



ESG Strategy Stedin Group

We stand by our word

July 2025

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Foreword, Board of Management

Stedin is working towards an environment filled with new energy for our and future generations.

The best way Stedin can contribute to this is to expand our electricity grid as best and as quickly as we can. The sooner we do that, the sooner businesses and individuals in our service area can use more clean energy. However, building the energy system of the future involves unsustainable actions, such as nitrogen emissions and the use of several plastics, copper, aluminium and other metals. That poses a dilemma – one of many.

The low-hanging fruit have now largely been picked. We increasingly face trade-offs between options where one is not clearly better than the other. An emergency generator may ease the pain of congestion locally, but it also creates more CO₂ emissions. Which interest takes precedence?

We believe it is important to be transparent about the choices we make. One key consideration in this regard is what we call broad prosperity, i.e. considering the impact on quality of life in a broad sense in our decision-making.

To understand the impact of decisions, you need to be able to measure them and report on them. The methodology used to measure biodiversity that we helped develop and the validation of our targets by the Science Based Target initiative (SBTi) are significant recent achievements in this.

In this document, you will read about Stedin's vision, strategy and goals to make our operations far more sustainable between now and 2030. These are based on sound feasibility studies. We find that new insights regularly arise out of new standards, political decisions or changing ambitions. That is why, eighteen months after publishing our first ESG strategy, we are now releasing an updated version. In the coming years, we will continue to keep an eye on all relevant developments and remain transparent about the adjustments we make based on evolving insights.

But above all, we are working hard to achieve a more sustainable energy balance. For generations today and tomorrow.

Trudy Onland, on behalf of
the Board of Management
of Stedin Group.
July 2025



About this document

Review

This document is an update of the ESG Strategy we published in January 2024. The fact that we are releasing an update after only eighteen months reflects the stage we are in with regard to *Environment* monitoring and reporting. The entire sector is still exploring reliable methods, leading to rapidly developing insights.

Some of those new insights were derived from our [Annual Report 2024](#) – in which we reported in line with the Corporate Sustainability Reporting Directive (CSRD) for the first time – from the internal governance we set up for ESG and from the update to the Double Materiality Analysis.

This document sets out Stedin’s vision, strategy and multi-year objectives in Environment, Social and Governance (ESG). The Environment chapter provides more detailed explanations to reflect the continuing development of the field. We therefore feel the need to outline how, with today’s knowledge and assumptions, we arrived at the trade-offs and objectives that we have. It is possible that new insights, assumptions and methods may lead to different outcomes in the future.

Over the following pages, we share our vision and strategy, devoting a chapter to each of the five material themes. In doing so, we clarify the adjustments we have made from the earlier version of the ESG strategy.



ESG vision: our responsibility for our living environment

Stedin is working towards an environment filled with new energy for our and future generations. Every day, we strive to ensure grid access for all. By speeding up construction, improving grid efficiency and ensuring high-quality management, we are helping to drive the Netherlands' sustainability efforts. But a living environment filled with new energy goes much further than that. Energy is what we supply – in every sense of the word.

- Energy to build the sustainable grid of the future
- Energy to work with us in a safe and supportive environment
- Energy to work with us honestly and transparently

This is something we are doing together with our employees, who feel that they can and should work hard for our living environment.



Environment: green & sustainable

Climate action is needed now. The earth is getting warmer and people around the world are suffering from the effects. Biodiversity is under pressure and the planet is being depleted by excessive resource use. To create a living environment filled with new energy for our generations and the ones to come, Stedin, as a regional grid manager, is adapting grids at full speed to make the Netherlands more sustainable. We are doing this by speeding up construction, managing the grid more efficiently and making the best use of it, with consideration for our environment.

Accelerating the energy transition goes hand in hand with building, managing and using energy capacity responsibly. Sometimes this creates dilemmas. For example, the positive impact of working faster can conflict with the negative impact that our operations have on the environment. We make difficult trade-offs on this with our colleagues and stakeholders. Our guiding principle is that positive impact over time should always outweigh the temporary negative impact of our operations. If the trade-off is far too disproportionate, then we will work together to find a truly sustainable solution.

Stedin's promises:

- Our own operations run on green energy.
- We use circular materials as much as possible.
- We waste as little energy and materials as possible.
- We are actively committed to reducing our negative impact on biodiversity.
- Our assets are prepared for the effects of climate change, such as extreme rainfall and heat.

That is how we are building, using and managing the grid for a green and sustainable living environment.





Social: safe & inclusive

Stedin wants to reflect the world we work in, so that our workforce reflects the diversity in society. This is based on a deeply held belief that diversity and inclusion are essential to the long-term health of an organisation. We offer a workplace where everyone can be themselves – all valued and treated equally. Employees are given the space they need to keep on developing and we focus heavily on sustainable employability. Providing a safe and supportive working environment for our employees is always paramount.

Stedin's promises:

- We provide a workplace where everyone can be themselves.
- Working safely is always our top priority. Not only for our own employees, but also for everyone who works for or with us.
- We put every effort into helping our employees grow and look after their physical and mental fitness.

That is how we are building, utilise and managing the grid safely and inclusively.

Governance: integrity and transparency, with consideration for the value chain

Stedin operates with integrity and transparency. By doing so, we build trust in the company. At the same time, we highlight changes needed to legislation and regulations, so the law evolves in line with our societal responsibilities. We see the company as a long-term partnership of various stakeholders who can play multiple roles, whether shareholder, legislator, licensing authority, supplier or customer. In managing and overseeing the company, we carefully weigh the interests of these stakeholders.

Stedin also takes responsibility for operating in a fair and sustainable manner. We want to prevent our solutions in the Netherlands from creating problems elsewhere in the world. And we want to help tackle the problems that already exist, wherever possible; this is also an important condition for our cooperation with chain partners.

Stedin's promises:

- We operate with integrity and transparency, and we communicate about this both within and outside the organisation.
- Together with our stakeholders, we are working on creating sustainable value in the long term.
- We identify the potential impact of our operations in the value chain and assess our influence on them.
- We improve parts of the value chain where we have influence and can make an impact.
- We involve customers and local residents in projects with a high impact on their area.

That is how we are building, utilising and managing the grid with integrity, transparency and honesty.

ESG strategy: ambitious, responsible and transparent






Stedin's ESG strategy towards 2030 is divided into five themes. Besides Good Employment Practices (*Social*) and Good Governance (*Governance*), there are three other themes, which all fall under *Environment*: Climate Mitigation, Circular Material Use and Biodiversity in the Value Chain. These themes were determined using a dual materiality analysis, which considers the impact on and by the company.

We have therefore opted to focus our strategy on areas where we can make the most impact – not because it is easy, but because it is necessary. We are happy to assume our responsibility.

Our starting point is to focus on what is essential for society and the climate. We have therefore aligned our CO₂ targets with the Paris Climate Agreement,

which has encouraged us to set ambitious goals. We know that not achieving them is a possibility in some cases. But if we resign ourselves to that now, we will definitely not achieve them. When we fail to meet a target, we are transparent about it and explain why.

We believe that this combination of responsibility, ambition and transparency leads to the greatest possible positive impact on society and the climate.

Environment			Social	Governance
Climate change mitigation	Circularity	Biodiversity	Good employment practices	Business ethics, integrity and sound management
 <p>Reduction of 42,69% compared to 2021</p>	 <p>Reduce growth of abiotic primary raw materials by 40% compared to 2022</p>	 <p>Reduce growth of negative impact by 7% compared to 2023</p>	 <p>Continuously engaged employees and safe working conditions</p>	 <p>Integrity, transparency and compliance with laws and regulations</p>

Our Living Environment (Environment)



We cannot escape the fact that our work results in negative impacts on the environment, both directly and in our value chain. What we can do, however, is strive to make the impact of the choices we make less negative or even beneficial. The frameworks for this can be found in the Dutch government's goals on CO₂ and circularity, and legislation on nature protection, such as the Nature Restoration Law (Natuurherstelwet).

Material themes

In 2024, Stedin updated its materiality analysis, in which three themes under Environment were still found to be highly relevant. In this chapter, we explain these three themes in more detail, using targets, methods and discussion points:

1. Climate Mitigation: reducing CO₂ emission
2. Circular Material Use: limiting growth of abiotic primary raw materials
3. Biodiversity in the Value Chain: limiting the growth of negative impact





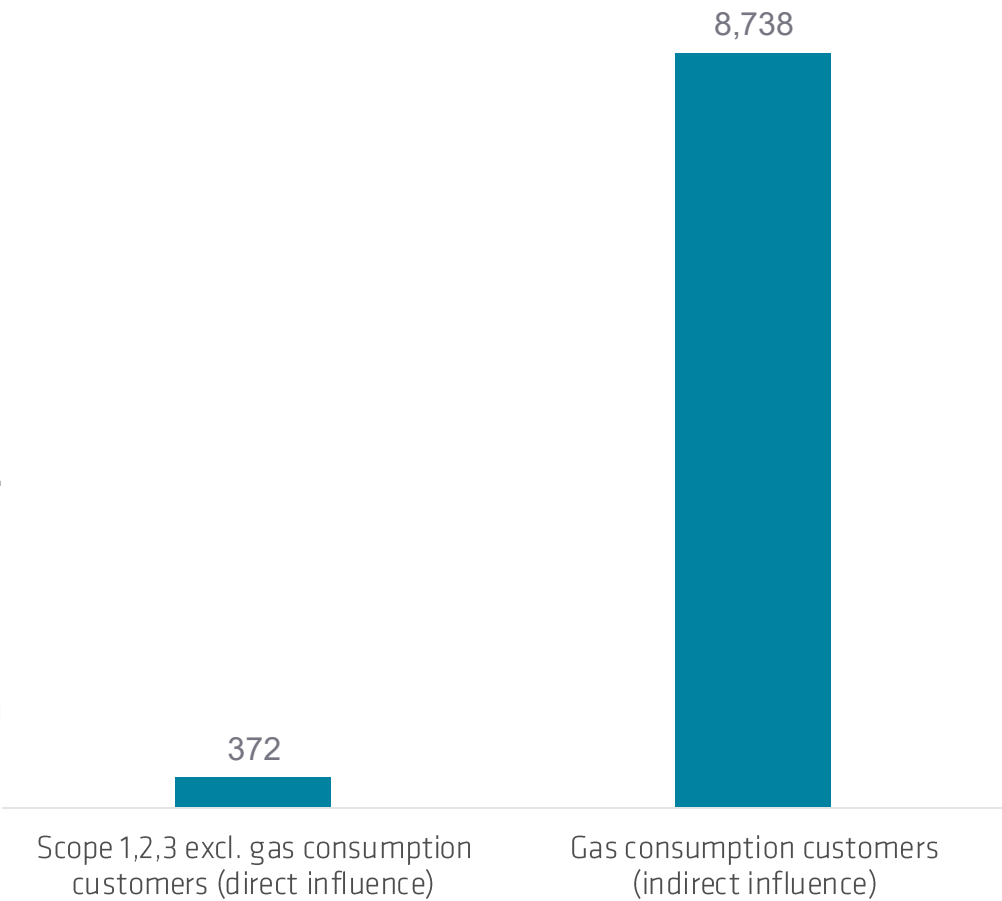
Climate Change Mitigation

Stedin aims to reduce its CO₂ emissions in line with the 2015 Paris Climate Agreement targets. We therefore have our targets validated, by committing to *the Corporate Net-Zero Standard of the Science Based Target initiative (SBTi)*. After an extensive preliminary process, we received their scientific validation in June 2025. This confirms that the ambitions we have and are driving are in line with the Climate Agreement. Our ambition is to achieve a 90% reduction in CO₂ emissions by 2050, compared to the base year 2021. A key interim milestone is to reduce the emissions by 42.69% by 2030 compared with 2021.

Significant impact on gas consumption customers

Stedin has consciously chosen to include the CO₂ emissions associated with our customers' consumption of natural gas in its CO₂ footprint. The trend of emissions from natural gas consumption is a clear indicator of the speed of the energy transition. The better we can facilitate customers to switch to electricity or other renewable energy sources, the faster we can reduce our CO₂ footprint. At the same time, we realise that Stedin has limited direct influence here. It is ultimately up to customers whether they switch to sources other than natural gas or adjust their consumption and when. Our direct impact on reducing the overall CO₂ footprint is therefore limited to about 4% of the total (scope 1, 2 and 3, excluding gas transport). While this may seem like a major imbalance, we firmly believe that this approach is the right way to understand and maximise the positive impact we can have as a company.

Stedin CO₂ footprint in 2021
in Ktonnes_{of CO2-eq.}





The dilemma of natural gas transmission

We aim to achieve at least a 44% reduction in CO₂ for the part of the footprint caused by gas transportation. However, because we are legally required to transport gas, we have limited influence on reducing its emissions.

Currently, trends in gas consumption by our customers do not suggest we are achieving the required decrease. The Netherlands Environmental Assessment Agency (^{Planbureau voor de Leefomgeving}) states in the Climate and Energy Outlook 2024¹ that natural gas consumption is expected to be about 30% lower in 2030. We are aware that we are very unlikely to meet this target.

Nevertheless, we stand by our endorsement of the National Climate Agreement and are working on measures to reverse the trend. The more effectively and rapidly we perform our core responsibilities – such as expanding electricity grids and facilitating the feed-in of green gas – the sooner customers can move away from natural gas. This also gives us an incentive to be even more proactive in encouraging customers to use less gas.

There is no denying that we also need help from everyone who can make an impact on this, such as companies insulating their premises and individuals switching to sustainable alternatives, such as electric cooking and a (hybrid) heat pump.

We expect gas demand to decrease by 2030. Moreover, the aim is to feed much more green gas into the gas grid by 2030, which will mean an additional reduction in CO₂ emissions. How far that decline will be, time will tell.



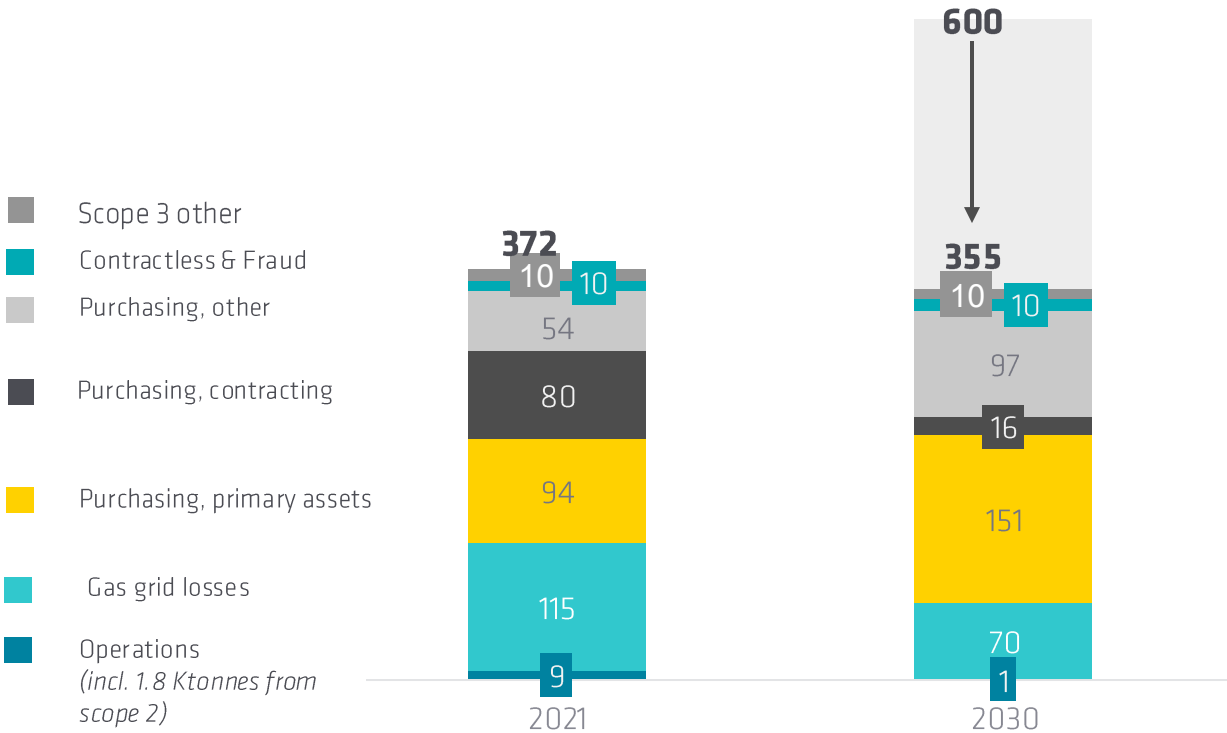


Operational footprint

The rest of this chapter focuses on the part that we do have direct influence over: our operational footprint. If we did not take any additional measures, this would rise to 600 Ktonnes in 2030, owing to our increasing construction operations. However, thanks to the measures we have planned, we will not only manage to prevent that increase, but even achieve a decrease to 355 Ktonnes, even with the increase in construction work.

The diagram opposite shows where we want to achieve that decrease. The following pages detail the plans we have developed to achieve this reduction, arranged by the three scopes that constitute our operational footprint.

Stedin_{CO2} footprint excl. gas transmission
in tonnes CO₂-eq.





Scope 1: direct emissions

Scope 1 includes Stedin’s direct emissions. These are the emissions from our own operations, such as mobility, gas consumption in buildings, the release of SF₆ insulating gas in switchgear installations and gas grid losses. We have a great deal of influence over the reduction of these direct emissions. Our goal is to reduce these scope 1 emissions by at least 42.69%.

For emissions from our own operations, excluding gas losses, we are aiming for a reduction of almost 90%, as shown in the diagram opposite. To this end, we will have electrified our last remaining company cars by 2024. Company vans and heavier vehicles are also gradually being electrified.

Emissions from commuting and business travel are difficult to reduce further because they are already very low. Stedin has had a sound public transport policy for years and given our national focus on the Netherlands, very rarely is any air travel involved. Annual maintenance plans are drawn up for our buildings, which the reduction of electricity, gas and heat consumption form an integral part of. Necessary investments are constantly weighed against the intended impact. We also take this into account in new buildings; for example, our new distribution centre was built in accordance with BREEAM¹.

The remaining emissions from generators and SF₆ leakage (an insulation gas with a very high CO₂ equivalent value) are already so low that we are not taking any further action against them. We are simultaneously ensuring that these emissions do not increase given our growing construction workload.

Emissions from our own operations in Ktonnes of CO₂-eq.
excl. gas grid losses

	2021	Target for 2030
Mobility	5.8	~0
Buildings	0.7	~0.7
SF ₆ leaks	0.5	0.5
Generator units	0.2	0.2
Total	7.2	Max. 1

¹ BREAM = Building Research Establishment Environmental Assessment Method is the world's leading method for assessing the sustainability of projects in the built environment. BREEAM-NL certification goes beyond the statutory requirement and is therefore a voluntary choice made by the customer. See <https://richtlijn.breem.nl/11-wat-is-breem-281>



Gas grid losses

Reducing gas grid losses, methane from physical leaks and CO₂ from burnt gas caused by measurement errors is challenging in light of the trend in gas demand. Nevertheless, we believe that a reduction of at least 38% by 2030 is within reach. The biggest reduction will come from implementing the new Methane Regulation, which requires us to invest more time in looking for gas leaks and repairing them more quickly. In addition, brittle pipelines are being replaced.

Besides physical gas leaks, measurement errors also occur; these are administrative gas grid losses, largely determined by how much gas we transport. The challenges we are seeing here are due to the amount of gas transported not falling as much as agreed in the Climate Agreement. We will therefore look for additional ways to still meet the target for reducing these administrative losses.

Purchasing green gas through Guarantees of Origin could provide a solution to this. Currently, there is insufficient supply of green gas in the market. By entering that market as a new, large participant, we would capture 10% of the market if we switched to 100% green gas, which could lead to significant price increases for other market participants. We will therefore be embarking on this cautiously and expect a larger supply because of our

blending obligation in 2030. To increase the supply of green gas, we are going to make it easier to connect green gas providers.

Because there are more suppliers, we can also buy more green gas to cover our gas grid losses. Assuming we keep pace with market growth, around 8% of our gas grid losses will be purchased as green gas by 2030.





Scope 2: indirect emissions

Scope 2 includes emissions indirectly associated with Stedin. These are from the electricity and heating that Stedin purchases for its buildings, mobility and grid losses. The target for this is a 100% reduction by 2030 compared with 2021.

Emissions for buildings and mobility are already very low, and thanks to energy-saving measures and the purchase of green electricity, they will fall to almost 0 by 2030.

Emissions from grid losses were effectively zero in our base year 2021, as we fully offset our electricity grid losses by purchasing green energy backed by Guarantees of Origin and a Power Purchase Agreement, which we use to directly import green energy from an Eneco wind farm.

Scope 3: reducing emissions from increased purchasing

The energy transition entails growing purchasing expenses for Stedin, which we expect to be twice as high in 2030 as in 2021. We estimate that without additional measures, CO₂ emissions from this source will double by 2030. With additional measures, however, we expect to reduce that by 40% by 2030.

Because of the uncertainty of the level of these investments, we use an intensity target. This means that we focus on reducing CO₂ per unit, e.g. per euro spent and adjusted for inflation. This objective is therefore detached from our growth target.

We will first achieve this objective by taking action towards circular material use, which we explain more about in the next chapter. We particularly see opportunities in the purchasing of biotic and circular materials, such as cables and transformers under the primary assets category.

We are also committed to reducing contractors' emissions on our projects. The target for this is a 90% reduction by 2030 compared with 2021, again taking into account the growth of our construction operations.



Emissions from contractors are caused by fuel burned by construction equipment and the use of concrete and steel, for example, which release a large amount of CO₂ during production. We have contractually set out transition paths towards reduced CO₂ emissions with several contractors. This transition mainly involves using HVO100, a fuel made from recycled vegetable oil, which emits about 90% less CO₂ than diesel.

In addition, some equipment that our contractors use is zero-emission. Together with more sustainable materials they are procuring and supplying themselves for the construction of our high-voltage stations, such as circular concrete, this should provide a significant reduction.

For the 'Purchasing, other' category, Stedin aims to reduce CO₂ emissions by including CO₂ reduction criteria in the purchasing process. This approach encourages suppliers to reduce CO₂ emissions in their mobility solutions and make their premises more sustainable, for example. In addition, Stedin is talking to other parties to explore how we can reduce CO₂ emissions further from their purchasing under 'Purchasing, other'.





Our CO₂ reduction ambitions over the coming years

		2021	2026	2027	2028	2029	2030
Own operations	Percentage	-	-31%	-34%	-47%	-62%	-81%
	Annual CO ₂ budget in Ktonnes of ₂ -eq.	7	5	5	4	3	1
Grid loss gas	Percentage	-	-29%	-30%	-33%	-36%	-39%
	Annual CO ₂ budget in Ktonnes of ₂ -eq.	115	82	81	77	74	70
Procurement of primary assets	Percentage*	-	-2% ¹	-4% ¹	-6% ¹	-9% ¹	-12% ¹
	Annual CO ₂ budget in Ktonnes of ₂ -eq.	94	124	132	140	146	151
Procurement, contracting	Percentage*	-	-55% ¹	-70% ¹	-80% ¹	-85% ¹	-90% ¹
	Annual CO ₂ budget in Ktonnes of ₂ -eq.	80	51	37	27	22	16
Procurement, other	Percentage*	-	-4% ¹	-8% ¹	-15% ¹	-22% ¹	-30% ¹
	Annual CO ₂ budget in Ktonnes of ₂ -eq.	54	72	77	78	78	97
Natural gas transmission	Percentage	-	-33%	-37%	-41%	-45% ²	-44% ²
	Annual CO ₂ budget in Ktonnes of ₂ -eq.	8,738	5,861	5,547	5,188	4,780 ²	4,866 ²
Total	Percentage	-	-26%	-35%	-39%	-44%	-42.69%
	Annual CO ₂ budget in Ktonnes of ₂ -eq.	9,110	6,219	5,902	5,536	5,124	5,221

¹ These are relative targets where emissions still increase but at a slower rate than the growth of our workload (which is 100% in 2030, assumed to be linear from 2021 to 2030).

² The reduction in natural gas transport will decrease in 2030. This is because the reduction path towards 2029 is aimed at the National Climate Agreement, while 2030 is in line with the minimum SBTi requirement.



Circularity

Circularity can be roughly measured in two ways: inflow and outflow. Stedin emphasises the reduction of inflows, mainly by sourcing products that contain as little new and as many recycled raw materials as possible.

The focus is therefore on the front end of the process, but we are also monitoring the rest of the cycle to see where we can use raw materials as efficiently as possible. To this end, Stedin applies a circularity hierarchy based on the R ladder. The key circular strategies we apply are:

1. Using less material per installed asset (more efficient design with the same functionality)
2. Replacing primary raw materials with recycled ones
3. Replacing abiotic raw materials, such as fossil oil and metals, with bio-based alternatives
4. Extending life by redeploying (refurbished) assets to a new location.

In 2024, we commissioned Bearingpoint to carry out an external validation of our circularity policy. The lessons from this have been integrated into this strategy and assigned to the relevant departments.

Using and making assets smarter	Refuse	Remove the need to use a product by eliminating the reason for it or using a radically different product to provide the same function
	Rethink	Consider sharing products or making products multifunctional
	Reduce	Make products more efficient to use or manufacture, e.g. by using fewer or less environmentally damaging raw materials
Extending the life of assets and components	Reuse	Reuse a product for the same function at another location in the energy grid.
	Repair	Repair and maintain a product recovered from a return stream for use in its original function
	Refurbish	Recondition a product by adding, replacing, cleaning and/or updating parts
	Remanufacture	Use parts of a product to make a new product with the same function
	Repurpose	Use a discarded product or parts of it in a new product with different function
Processing waste streams	Recycle	Process materials into raw materials of the same (high-grade) or lower (low-grade) quality than the original raw material
	Recovery	Incinerate materials using energy recovery.
	Residual	Send resources for disposal without recovering any materials.



Inflow target

Stedin supports the Dutch government's ambition to be fully circular by 2050, as set out in the National Circular Economy Programme ([Nationaal Programma Circulaire Economie](#)). The target is to reduce the growth of primary abiotic raw materials in 2030 with 40% than in the base year 2022. This is an intensity target, given the growth of our operations. In 2022, material use was around 23 Ktonnes. Of this, approximately 12 Ktonnes consisted of network and supporting components, of which around 1 Kton was recycled material. We are not including this portion in the target. Therefore, we are calculating our growth relative to roughly 22 kilotons of primary abiotic material in 2022.

This target allows us to account not only for the quantity of recycled material within an asset, but also for bio-based raw materials and assets that are reused or designed for efficiency. We are aware that we cannot achieve an absolute reduction in our material inflow, due to the growth needed in our operations.

Based on our current plans and measures, we expect to use 33% less abiotic, primary resources per asset by 2030. We are exploring new opportunities to reach 40%.

Inflow measures

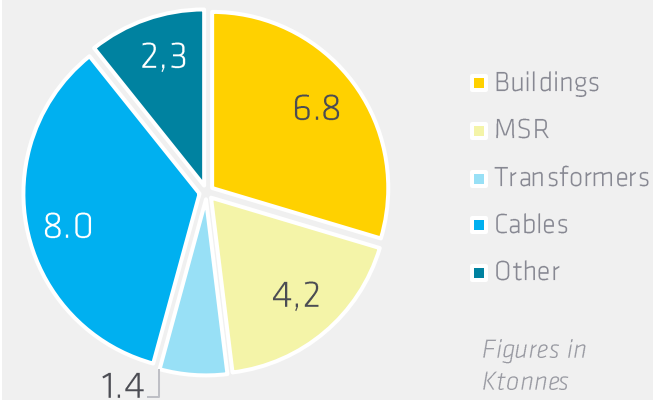
We are working together with suppliers to identify opportunities to improve

the circularity of our assets. The measures we are currently working on are:

- Using bio-based plastics in our cables
- Using circular concrete in our stations
- Using recycled copper in our transformers
- Using recycled or bio-based oil in our transformers.

In addition to these measures, we are exploring innovative solutions. It is important to take account of what impact sustainable measures can have on asset performance. One example is the use of recycled aluminium in cables, which reduces the conductivity of cables, resulting in more energy being lost than with cables made of primary aluminium.

In total about **23 Ktonnes**, of which:



What does the base year consist of?

- **Network components**, such as cables and transformers containing copper, aluminium and plastics (under *Transformers and Cables*)
- **Supporting components**, such as smart meters (under *Other*)
- **Building materials**, such as concrete and steel used in the buildings where network components converge (under *Buildings and MSR*)



Outflow target

In 2022, we generated just over 10 Ktonnes of material that we could no longer use for its original (primary) function, of which we were still able to reuse as much as 69% by recycling the raw materials contained in the material or by repurposing a used asset. The remaining 31%, unfortunately, had to be incinerated or is residual.

Redeployment

Stedin has had a redeployment programme in place for years. Assets that are decommissioned at one location are brought to the new distribution centre, where they are refurbished or remanufactured so that they can be used elsewhere in the energy grid. This prevents crucial assets from being lost in waste disposal and reduces the need to procure new assets. This programme has so far seen the most success for distribution transformers and medium-voltage units.

Recycling

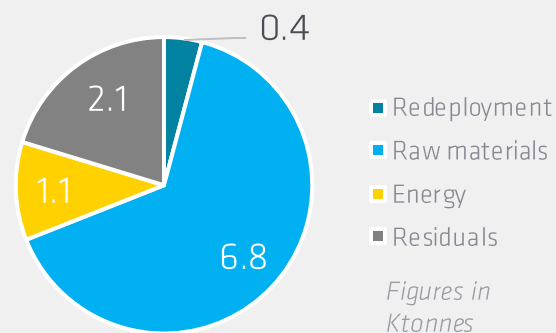
Recycling involves processing materials in our outflow into a raw material of the same or slightly lower quality. In this way, we prevent important raw materials such as steel, iron, rubble and plastics from being disposed of and incinerated.

Residuals

Residuals are materials that a useful application can no longer be found for and cannot be incinerated for energy recovery either. These materials, primarily asbestos and asphalt, are sent to landfill. Given the types of outflow materials vary greatly from year to year, we have two guiding targets:

1. The first focuses on material circularity, aimed at reuse and recycling. Our goal is to **increase circularity to 82% by 2030**, a 13% improvement on 2022.
2. The second focuses on reducing residuals. For this, our target is for **residuals to comprise less than 10% of our outflow in 2030**, an 10% decrease compared to 2022.

In total about **10 Ktonnes**, of which:



Base year 2022

This diagram shows the ratios between different types of outflow. About two-thirds are recovered by our processors and can be used in new products. These materials include copper, aluminium, plastics, concrete, etc.



Together with suppliers, we are exploring opportunities to incorporate some raw materials into **closed cycles**, e.g. steel, copper and aluminium that can be recovered from our own processed assets and built into new assets.

Outflow measures

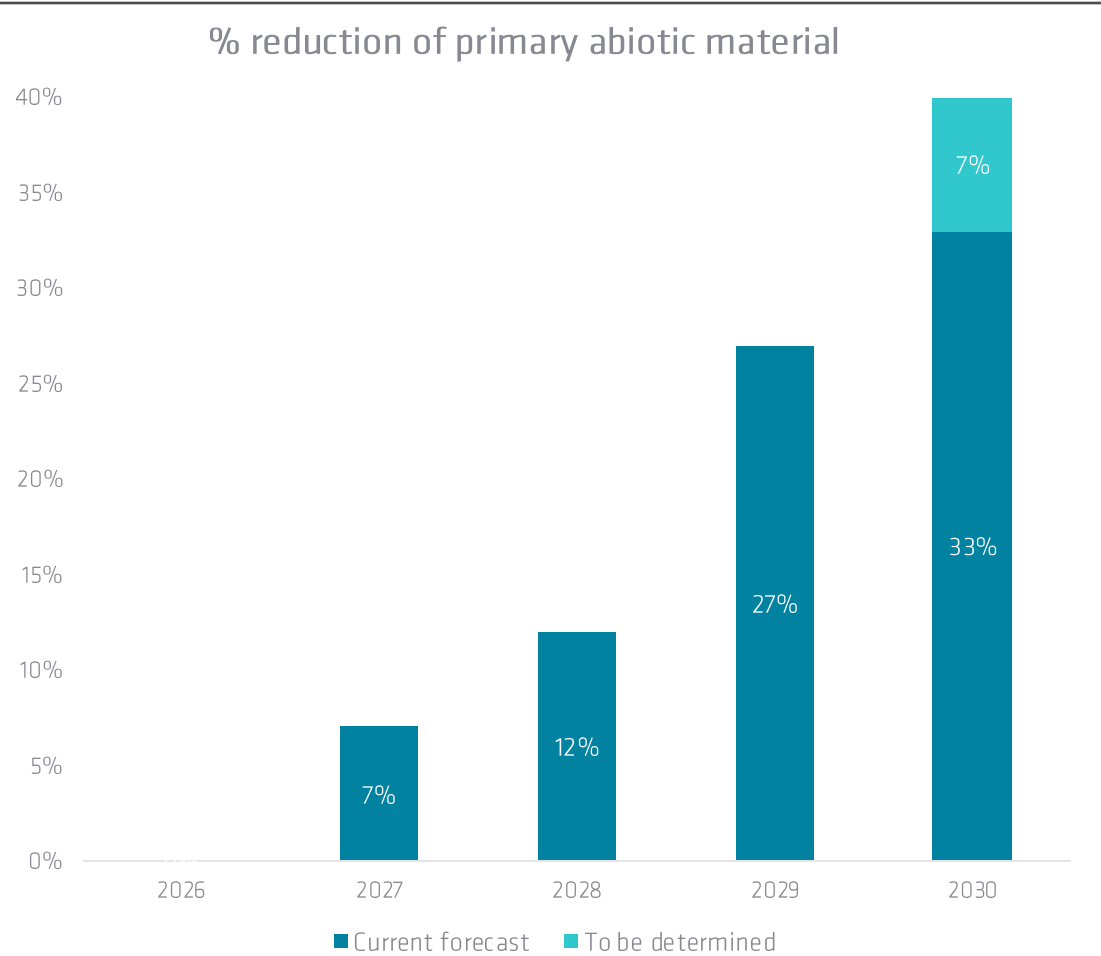
While it is difficult to predict the impact of specific measures on the overall KPI, we are nonetheless taking the following steps:

- Developing our redeployment policy even further
- Using repurposed assets before new ones
- Improving order and return processes to prevent over-ordering products or to use them elsewhere
- Designing assets to be modular and circular
- Safely removing asbestos pipes and processing them into raw materials
- Collaborating with existing and potential processors (e.g. on reducing soil and rubble).

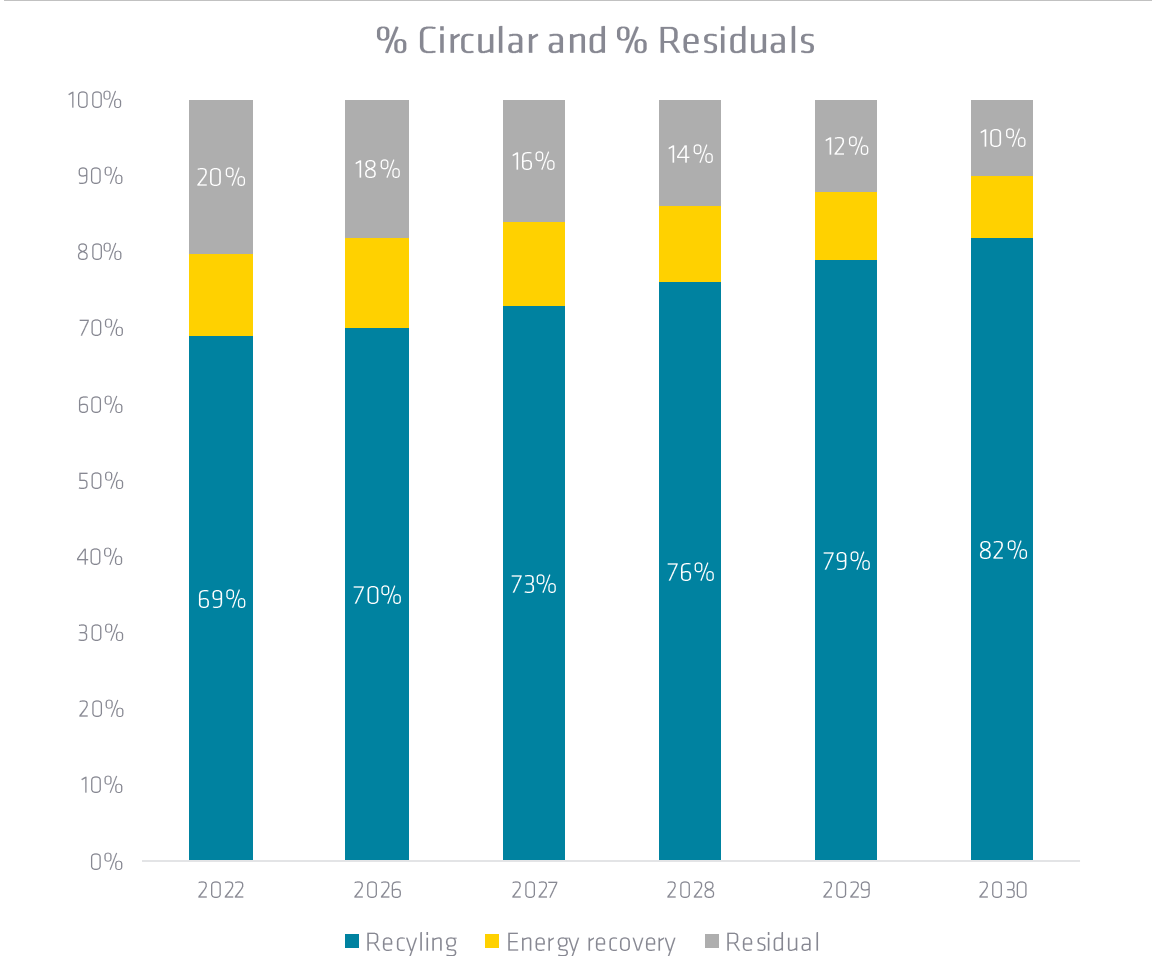


Circularity roadmap

Inflow



Outflow





Biodiversity

Stedin's third strategic theme is biodiversity. The vast majority of our impact on biodiversity is in the supply chain: 92%. The impact on our own sites, totalling some 79 hectares, is 2%. The remaining 6% is caused by gas leaks and our fuel consumption. Because of the high impact, we are focusing our actions on the supply chain. At the same time, as a local social enterprise, we also look at the biodiversity of our own sites.

Value chain measurement method

To gain a better understanding of Stedin's negative impact in the supply chain, we worked with Bearingpoint in 2024 to develop a measurement method based on Mean Species Abundance (MSA). This gives an indication of the natural species richness of a given area (km²) within a year, where 1 MSA is completely natural (e.g. a primary forest) and 0 MSA is completely unnatural (e.g. an asphalt car park).

We calculate this impact based on data from Life Cycle Analysis (LCA) studies for raw materials or fuel occurring in our supply chain. In this way, it is possible to calculate Stedin's annual biodiversity footprint.

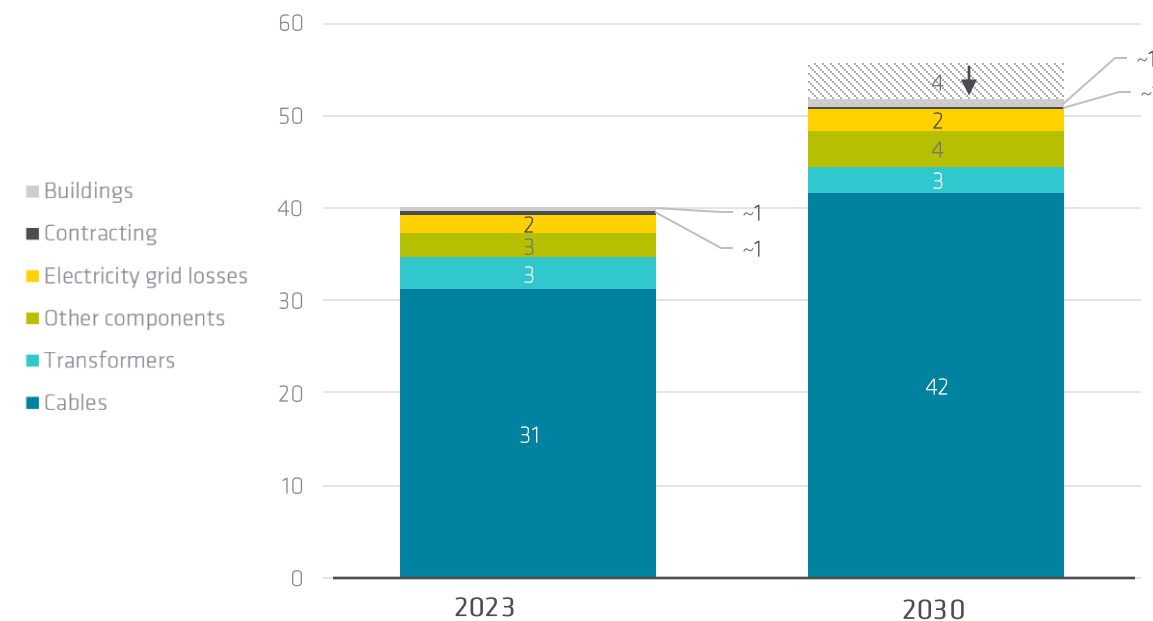
Biodiversity footprint in the value chain

The footprint was mapped for the main purchasing categories: contractor services, network components and electricity grid losses.

The total biodiversity footprint in the base year of 2023 was around 44 MSA.km².year. This includes our own operations and land use, but excludes

the gas use by our customers. This outcome confirms that biodiversity is rightly a material issue and that we must actively work to reduce our impact on biodiversity loss.

Biodiversity footprint in the value chain (MSA.km².year)





Supply chain target

The biodiversity footprint of our supply chain in our base year of 2023 was circa 40 MSA.km².year. If we fail to take any measures, we expect our negative impact on biodiversity in the value chain to be almost 40% greater in 2030. This is attributable to the impact of increasing demand for electricity, which requires us to greatly expand our assets, with consequences in negative impact. By taking measures, we expect to limit this growth in negative impact by approximately 4 MSA.km².year (7%) by 2030.

Supply chain measures

We are able to achieve this goal as the measures under the other two themes of our Environment strategy also support us in achieving our biodiversity objective.

- 1. Circularity:** Reducing the use of primary abiotic raw materials reduces the impact on biodiversity around mines where they are extracted. We are doing this mainly by using more recycled raw materials in the composition of the products we buy.
- 2. Climate Mitigation:** Reducing CO₂ emissions from our contractors' services reduces the warming of ecosystems, making them better able to survive. We are doing this mainly by requiring our contractors to use sustainable fuels (recycled HVO100) in their equipment.

In the measures we take to meet our CO₂ and Circularity targets, we also weigh up the impact on biodiversity.



Although **copper** only makes up about 1/5th of the total weight of material purchased, it account for more than half of the biodiversity impact.



Own sites

While the impact of biodiversity on our own sites is relatively minor in the context of our overall objectives, we value a biodiverse living environment and are committed to doing what we can. That is why we signed the [nature-inclusive infrastructure sector agreement](#) in June 2025, committing to collaborate with other infrastructure stakeholders on management, construction and measurement method policies.

In line with this sector agreement, we aim to achieve a net positive impact on our new high-voltage stations by 2030, making them more biodiverse than they were before. We are doing this by engaging an ecologist to assess a station site for the conditions needed for biodiversity to flourish there, such as the availability of food, safety, and opportunities for reproduction for plant and animal species native to that environment. We take measurements before and after the construction of a new station, so we know whether the advice has actually led to a more biodiverse site.

Moreover, construction criteria on nature-inclusive construction have been drawn up for our new high-voltage stations. These criteria set out the biodiversity measures that can be taken at and around new high-voltage units, such as shrubbery, green roofs and nesting boxes.

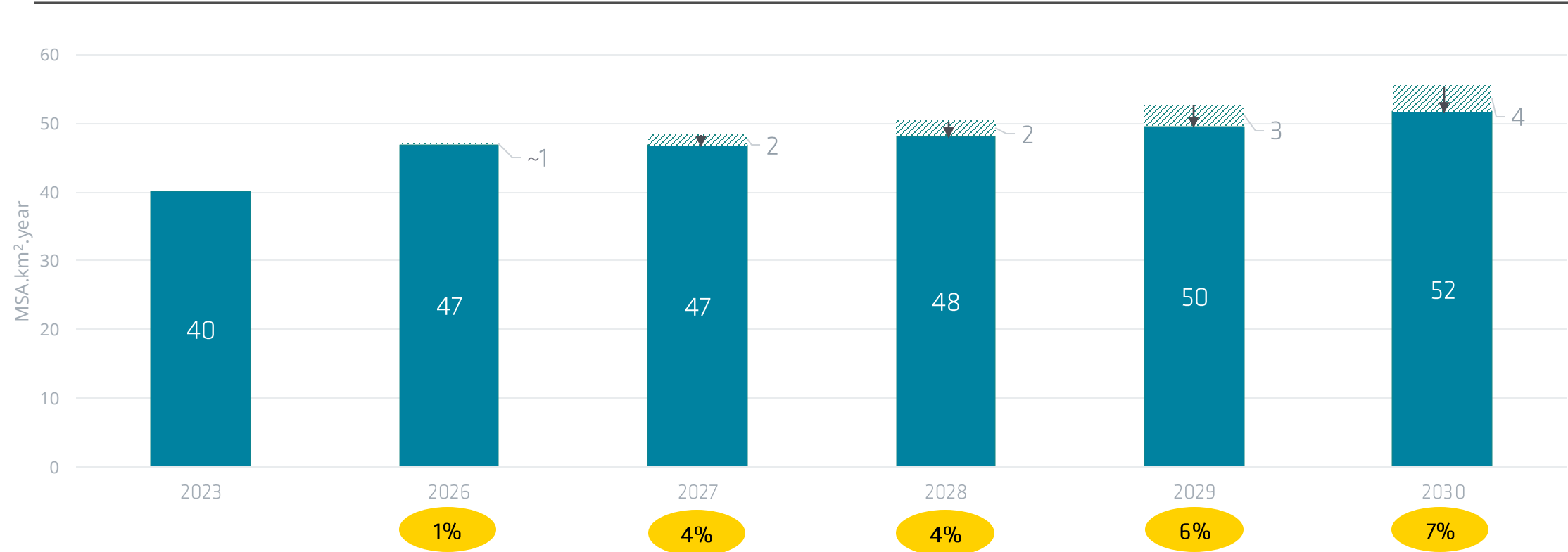
Since 2025, our landscaping has been done ecologically. This means that Stedin no longer uses chemical pesticides, uses irregular mowing patterns according to the [Kleurkeur](#) method and uses electric equipment.





Biodiversity roadmap

Biodiversity footprint in the value chain (MSA.km².year), incl. relative reduction rates



Good Employment Practices (Social)



The rapidly growing work package and changing environment require agility from the organisation and from our employees. Building on a solid foundation as an employer, Stedin continues to grow, ensuring that our employees are ready for what is asked of them now and in the future.

Material themes

Stedin updated its dual materiality analysis in 2024. The strategic themes around good employment practices were still found to be important; a roadmap has now been added for that purpose. On the following pages, we elaborate on the material themes:

1. Training, Learning and Development
2. Health and safety
3. Diversity and Inclusion

We offer our employees a safe and inclusive working environment, encouraging them to take ownership of their own development and sustainable employability. Stedin has a good reputation as an employer, evidenced among other things by its high score on the eNPS, the employee Net Promoter Score. Our objective is to maintain an eNPS score of at least 23 in the coming years – ten points higher than the average score of Dutch companies in 2024.

Maintaining safe working conditions is being measured through the Recordable Incident Frequency (RIF) and Lost Time Injury Rate (LTIR). We aim to keep RIF below 0.8 and LTIR below 1.0.

To accomplish all the work ahead, we will recruit a significant number of new employees, while existing colleagues transition into different or newly created roles. This will have an impact on our employability, on the culture of the organisation and on our employees.

That is why we focus on maintaining our high safety standards, strengthening our culture of learning and development, and building on the steps we have taken on diversity and inclusion.





Training, Learning and Development



Strengthening our culture of learning and development

Working on the energy transition requires a great deal from our employees – not only in carrying out their duties but also in adapting to the ongoing changes within their working environment. To support them in this, we are fostering a strong learning and development culture in which our employees continue to develop in response to evolving strategic challenges and managers regularly communicate with their employees about development. This is supported by a learning programme that matches the future skills required and the needs of our people and organisation. It is what keeps us all agile.

To form a unified approach to the increase in development requests, we are setting up the Stedin Academy. As a basis for this, we have formulated learning and development vision that reflects the ambitions and goals set out above.

We also design appropriate learning initiatives at the right time. We analyse long-term developments related to our organisational goals, identify future skills and support this with appropriate and timely learning. These initiatives focus on both technical and non-technical skills, in alignment with Stedin's culture and strategy.



Health and safety

There is a lot of work coming our way in the coming years. That challenge comes with change, which will demand a lot from our colleagues – both physically and mentally. We believe it is important for employees to take charge of their own employability, with strong backing from the organisation and their managers. We are committed to keeping our sickness absence rates at least stable, moving towards increased ownership. Our focus is on awareness and behaviour, as we believe behaving safely underpins a healthy and safe working environment.

In the years ahead, we will drive efforts to uphold and improve our safety performance, aiming to minimise accidents, injuries and other impacts on employees, contractors, customers, and the areas we serve.

Increasing safety awareness

We are continuing with our High Reliability Organisation (HRO) programme in tandem with the Safety Culture Ladder (SCL 2.0). The principles and behavioural principles of an HRO provide us with a basis for dealing with safety risks appropriately. The whole organisation is involved because safety outside starts inside. We use certification according to the Safety Ladder as tool for assurance.

Learning from unsafe situations

It is important to learn from accidents, incidents and near misses, so we can prevent unsafe situations in the future. We want to learn from our own actions, but also from our fellow companies and supply chain partners. We take the initiative in this area ourselves and support initiatives in this field in our own industry and beyond.

Clear basis

Many of our procedures for working safely are set out, so they are clear, understandable and consistent. We strive to make working safely ever easier, both with the safety equipment available and the agreements laid down in policies, procedures and instructions. This basis for safe working must be kept up to date and in good order.

A safe and supportive working environment

Stedin strives to create a working environment where employees can be themselves in the workplace, treat each other with respect, are allowed to make mistakes, feel able to give each other feedback and to speak to each other about (even unintentional) inappropriate behaviour; we call this a safe and supportive working environment. In the coming years, we will help employees' boost their awareness and skills to engage in dialogue about this so we can resolve matters amongst ourselves and prevent escalations. Also central to this is improving the experience of employees who report inappropriate behaviour.



Strengthening positive aspects

Stedin makes it possible for employees to live and work in a way that is both fulfilling and effective, now and in the years to come. We are doing this by actively promoting the positive factors that support well-being, make work easier and empower employees as individuals. We implement work environment improvement based on a preventive medical examination baseline measurement (2024).

Proactive absence prevention

Stedin aims to proactively support employees at increased risk of absence for physical or mental health reasons by taking preventive action that promotes their well-being and autonomy through early detection.

Support during absence

Stedin supports employees and managers during absence with effective guidance and supportive interventions. We strive for a culture where shared commitment to well-being is central. We take proactive action to promote recovery and ensure a smooth return to work.

Using data insights and through the active input and involvement of employees and managers in focus groups and the Employee Motivation Survey (EMS), we continuously adjust our policies and monitor them to determine their impact.





Diversity and Inclusion

By 2030, Stedin will be a diverse and inclusive organisation.

We will achieve this by attracting and retaining a diverse workforce that reflects our living environment. This calls for us to commit to equal opportunities, equal treatment and sustainable employability. In doing so, we focus on our own employees as well as our value chain.

Monitoring and steering

We structure monitoring and control in such a way that managers have up-to-date insight into the state of affairs regarding D&I and can take targeted action for improvement on that basis.

Raising awareness and building support

We want to continue efforts to raise awareness of the importance of D&I among a broader group of managers and employees, thereby strengthening organisational support at Stedin.

Phased approach

Making Stedin more diverse and inclusive requires behavioural change. This will be addressed in three overlapping phases over the next few years, as maturity levels vary between departments.

Raising awareness	(2021-2025)
Updating knowledge	(2024-2027)
Embedding routines	(2025-2030)

Employee networks within Stedin



JONG STEDIN



STEDIN PRIDE



F-EMPOWER



NET ANDERS



CULTUREEL STEDIN



Social roadmap

	2026	2028	2030
Training, Learning and Development	<ul style="list-style-type: none">• Foundation laid for ambition. New Stedin Academy building opened as centre for all learning and development• Learning vision and programme to stimulate learning introduced• First steps towards skills-focused learning and development taken with learning pathways and programmes	<ul style="list-style-type: none">• Learning and development is made integral to the employee journey by integrating vision and principles into the performance cycle• Learning and development is tailored by moving towards adaptive learning and improving support for performance	<ul style="list-style-type: none">• There is a strong learning and development culture within Stedin thanks to the Stedin Academy as the centre for learning• Development becomes skills and future-orientated, in line with Stedin's strategy and culture
Physical safety	<ul style="list-style-type: none">• Recordable Incident Frequency (RIF) < 0.8 and Lost Time Injury Rate (LTIR) < 1.0• Level 4 of Measurement Safety Culture Ladder (SCL) 2.0 reached; trial carried out to reach Level 5• External think tank established to achieve next level of safety awareness and performance• Safety, Health and Environment partnerships in infrastructure contracts, EBS, and national agreements are incorporated into governance contracts	<ul style="list-style-type: none">• Recordable Incident Frequency (RIF) < 0.8 and Lost Time Injury Rate (LTIR) < 1.0• Measurement SCL 2.0 Level 4 and then Level 5• External think tank go-live• HSE collaborations synchronised (national, industry, water, data)	<ul style="list-style-type: none">• Recordable Incident Frequency (RIF) < 0.8 and Lost Time Injury Rate (LTIR) < 1.0• The level of internal safety awareness (Level 4 SCL) with a changing organisation (composition) and growth of 2024 has been maintained• Parties in the value chain (clients, contractors and suppliers) are transparent about their safety performance, eager to learn from each other and share best practices
Safe and supportive workplace	<ul style="list-style-type: none">• Teams actively discuss safety and support at work and there is a sufficient supply of tools to support the conversation• Target EMS score for this theme is 8.0	<ul style="list-style-type: none">• Discussing safety and support at work is embedded in our daily routine• Target EMS score for this theme is 8.1	<ul style="list-style-type: none">• Safety and support at work is taken as a given for everyone at Stedin.• Target EMS score for this theme is 8.2
Health	<ul style="list-style-type: none">• We provide employees with the autonomy to access support for mental health, finances, physical health, lifestyle and social issues – without needing approval from a manager or HR	<ul style="list-style-type: none">• Based on the results of the baseline measurement from the preventive medical examination in 2027, specific aspects of the digital and physical working environment have been improved	<ul style="list-style-type: none">• In 2030, employees and managers take ownership of both employability and absence
Diversity and Inclusion	<ul style="list-style-type: none">• Networks and activities in place to improve awareness and support• Adjust D&I activities based on D&I research findings (2024)	<ul style="list-style-type: none">• Networks and activities in place to improve awareness and support• Conduct new D&I survey with the aim of improving scores by 2030	<ul style="list-style-type: none">• Networks and activities in place to improve awareness and support• No difference in perception of inclusion and safety & support at work between different groups and populations within Stedin

Business Ethics, Integrity and Good Governance (Governance)



Stedin operates with integrity and transparency and we communicate about this both within and outside the organisation. Together with our stakeholders, we are working on sustainable value creation for the longer term. We take our responsibility for sustainable and fair working practices, both in our own organisation and in our collaboration with supply chain partners. The main activities for this are already carried out at a high level within Stedin. We are taking various measures to maintain that momentum.





Compliance and integrity

Stedin's primary objective for good governance is to remain compliant with applicable laws and regulations, as well as relevant standards of conduct in line with the established risk appetite.

Stedin has a *Compliance & Integrity* team within the Corporate Affairs department that focuses on ensuring legal compliance and integrity. We uphold the *Code of Conduct*, in which Stedin lays down the standards and values for workplace culture and employee behaviour between themselves and towards outside parties.

We maintain a sound integrity policy, including an integrity hotline and a whistleblower scheme, and we have seven confidential advisers available, one of whom is external, to help tackle the likes of fraud, corruption, privacy breaches and inappropriate behaviour.

CSRD standards

We are currently focusing on meeting the reporting standards of the *Corporate Sustainability Reporting Directive* (CSRD) for sustainability information. Pursuant to CSRD legislation, we are increasing the reliability of our reporting items, providing insight to investors and other stakeholders. In 2024, we received limited assurance on our entire sustainability statement prepared in accordance with CSRD standards.



Governance and Supervision

Stedin's Board of Management is appointed by the Supervisory Board, which is in turn appointed by the (public) shareholders. The Supervisory Board provide oversight and, together with the *Internal Audit* department independent advice. The Board of Management and Supervisory Board are supported by the *Administration* team.

Stedin continues to voluntarily follow the Dutch *Corporate Governance Code (CGC)*. Our Annual Report explains the issues to which Stedin as an unlisted company does not or cannot apply the CGC.

Stakeholder dialogue

Through the *Supplier Code of Conduct*, we ask for contributions to ESG topics. Contact with regional authorities is maintained by environmental managers and area directors, among others. Stakeholder dialogue at customer request occurs through the Regional Energy Strategy, alliances and partnerships, the Energy Transition Committee and management of shareholder relations. The latter is carried out both on formal occasions such as the AGM and shareholders' committee meetings, but also through informal events.

We are committed to continuously improving our stakeholder management, paying particular attention to channelling among stakeholders with multiple interests, such as governments (e.g. licensing authorities, shareholders and customers)

Responsibility for impact in the value chain

With energy transition gaining momentum, Stedin has a growing dependence on suppliers. This urgency is increasing the pressure on global value chains: the chain from raw material to product or service. Stedin has a responsibility for the impact in the value chain. Our goal is to have a better understanding of the value chain by 2027.

Stedin produced a human rights policy in 2024 to embed its social responsibility in the internal organisation and in the value chain. The policy applies to our own employees as well as to agency workers, suppliers and contractors, and lays down the minimum requirements in accordance with the International Labour Organisation (ILO) and Organisation for Economic Cooperation and Development (OECD) guidelines:

- No child labour
- Safe and humane working conditions
- Compliance with international human rights standards.

In line with this policy, Stedin takes proactive measures to stop, limit or prevent potential negative impacts.

Policies and instruments are periodically updated, including our purchasing policy and Supplier Code of Conduct.



Governance roadmap

	2026	2028	2030
Good governance	<ul style="list-style-type: none">Continued application of the Corporate Governance Code (safeguarding whistleblowers and corruption, among other things)Application of renewed compliance management process	<ul style="list-style-type: none">Stakeholder management has improved through greater internal governance, structuring and awareness.	Remain compliant with applicable laws, regulations and relevant standards of conduct
Supply chain responsibility	<ul style="list-style-type: none">Value chain scope established	<ul style="list-style-type: none">Greater insight into the value chain	We take responsibility for impact in the value chain

Accountability

This document was prepared and published by Stedin in July 2025. It is an update to the first version, published in January 2024.

All figures mentioned in this piece are taken from the sources listed on this page and/or based on the latest insights from internal data.

We have attempted to substantiate and verify all the targets stated in this paper as best as possible with our current knowledge. If annual targets prove unachievable for any reason, the targets will be adjusted.

CO₂

- OGMP <https://ogmpartnership.com/>
- SBTi <https://sciencebasedtargets.org/>
- Aardgastransport: <https://www.klimaatakkoord.nl/gebouwde-omgeving>

Circularity

- NPCE: <https://www.nederlandcirculairin2050.nl/nationaal-programma-circulaire-economie>

Biodiversity

Nature-Inclusive Agenda: <https://agendanatuurinclusief.nl/de-agenda/>

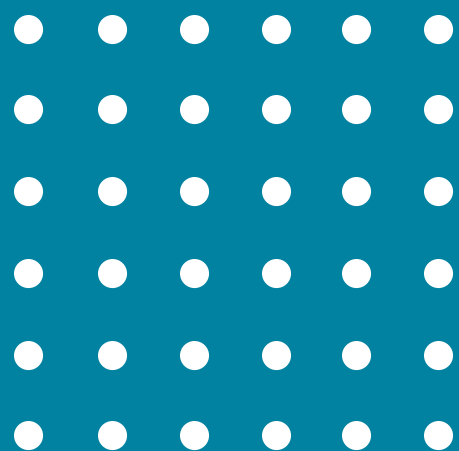
Governance

- CSRD: <https://www.efrag.org/lab6>
- CGC: <https://www.mccg.nl/>

Want to know more?

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