labelled instruments for temporary investments and discloses some ESG exclusion criteria, in line with best-market practice.
4. Reporting	✓	The allocation and impact reporting provided by Stedin's Green Finance Framework is aligned with the GBP and GLP. The Issuer commits to disclose the allocation of proceeds transparently and report with appropriate frequency. The reporting will be publicly available on the Issuer's website. Stedin has disclosed the type of information that will be reported and explains that the level of expected reporting will be at the project category level. Where feasible, the Issuer will report on a project basis through selected case studies. Moreover, the Issuer commits to report annually until the

GBP AND GLP	ALIGNMENT	OPINION
		proceeds have been fully allocated or in case of material change. The Issuer has measures to ensure that there is no double-counting of eligible green assets and their impact between the commercial papers and any other type of outstanding sustainable financing. The Issuer reports on an aggregated portfolio basis for commercial papers and includes the simple average and the highest amount of outstanding commercial papers applied to the eligible assets over the reporting period. Total commercial paper expenditures are exceeding the highest amount. Impact reporting includes commercial papers, in line with best market practice. The Issuer is transparent on the level of impact reporting and further defines the duration, scope and frequency of the impact reporting, in line with best market practice. The Issuer discloses the location and link of the reports and also commits to getting the allocation report audited by an external party, in line with best market practices.

PART II: SUSTAINABILITY QUALITY OF THE ELIGIBILITY CRITERIA

CONTRIBUTION OF THE GREEN FINANCING INSTRUMENTS TO THE U.N. SDGs⁷

The Issuer can contribute to the achievement of the SDGs by providing specific services/products that help address global sustainability challenges, and by being a responsible actor, working to minimize negative externalities in its operations along the entire value chain.

The assessment of UoP categories for (re)financing products and services is based on a variety of internal and external sources, such as ISS ESG's SDG Solutions Assessment, a proprietary methodology designed to assess the impact of an Issuer's products or services on the U.N. SDGs, as well as other ESG benchmarks (the EU taxonomy Climate Delegated Act, the Green/Social Bond Principles and other regional taxonomies, standards and sustainability criteria).

The assessment of UoP categories for (re)financing specific products and services is displayed on a three-point scale:

Obstruction	No Net Impact	Contribution
-------------	------------------	--------------

Each of the green financing instruments' use of proceeds categories has been assessed for its contribution to, or obstruction of, the SDGs:

USE OF PROCEEDS (PRODUCTS/SERVICES) ⁸	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
Renewable Energy <i>(Smart) electricity grid equipment and/or infrastructure to carry information to/from users for remotely acting on consumption, including smart electricity meters.</i> <i>The Framework notes that assets financed in this category will align with the EU taxonomy technical screening criteria 4.9 (transmission and distribution of electricity).</i>	Contribution	

⁷ The impact of the UoP categories on U.N. SDGs is assessed with proprietary methodology and may therefore differ from the Issuer's description in the Framework.

⁸ The review is limited to the examples of assets spelled out in the Framework.

PART III: ALIGNMENT OF THE ELIGIBILITY CRITERIA WITH THE EU TAXONOMY CLIMATE DELEGATED ACT

The alignment of Stedin's project characteristics, due diligence processes and policies for the nominated Use of Proceeds project category have been assessed against the relevant Substantial Contribution to Climate Change Mitigation and Do Not Significant Harm (DNSH) Technical Screening Criteria, and against the Minimum Safeguards requirements of the EU Taxonomy Climate Delegated Act⁹ (June 2023), based on information provided by Stedin. Where Stedin's project characteristics, due diligence processes and policies meet the EU Taxonomy Criteria requirements, a tick is shown in the table below.

Stedin's project Eligibility Criteria overlap with the following economic activity in the EU Taxonomy:

- 4.9 Transmission and distribution of electricity.

All assets financed under the Green Finance Framework are and will be located in the Netherlands.

Furthermore, this analysis only displays how the EU Taxonomy criteria are fulfilled/not fulfilled. For ease of reading, the original text of the EU Taxonomy criteria is not shown. Readers can recover the original criteria at the following [link](#).

⁹ Commission Delegated Regulation (EU) 2020/852, URL https://ec.europa.eu/info/law/sustainable-finance-taxonomy-regulation-eu-2020-852/amending-and-supplementary-acts/implementing-and-delegated-acts_en.

4.9 – Transmission and distribution of electricity

PROJECT CHARACTERISTICS AND SELECTION PROCESSES ¹⁰	ALIGNMENT WITH THE EU TAXONOMY'S TECHNICAL SCREENING CRITERIA
1. SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION	
Stedin will (re)finance transmission and distribution infrastructure and equipment in the Dutch electricity grid, which is part of the interconnected European system. The Issuer confirms that no net proceeds are/will be allocated to smart meters that do not meet the relevant standard listed in Article 20 of EU Directive 2019/944. The Issuer also confirms that no net proceeds are/will be allocated to infrastructure dedicated to creating a direct connection or expanding an existing direct connection between a substation or network and a power production plant that has a greenhouse gas intensity higher than 100 gCO₂e/kWh measured on a life cycle basis.	✓
2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA	
Stedin conducted a climate risks and resilience analysis in 2024, examining whether physical climate risks related to the Company's operational activities have a financial impact or an effect on service quality. Physical risks associated with heavy precipitation, flooding, sea level rise, extreme weather, drought, storms, and high temperatures were investigated. The most frequent and highest risks were found to be associated with flooding. The Issuer confirms that various solutions have been identified for the most important climate risks. The solutions depend on the grid situation and layout of the respective areas. They include locating future distribution stations above ground level and installing climate sensors. Another measure can be the tightening of design policies to incorporate the effects of climate risk scenarios, for example, by including requirements for water drainage or the height at which critical components are installed. The expected life span for all assets is estimated at 10 years or above. The climate risk and resilience analysis is performed using the highest available resolution, state-of-the-art climate projections across the existing range of future scenarios consistent with the expected lifetime of the activity, including at least, 10 to 30-year climate projection scenarios for major investments. The	✓

¹⁰ This column is based on input provided by the Issuer.

analysis is based on the scenario analysis from the Royal Netherlands Meteorological Institute (KNMI) and includes two CO₂ emission scenarios, i. IPCC SSP5-8.5 (High) and ii. IPCC SSP1-2.6 (Low).¹¹ Requirements from the NTA 8120 standard, Deltabesluit Ruimtelijke ordeningen (Delta Decision on Spatial Adaptation) and Corporate Sustainability Reporting Directive (CSRD) are also taken into account.

The outcome of the risk analysis is used to make an impact assessment on existing assets. Likelihood and impact are determined for the Company's prime assets on an asset-by-asset basis. This results in design and building criteria for each physical asset, which, for existing assets, can result in modifications. Mitigating factors, such as the tightening of building criteria, are implemented over a period of up to five years if the risk assessment identifies a need for the implementation of mitigating measures in the short term. If the risk assessment finds that mitigating measures are required on the long term (> 20 years), implementation will be planned accordingly.

For newly-built physical assets, Stedin integrates climate risk assessments and identifies adaptation solutions into the building criteria. The Issuer confirms that the adaptation solutions for newly built physical assets do not adversely affect adaptation efforts and resilience levels of other people, of nature, of cultural heritage, of assets and of other economic activities.

3. WATER AND MARINE RESOURCES – DO NO SIGNIFICANT HARM CRITERIA

N/A — there is no EU Taxonomy criteria for the category.

4. CIRCULAR ECONOMY – DO NO SIGNIFICANT HARM CRITERIA

Stedin has a waste management plan in place and ensures maximal reuse or recycling at the end of life in accordance with the waste hierarchy.

As outlined in its [ESG strategy](#), the Issuer applies a circularity hierarchy based on the R-ladder framework. To identify how raw materials can be used efficiently, the Issuer monitors the life cycle of assets with a particular focus on the reduction of inflows. The key circular strategies the Issuer applies are, i. using less material per installed asset, ii. replacing primary raw materials with recycled materials, iii. replacing abiotic raw materials, such as fossil oils and metal, with bio-based alternatives, and iv. extending the life of assets through redeployment to a new allocation.

In line with Stedin's Procurement Policy, suppliers are required to sign the Supplier Code of Conduct as part of the contract, which also includes a



¹¹ The [KNMI climate scenarios](#) from 2023 are based on the latest scientific insights of the IPCC, in particular the 2021 IPCC report and visualize the potential changes in the Dutch climate.

commitment to the Issuer's sustainability goals. In addition, the Issuer requests suppliers to complete a material passport, when possible, to measure and monitor the circularity of the products procured. The passport considers the raw materials used in production, the percentage of these materials that are sourced from recycled materials, as well as the percentage of materials that can be recycled when the product reaches the end of its life span. Furthermore, suppliers are asked to complete a Life Cycle Analysis (LCA), or a comparable analysis, where possible and relevant. An LCA measures the total environmental impact across the product's full life cycle. The information is used to reduce the environmental impact of a product. Stedin has also signed agreements with waste management partners.

Stedin commissioned BearingPoint to carry out an external validation of its circularity strategy in 2024. The Issuer confirms that the results from the analysis have been integrated into its ESG Strategy and assigned to the relevant departments.

5. POLLUTION – DO NO SIGNIFICANT HARM CRITERIA

The project category includes overground high voltage lines. For construction site activities, Stedin follows the principles of the IFC General Environmental, Health and Safety Guidelines.

Furthermore, the Issuer respects in its activities applicable norms and regulations to limit the impact of electromagnetic radiation on human health, including the Council recommendation [1999/519/EC](#) on the limitation of exposure of the general public to electromagnetic fields (0 Hz to 300 GHz).

The Issuer confirms that no proceeds are/will be allocated to either overground or underground high voltage lines containing Polychlorinated Biphenyls (PCBs). Stedin also confirms that no PCBs are used in assets built after the ban of PCBs, in line with applicable laws and regulations.



6. BIODIVERSITY AND ECOSYSTEMS – DO NO SIGNIFICANT HARM CRITERIA

Stedin adheres to applicable environmental laws and regulations to meet biodiversity standards. The Issuer confirms that it has conducted all of the Environmental Impact Assessments (EIAs) necessary for the project category in line with [Directive 2011/92/EU](#), as implemented in Dutch law through the [Omgevingswet](#) (Environment and Planning Act). Stedin further affirms that where an EIA has been carried out, the required mitigation and compensation measures are implemented.

For assets located near or in biodiversity-sensitive and protected areas, the Issuer confirms that appropriate assessments are conducted and the necessary



mitigation measures implemented in accordance with Directives [2009/147/EC](#) and [92/43/EEC](#). Both Directives are transposed to Dutch Law through the [Omgevingswet](#).

Minimum Safeguards

The alignment of the project characteristics and selection processes in place with the EU Taxonomy Minimum Safeguards, as described in Article 18 of the Taxonomy Regulation,¹² have been assessed. The results of this assessment are applicable to every project category financed under this Framework and are displayed below:

PROJECT CHARACTERISTICS AND SELECTION PROCESSES ¹³	ALIGNMENT WITH THE EU TAXONOMY REQUIREMENT
The Company has adopted and embedded a commitment to Human Rights Due Diligence (HRDD) into company policies and procedures, which have been laid out in the Issuer's Human Rights Policy (HRP), Human Rights Statement, Code of Conduct, Supplier Code of Conduct and Procurement Policy. The Issuer confirms that the HRP is in line with the UN Guiding Principles and derived from Dutch legislation and regulations, and also relevant international standards such as those of the OECD, the UN and the ILO. The policy has been effective since January 1, 2025. Stedin's HRP establishes an HRDD to identify, address and mitigate risk of human rights violations in the value chain. It reflects the Issuer's commitment to the protection and respect of human rights, including rights related to the Issuer's key priority areas, namely health and safety, equal treatment and non-discrimination, and freedom and self-determination. Stedin informs its suppliers about their rights and obligations in the Supplier Code of Conduct, which must be signed by suppliers for all new tenders from 2025 onwards. The policy applies to Stedin's employees, agency workers, suppliers and contractors. The Issuer identifies and assesses adverse impacts by conducting risk-driven research across the value chain on topics including human rights. Moreover, suppliers are screened for human rights issues and suppliers are requested to carry out similar screenings of their suppliers and/or third parties they engage. For example, Stedin monitors whether its suppliers are on sanctions lists or perform poorly on ESG topics, for which Dun & Bradstreet and World Bank databases are used. In addition, supplier managers regularly check SAP Ariba	

¹² <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32020R0852>.

¹³ This column is based on input provided by the Issuer.

Supplier Management. The results are used to approach the suppliers concerned.

Identification and assessment of adverse impacts is also conducted through various forms of stakeholder engagement with customers, interest groups and policymakers. Communities within Stedin's service area are involved, for example, through cooperation with municipalities for planning and permitting purposes. Additionally, the Issuer aims to establish covenants and agreements for long-term collaboration with municipalities and other parties on environmental management. Stedin also carries out customer surveys for both low-use and heavy-use customers and engages in dialogue with consumer organizations and NGOs. Engagement with regulators takes place through knowledge exchange and agreements on the performance of the Issuer's core tasks, for instance. Furthermore, positive customer and stakeholder perception is one of the seven material topics identified in the Issuer's Double Materiality Analysis conducted in 2024.

To address safety risks for employees, Stedin has a High Reliability Organization program and employs the Safety Culture Ladder (SCL 2.0) tool. The Issuer also measures the Recordable Incident Frequency (RIF) and Lost Time Injury Rate (LTIR) to maintain safe working conditions. If actions by any stakeholder or the Company itself are not complying with the Company's HRP, the policy requires corrective action to be taken to the extent necessary and possible, and in accordance with local laws and regulations, agreements and company regulations. The Issuer confirms that when a misconduct is identified, Stedin assesses them and follows up in line with the guidelines in the Stedin ESG Audit Procedure, which are based on international best practices and standards. If necessary, precautionary measures are taken to prevent recurrence, which can include self-assessment and audits.

To track the implementation and effectiveness of the companies' due diligence activities, the Issuer monitors the HRP's implementation and results through periodic evaluations, discussions with suppliers, and employee satisfaction surveys. Most monitoring measures are conducted at least annually.

The Issuer reports in its annual reports on actions taken in the field of human rights, as required by the HRP. At the time of publication of the 2024 annual report, no misconduct had been identified or was being addressed. Thus, no disclosure was included. However, the [2024 annual report](#) communicated the Issuer's approach to HRDD.

Stedin has a mechanism that addresses complaints and concerns. Employees can report complaints and concerns, for example, through whistleblower systems like Alerta, IMS or the Dutch Whistleblowers Authority. Suppliers and

SECOND PARTY OPINION

Sustainability Quality of the Issuer
and Green Finance Framework

ISS-CORPORATE 

other parties can report complaints in relation to the Public Procurement Act 2012 in accordance with the terms of reference of Stedin's Complaints Committee. Customers can make reports by phone or through the Stedin website. Further grievance mechanisms include, for example, the Disputes Committee, an independent body that considers complaints or damage claims that the customer and Stedin are unable to resolve.

PART IV: CONSISTENCY OF GREEN FINANCING INSTRUMENTS WITH STEDIN'S SUSTAINABILITY STRATEGY

Key sustainability objectives and priorities defined by the Issuer

TOPIC	ISSUER APPROACH
Core ESG pillars	The Issuer focuses on the following ESG pillars: - Climate mitigation Stedin has set multi-year targets for reducing its scope of 1, 2 and 3 CO₂ emissions compared to 2021 baseline. - Circular material use Stedin has a circularity strategy, developed in 2024 and featuring a roadmap to 2030. The implementation will take place in 2025. - Biodiversity Stedin does not have policies or targets to minimize its impact on Biodiversity in its value chain, but it is gathering information to develop the policies and action plan in 2025. - Good employment practices Stedin focuses on three topics related to employment practices, health and safety, diversity and inclusion, and training, learning and development. - Business ethics, integrity and good governance Stedin is focused on maintaining fair and just business operations and keeping stakeholders' trust.
Definition of core ESG pillars	The ESG pillars of the Issuer have been defined through a dual materiality assessment in line with the Corporate Sustainability Reporting Directive (CSRD) requirements. The Issuer developed an approach to update the analysis annually based on insights from stakeholders, societal and political developments.

TOPIC	ISSUER APPROACH
ESG targets and timeline	To achieve its ESG commitments, the Issuer has set the following targets with a 2021 baseline:¹⁴ ▪ Reduce total Scope 1 CO₂ eq emissions by 27% by 2025, 31% by 2027 and by 41% by 2030 ▪ Reduce total Scope 2 CO₂ eq emissions by 73% by 2025, by 87% by 2030 and by 100% by 2030 ▪ Reduce Scope 3 customer gas consumption by 30% by 2025, by 37% by 2027 and by 44% by 2030 Regarding Scope 3 emissions excluding gas consumption, the Issuer has estimated an increase of 11% by 2025, of 9% by 2027, and of 15% by 2030 of CO₂ emissions.
Science-Based Targets	To achieve its ESG commitments, the Issuer has set the following science-based targets and timeline:¹⁵ ▪ 90% Reduction of absolute scope 1, 2 and 3 GHG emissions by 2050 compared to the baseline year of 2021 ▪ 42.69% Reduction of absolute scope 1, 2 and 3 GHG emissions by 2030 compared to the baseline year of 2021 ▪ 42.69% Reduction of absolute scope 3GHG emissions from use of sold products for distributed fossil fuels by 2030 compared to the baseline year of 2021
Financial budget to achieve the ESG targets (CapEx, OpEx, Product Mix)	To achieve and/or maintain its ESG commitments, the Issuer has set the following financial budget: ▪ EUR 230 million budget for the period 2024 to 2030 ▪ EUR 37 million OpEx and EUR 73 million CapEx allocated to climate change mitigation
Stakeholders involved in decision-making and the implementation and monitoring of the ESG agenda	The following stakeholders are involved in the Issuer's ESG agenda: ▪ The Board of Management, Supervisory Board, and ESG Steering Committee (chaired by the CFO, which consists of directors from departments responsible for executing the ESG strategy) participate in the ESG Strategy ▪ Board of Management, Corporate Risk Management department, Safety, Health, Environment & Quality, Business Continuity Management, Security, Corporate Affairs,

¹⁴ Target available [here](#).

¹⁵ Target available [here](#).

TOPIC	ISSUER APPROACH
	Compliance & Integrity, Treasury, Audit Committee participate in the ESG risks management
ESG risk management	The Issuer has completed a double materiality assessment (DMA) in line with CSRD to determine the areas to focus on. Also, Stedin has conducted a climate and resilience analysis to examine physical climate risks. The ESG steering committee is responsible for managing the ESG risks. To mitigate the physical risks, the Issuer has control measures, including the placement of future distribution of stations above ground level, installation of climate sensors, and the tightening of design policies. The Issuer has identified transition risks related to consumers and end users, access to products and services, and access to energy and supply reliability. Scheduled actions are created and included in the annual strategy, which is reviewed and then approved by the Board of Management and the Supervisory Board.
Industry associations, collective commitments	The Issuer is a member of: ▪ Broad Prosperity Coalition ▪ Collectief Natuurinclusief
Sustainability reporting	The Issuer reports on its ESG performance and initiatives annually. The report has been prepared according to the CSRD recommendations. The report is available on the Issuer's website. ¹⁶
Previously issued sustainable/sustainability-linked issuances or transactions and publication of sustainable financing framework	The Issuer previously issued five green bonds under its Green Finance Framework from 2019, which was updated in November 2021, for a nominal value of EUR 500 million each. The proceeds were allocated to Renewable Energy, Energy Efficiency, and Green Buildings. More information can be found in the Stedin Green Bond Report 2024 here .

Rationale for issuance

The Green Finance Framework aims to finance "future-proofing" of the electricity grid to support the demand for a sustainable energy system and contribute to delivering it reliably and equitably. By issuing green financing instruments, Stedin is linking its financing activities to measurable environmental impacts, contributing to its alignment between financial decisions and environmental objectives.

¹⁶ Stedin website [link](#).

SECOND PARTY OPINION

Sustainability Quality of the Issuer
and Green Finance Framework

ISS-CORPORATE 

Opinion: *The Issuer clearly describes the key sustainability objectives and the rationale for issuing green financing instruments. All the project categories financed align with the Issuer's sustainability objectives.*

DISCLAIMER

1. Validity of the Second Party Opinion ("SPO"): Valid as long as the cited Framework remains unchanged.
2. ISS-Corporate, a wholly owned subsidiary of Institutional Shareholder Services Inc. ("ISS"), sells, prepares, and issues Second Party Opinion, on the basis of ISS-Corporate's proprietary methodology. In doing so, ISS-Corporate adheres to standardized procedures designed to ensure consistent quality.
3. Second Party Opinion are based on data provided to ISS-Corporate by the contracting party and may change in the future, depending in part on the development of market benchmarks and ISS-Corporate's methodology. ISS-Corporate does not warrant that the information presented in this Second Party Opinion is complete, accurate or up to date. ISS-Corporate will not have any liability in connection with the use of these Second Party Opinion, or any information provided therein. If the Second Party Opinion is provided in English and other languages, in case of conflicts, the English version shall prevail.
4. Statements of opinion and value judgments given by ISS-Corporate are not investment recommendations and do not in any way constitute a recommendation for the purchase or sale of any financial instrument or asset. In particular, the Second Party Opinion is not an assessment of the economic profitability and creditworthiness of a financial instrument, but refers exclusively to social and environmental criteria.
5. This Second Party Opinion, certain images, text, and graphics contained therein, and the layout and company logo of ISS-Corporate, are the property of ISS-Corporate (or its licensors) and are protected under copyright and trademark law. Any use of such ISS-Corporate property requires the express prior written consent of ISS-Corporate. The use shall be deemed to refer in particular to the copying or duplication of the Second Party Opinion wholly or in part, the distribution of the Second Party Opinion, either free of charge or against payment, or the exploitation of this Second Party Opinion in any other conceivable manner.

© 2025 | ISS Corporate Solutions, Inc. All Rights Reserved

ANNEX 1: METHODOLOGY

The ISS-Corporate's SPO provides an assessment of labeled transactions against international standards using ISS-Corporate's proprietary methodology.

EU Taxonomy

The assessment evaluates whether the details of the nominated assets and assets or project selection eligibility criteria included in the Framework_name meet the criteria listed in relevant Activities in the EU Taxonomy Climate Delegated Act (June 2023).

If the client is seeking a full alignment with certain EU taxonomy activities, the evaluation is structured in two steps:

- The first step requires establishing whether the economic activity qualifies as taxonomy-eligible. This implies checking whether the activity is listed in the EU taxonomy and whether it contributes to one of the six environmental objectives: climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, or the protection and restoration of biodiversity and ecosystems;
- The second step constitutes the core of the assessment, and it consists in evaluating (i) the compliance of the activity with the relevant substantial contribution criteria, (ii) whether the activity does not harm other environmental objectives, meeting the Do No Significant Harm requirements, assessing for instance industry-specific sustainability thresholds, mitigation measures, compliance with international environmental standards, and any history of relevant controversies, and (iii) the adherence with the Minimum Safeguards, ensuring that operations comply with recognized human rights, labor rights, and governance standards. These safeguards ensure that the activity is conducted responsibly and ethically.

The evaluation shows if the client's project categories are indicatively in line with the entirety (or some of) the requirements listed in the EU Taxonomy Technical Annex. If both steps are carried out with a positive outcome, the activity is assessed as fully aligned (with final output being aligned/not aligned for each component of the second step).

If, instead, the client wishes to limit the evaluation only to the eligibility of the financed categories for a future alignment with certain EU taxonomy activities, the assessment consists in evaluating (i) the compliance of the activity with the relevant substantial contribution criteria, or (ii) the compliance of the activity with the relevant substantial contribution criteria and whether the activity does not harm other environmental objectives, meeting the Do No Significant Harm requirements, or (iii) the compliance of the activity with the relevant substantial contribution criteria and the adherence with the Minimum Safeguards, based on the client's request. In this case, should the evaluation be carried out positively, the relevant activity will be assessed as aligned with the requirements that were within the scope of the evaluation, while the remaining one(s) will not be assessed.

The evaluation is carried out using information and documents provided on a confidential basis by Stedin, including due diligence reports, questionnaires' responses, internal policies

and processes, as well as public documents. Further, international, national, and local legislation and standards, depending on the project category location, are drawn on to complement the information provided by the Issuer.

ANNEX 2: QUALITY MANAGEMENT PROCESSES

SCOPE

Stedin commissioned ISS-Corporate to compile a green financing instruments SPO. The second-party opinion process includes verifying whether the Green Finance Framework aligns with the GBP and GLP and assessing the sustainability credentials of its green financing instruments, as well as the Issuer's sustainability strategy.

CRITERIA

Relevant standards for this second-party opinion:

- Green Bond Principles (GBP), as administered by the International Capital Market Association (ICMA) (as of June 2025)
- Green Loan Principles (GLP), as administered by the Loan Market Association (LMA) (as of March 2025)
- EU Taxonomy Climate Delegated Act (as of June 2023)

ISSUER'S RESPONSIBILITY

Stedin's responsibility was to provide information and documentation on:

- Framework
- Eligibility criteria

ISS-CORPORATE'S VERIFICATION PROCESS

Since 2014, ISS Group, which ISS-Corporate is part of, has built up a reputation as a highly reputed thought leader in the green and social bond market and has become one of the first CBI-approved verifiers.

This independent second-party opinion of the green financing instruments to be issued by Stedin has been conducted based on proprietary methodology and in line with the ICMA/LMA GBP and GLP.

The engagement with Stedin took place from July to September 2025.

ISS-CORPORATE'S BUSINESS PRACTICES

ISS-Corporate has conducted this verification in strict compliance with the ISS Group Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behavior and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS Group.

About this SPO

Companies turn to ISS-Corporate for expertise in designing and managing governance, compensation, sustainability and cyber risk programs that align with company goals, reduce risk and manage the needs of a diverse shareholder base by delivering best-in-class data, tools and advisory services.

ISS-Corporate assesses alignment with external principles (e.g., the Green/Social Bond Principles), analyzes the sustainability quality of the assets and reviews the sustainability performance of the Issuer itself. Following these three steps, we draw up an independent SPO so investors are as well-informed as possible about the quality of the bond/loan from a sustainability perspective.

Please visit ISS-Corporate's [website](#) to learn more about our services for bond issuers.

For more information on SPO services, please contact SPOsales@iss-corporate.com.

Project team

Project lead

Claudia Muñoz Carmona
Senior Associate
Sustainable Finance Research

Project support

Margherita Goetze-von Heyking
Analyst
Sustainable Finance Research

Project supervision

Adams Wong
Vice President
Head of Sustainable Finance
Research