



alliander



Green Finance Report 2024

6 June 2025

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Introduction

This is Alliander's fifth Green Finance Report. Alliander's first Green Bond Report was published in 2017 and related to our inaugural Green Bond issued in April 2016.

In 2024, Alliander made record investment of in total € 1.8 billion. Most of the investments were made in the expansion of the electricity network. In combination with an adjustment in the weight factor from 50% to 100%, this led to a significant increase of € 3,257 million in the weighted eligible net asset portfolio.

An important part of the grid expansion in 2024 was financed by the issuance of a € 500 million Hybrid green bond in June 2024 and the issuance of a € 750 million Senior green bond in October 2024.

At the end of 2024, Alliander N.V. has a portfolio of eight Green Finance Instruments. These instruments include seven Green Bond issues with a total amount of € 3,350 million and a € 100 million private placement. All issues were arranged under the Euro Medium-Term Notes Programme (EMTN).

As set out in Alliander's Green Finance Framework, the net proceeds of the Green Finance Instruments have been exclusively used to wholly or partly finance or refinance eligible assets ("Eligible Green Assets") in the following categories, together forming the "Eligible Green Asset Portfolio":

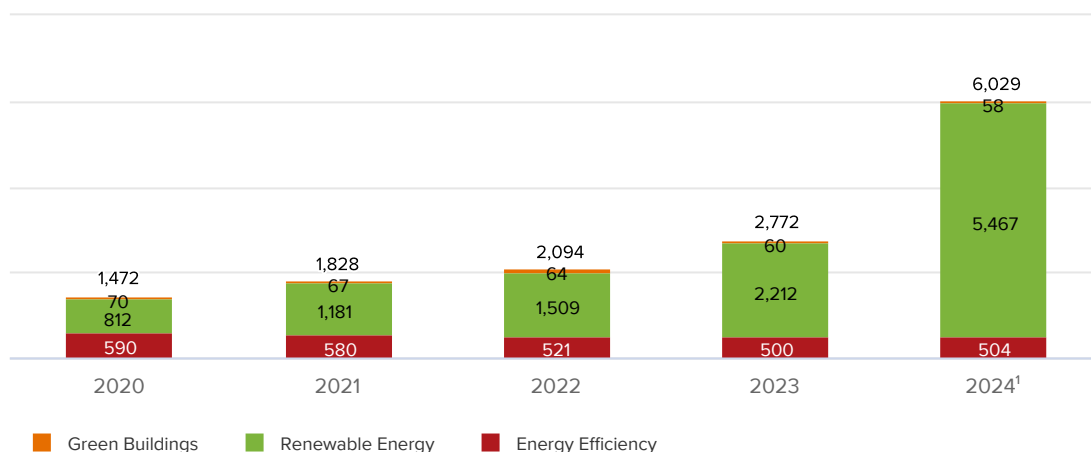
1. Renewable Energy (integration of renewable electricity in existing electricity grids).
2. Energy Efficiency (smart technology including smart meters and communication technology).
3. Green Buildings.

The Green Finance Framework sets the basis for the identification, selection, verification and reporting of the Eligible Green Assets as well as the management of the proceeds from Green Finance Instruments. Within the framework, the categories relating to Eligible Green Assets are aligned with the United Nations Sustainable Development Goals (UN SDGs), in particular Goals 7, 9, 11 and 13.

In 2023, the business activity Transmission and distribution of electricity is classified as an environmentally sustainable business activity due to the fact that Alliander would have met the Minimum Guarantees in 2023. However, based on further interpretations, also based on the accountability under the CSRD, ESRS S2, it must be concluded in retrospect that in 2023 (and in 2024) the minimum guarantees in the field of labour and human rights were not fully met in the entire value chain. The main reason is that more insight into the value chain is needed to fully meet the minimum guarantees. The necessary work for this will commence in 2025 (see also page 115 and further in the English version of the annual report).

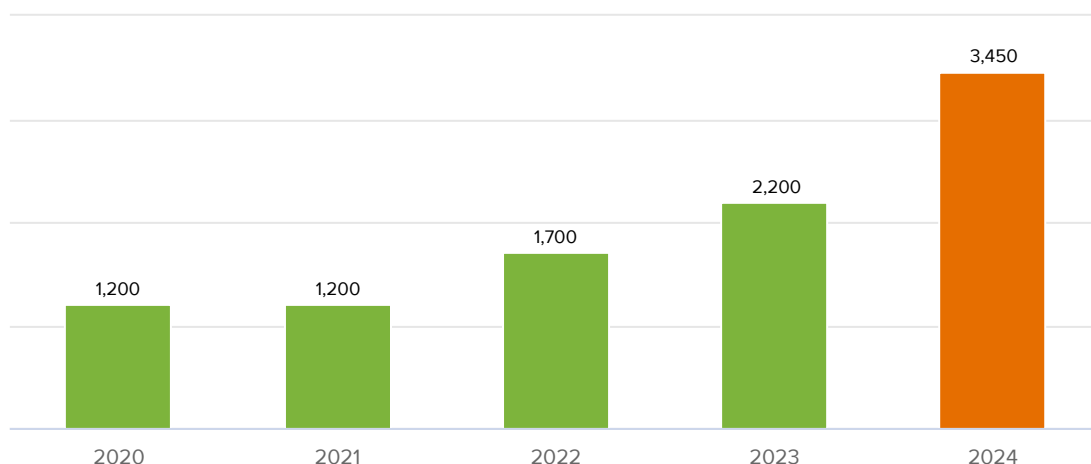
Alliander has updated the Green Finance Framework to ensure that eligible projects meet the International Capital Market Association (ICMA) guidance and still where possible align with the changing expectations related to the minimum social safeguards (MSS) under the European Union (EU) Taxonomy. Eligible projects criteria will still fully comply with technical screening criteria and applicable "do no significant harm" criteria, while also striving to meet minimum social safeguards on a best-efforts basis. The updated framework has received a refreshed Second Party Opinion (SPO) from ISS. Given that Alliander will fall under the scope of the Corporate Sustainability Reporting Directive (CSRD) on a voluntary basis starting from financial year 2024, the audit procedures associated with the EU Taxonomy reporting have become more stringent. As such, a deeper understanding of our value chain is essential, and this level of insight was beyond our reach in the current reporting year, necessitating ongoing work into 2025.

Eligible green asset portfolio (€ million)



1 See section [Notes to the Allocation report](#).

Total green financing (€ million nominal value)



Alliander’s Green Finance Framework is verified against the International Capital Market Association’s (ICMA) Green Bond Principles (GBPs) and the Green Loan Principles (GLPs) for each of the Green Bond issues. This information can be found in the corresponding Second Party Opinions (SPO) prepared by ISS-ESG, which are available on the [corporate website](#). These SPOs also contain an assessment of the asset pool and whether projects are aligned with ISS ESG’s issue-specific key performance indicators, as well as Alliander’s sustainability performance according to the ISS-ESG rating.

This report contains information on the use of proceeds, allocation and impact reporting of all Green Finance Instruments issued to date. PwC has provided limited assurance on specific elements of the allocation of each Green Finance Instrument's proceeds. Please refer to the [assurance report](#).

Allocation report

This allocation report is as of 31 December 2024.

Allocation table: use of funds available from green finance facilities

€ million	Taxonomy	Net asset value	Weighting factor	Weighted sum
Renewable Energy	EU TSC 4.9	5,467	100%	5,467
Smart meters		458	100%	458
Fibre optic network		46	100%	46
Total Energy Efficiency	EU TSC 7.5	504	100%	504
Green Buildings	EU TSC 7.1, 7.2, 7.7	58	100%	58
Total green asset portfolio				6,029

€ million	Instrument (ISIN)	Date of issue	Maturity date	Principal sum
Green bond	XS1400167133	22/04/2016	22/04/2026	300
Green bond	XS2014382845	24/06/2019	24/06/2032	300
Green private placement	XS2152901315	08/04/2020	08/04/2035	100
Green bond	XS2187525949	10/06/2020	10/06/2030	500
Green bond	XS2531420730	09/09/2022	09/09/2027	500
Green bond	XS2635647154	13/06/2023	13/06/2028	500
Green subordinated perpetual bond	XS2829852842	27/06/2024	Perp Nc8	500
Green bond	XS2913310095	07/10/2024	07/10/2034	750
Total green financing				3,450

Use of proceeds

Percentage of Eligible Green Asset Portfolio allocated to Green Finance Instruments net proceeds	57%
Percentage of Eligible Green Asset Portfolio unallocated	43%
Percentage of Net Proceeds of Green Finance allocated to Eligible Green Loan Portfolio	100%
Increase in net asset value of the Renewable Energy, Energy Efficiency and Green Buildings categories in € million since Dec 2023	3,257
Available Green Finance Budget	2,579
Net asset value consists of book value as recorded in Property, Plant and Equipment, net of the related deferred income. These balance sheet items are measured in accordance with the International Financial Reporting Standards (IFRS) as at 31 December 2024, as adopted by the European Union (EU).	

Allocation of Green ECP in 2024

In 2024 Alliander issued € 1,650 million Euro Commercial Paper in total. The highest issuance amount of Green ECP at any time during the year was at € 500 million. Proceeds were used to pre-finance the investments that were eventually refinanced by the Green Bond. The amount of issued green ECP as of 31-12-2024 was nil.

Notes to the Allocation report

Proceeds from all Green Finance Instruments have been fully allocated to the Eligible Green Asset Portfolio. The weighting factor has been changed to 100% (was 50% in 2023). Previously, it was decided to apply a weighting factor to the net book value of our electricity grids in proportion to the share of renewable generation in the total electricity production in the Netherlands. Because the Dutch electricity grids are classified as activities eligible for the EU taxonomy, it was decided to include the full net book value with effect from the 2024 financial year. The Green Buildings have an outstanding Energy performance certificate. EPC: > A (per EOY 2024).

Impact report

This impact report¹ is as of 31 December 2024.

Impact table: reports the impact of the total green asset portfolio

ICMA / LMA Green Eligible category ²	Signed amount in € million ³	Share of total portfolio financing in % ⁴	Eligibility for Green Finance Instruments in % ⁵	Capacity of Renewable Energy production connected to the grid in MW ⁶	Renewable Energy production feed into grid by total solar, wind capacity in MWh ⁶	Energy consumption savings in GJ per year ⁶	Estimated avoided CO ₂ emissions (GHG Scope 1+2) in tonnes ⁶	Estimated avoided CO ₂ emissions (GHG Scope 3) in tonnes ⁶	Contribution to specific UN SDG
Renewable Energy	5,467	91%	100%	10,077	11,634,710			3,920,897	7, 13
Energy Efficiency	504	8%	100%			994,491		73,005	9, 11
Green Buildings	58	1%	100%			696 ⁷	1,112		11
Total	6,029	100%	100%	10,077	11,634,710	995,187	1,112	3,993,902	

- 1 Impact report table aligned with the portfolio approach impact reporting described in [Handbook - Harmonised Framework for Impact Reporting](#) (June 2022).
- 2 Eligible category.
- 3 Signed amount represents the amount legally committed by the issuer for the portfolio or portfolio components eligible for Green Finance Instruments.
- 4 This is the share of the total portfolio per eligible category.
- 5 This is the share of the total portfolio costs that is eligible for Green Finance Instruments.
- 6 Impact report indicators.
- 7 Average primary energy consumption saving compared to the Dutch average is 750 MJ/m². Calculation on behalf of several sources: [Milieubarometer](#), [benchmark](#) and [emissiefactoren](#).

Notes to the Impact report

Renewable Energy

The avoided CO₂ emissions have been estimated by taking the annual expected electricity production from connected wind and solar capacity and calculating the amount of CO₂ that would have been emitted if the average production mix (including coal and gas) had been applied.

Energy Efficiency

The avoided CO₂ emissions have been estimated by applying a 1% saving on the annual consumption of gas and electricity households. This represents the effect of improved insight into actual energy consumption savings.

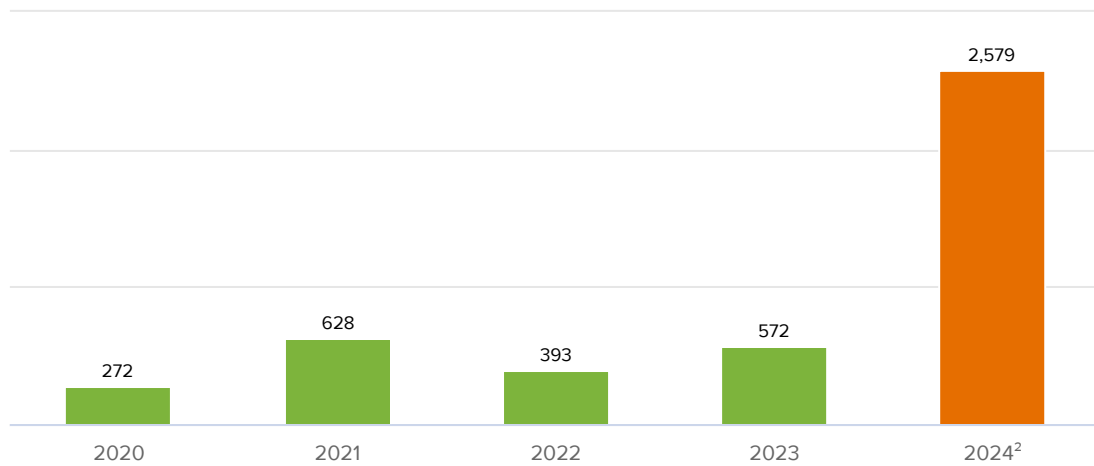
Several studies have been conducted into expected savings in electricity and gas consumption following the installation of smart meters. The results typically range from 1% to 6% in total savings. In the next few years more studies may be published that perhaps will provide a narrower estimate of the energy saved by the smart meter, but attribution will be difficult to prove and therefore remain a matter of discussion. Although no assurance can be provided with respect to the percentage of energy savings, we have been conservative in our estimates by using 1% energy savings per year for both gas and electricity consumption. This percentage represents the change of energy consumption before the smart meter was installed against a comparable period after the installation. We have estimated the avoided CO₂ emissions in relation to the expected savings. As inputs we used the number of installed smart meters financed with the Green Bonds and the average electricity and gas consumption per household in our service areas. We find it is important to give insight into the potential impact of the smart meter in terms of energy savings and avoided CO₂ emissions.

Green Buildings

Avoided CO₂ emissions are calculated on the basis of 22,118 m² of office space for the Duiven location, comparing the energy consumption of this location per m² with the average Dutch office building (taken from [Milieubarometer](#)).

All projects contribute to EU Environmental Objective Climate Change Mitigation. Avoided CO₂ emissions reflect the scopes of the Greenhouse Gas Protocols. Greenhouse gas-related emissions of our activities are disclosed in our annual report. Customer-related scope 3 emissions, as part of the use of natural gas within the downstream supply chain, are included in our annual report as per 2024.

Available green finance budget (€ million)¹



1 The available green finance budget is calculated as the total green asset portfolio minus the total green financing.

2 See section [Notes to the Allocation report](#).

Reporting history and changes

Alliander’s first Green Bond Report was published in 2017 and related to our inaugural Green Bond issued in April 2016. All net proceeds of these Green Finance Instruments have been fully allocated.

Since our second report, we have made some important changes:

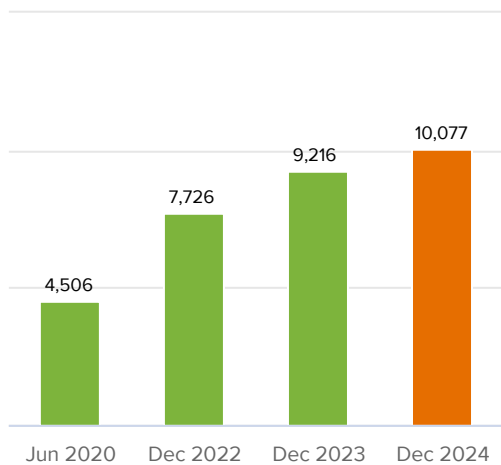
- Portfolio-based reporting. Going forward we will report on the portfolio of Eligible Assets and the amounts of Green Finance outstanding instead of on an instrument-by-instrument basis. The impact of each instrument can still be derived by using a pro-rata approach.
- Net asset value reporting. In light of the recommendations of the EU Green Bond Standard and its position towards refinancing long dated green assets, we have moved from CAPEX reporting to net asset value. This approach better fits the nature of our network activities. While our whole network is used to distribute (a high share of renewable) electricity to our customers, only part of the electricity we distribute is of renewable origin. We therefore apply a weight to the net asset value of our network assets based on the share of renewable production out of the total electricity production in the Netherlands.

As our reporting on the second Green Bond issued in June 2019 was due in June 2020, and we were already in position to report on the Green Bond issued in June 2020, we have combined the two reports into one. This report also covered the € 100 million private placement issued in April. All net proceeds of these Green Finance Instruments have been fully allocated.

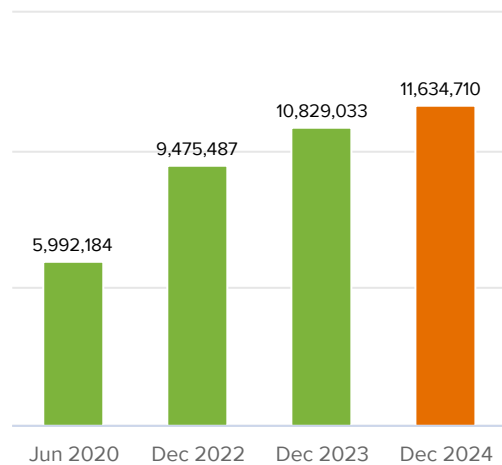
Our third report over 2022 was issued in September 2023. The Green Bond issued in June 2023 is incorporated. The name has evolved from ‘Green Bond Report’ to ‘Green Finance Report’ to allow for future diversification of instruments allocated. All net proceeds of these Green Finance Instruments have been fully allocated.

This is our fifth Green Finance Report which covers 2024. The Hybrid Green Bond issued in June 2024 and the Senior Green Bond issued in October 2024 are included. All net proceeds of these Green Finance Instruments have been fully allocated. The weighting factor has been changed to 100% in 2024 (was 50% in 2023) (see section [Notes to the Allocation report](#)).

Capacity of renewable electricity production connected to the grid (MW)



Renewable electricity production feed into grid by total solar, wind capacity (MWh)



Energy consumption savings (GJ per year)



Use of proceeds

Renewable Energy

Assets aimed at integrating and enhancing the transmission capacity for Renewable Energy in the Dutch electricity grid. This includes investments in the electricity grid such as cables, medium-voltage stations and substations, as well as connections to renewable sources like wind and solar, and connections to household and business consumers.

Energy Efficiency

Installation, maintenance and repair of smart meters recording customer's gas and electricity consumption for demand management, including:

- Sensor and technology deployment in mid/high voltage grid.
- Wireless networks and fibre optic cable network for transmitting and receiving grid data.

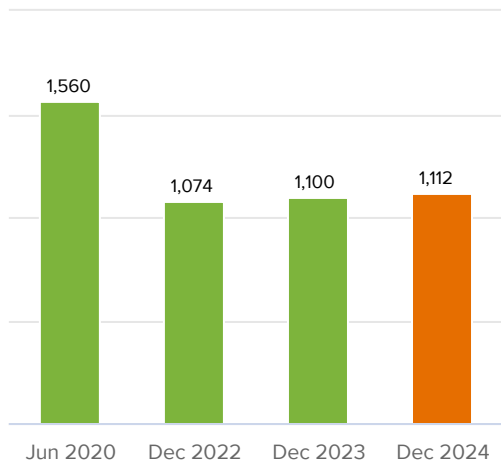
Green Buildings

- New or refurbished buildings that meet any of the following criteria:
 - EPC rating > A; or
 - The Primary Energy Demand is at least 10% lower than the threshold set for the nearly zero energy building (NZEB) requirements.

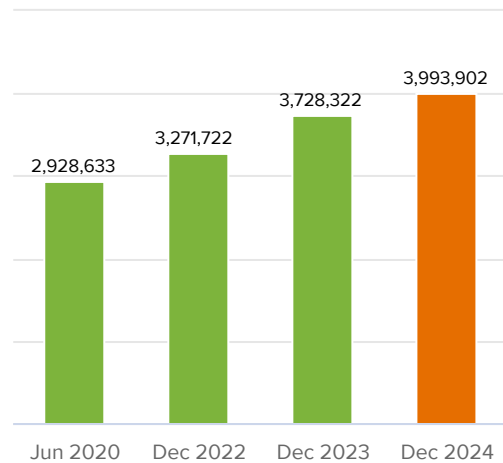
This includes investment in our energy-neutral office building in Duiven.

Energy Efficiency projects in buildings that result in a reduction of primary energy demand (PED) of at least 30% or complies with the applicable requirements for major renovations (Directive 2010/31/EU).

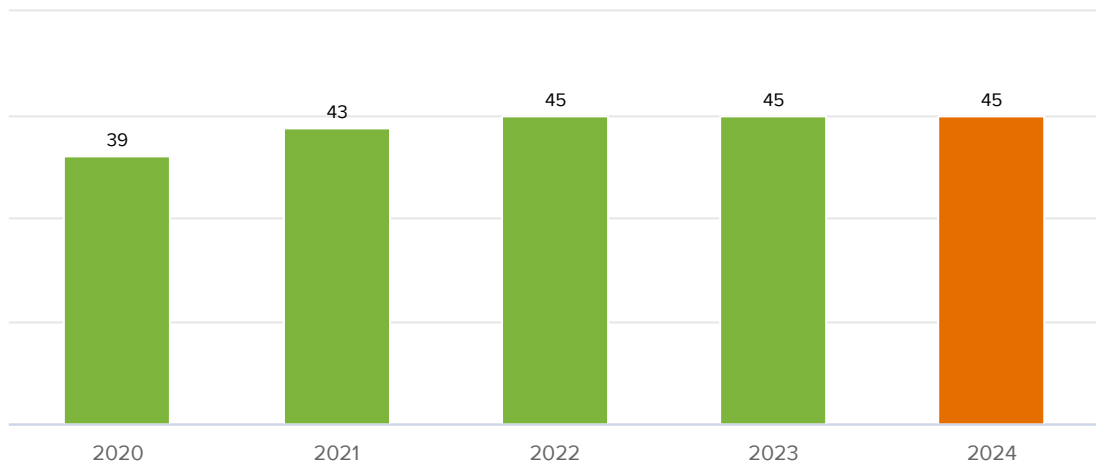
Estimated avoided CO₂ emissions GHG scope 1 + 2 (tonnes)



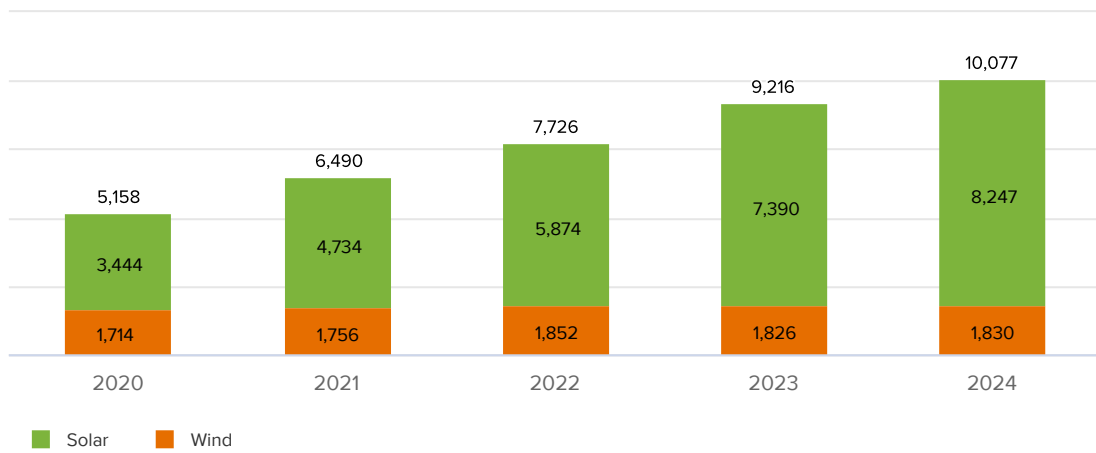
Estimated avoided CO₂ emissions GHG scope 3 (tonnes)



Number of new electricity connections (in thousands)



Connected renewable energy (MW)



Assurance report of the independent auditor

To: the Management Board of Alliander N.V.

Assurance report on the net asset value as per 31 December 2024 as included in the Allocation report section (page 5) of the Green Finance Report 2024

Our conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the net asset value as per 31 December 2024 as included in the Allocation report section (page 5) of the Green Finance Report 2024 of Alliander N.V. is not prepared in all material respects, in accordance with the Alliander Green Finance Framework and the paragraph “Notes to the Allocation Report” as included on page 5 of the Green Finance Report 2024.

What we have examined

The object of our assurance engagement concerns the net asset value as per 31 December 2024 as included in the Allocation report section (page 5) of the Green Finance Report 2024. We have examined the accompanying net asset value as per 31 December 2024 as included in the Allocation report section (page 5) of the Green Finance Report 2024, stamped for identification purposes, of Alliander N.V., Arnhem.

The basis for our conclusion

We conducted our examination in accordance with Dutch law, including the Dutch Standard 3000A Assurance engagements, other than audits or reviews of historical financial information (attestation-engagements). This engagement is aimed to provide limited assurance. Our responsibilities under this standard are further described in the section ‘Our responsibilities for the examination’ of our report.

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

Independence and quality control

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

PwC applies the applicable quality management requirements pursuant to the ‘Nadere voorschriften kwaliteitsmanagement’ (NVKM, regulations for quality management) and the International Standard on Quality Management (ISQM) 1, and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

Applicable criteria

The Allocation report needs to be read and understood together with the reporting criteria. Alliander N.V. is solely responsible for selecting and applying these reporting criteria, taking into account applicable laws and regulation.

For this engagement, the following criteria apply:

- Alliander Green Finance Framework April 2025.
- The paragraph “Notes to the Allocation Report” as included on page 5 of the Green Finance Report 2024.

The absence of an established practice on which to draw, to evaluation and measure the information in the Allocation report allow for different, but acceptable, measurement techniques and can affect comparability between entities and over time.

Responsibilities for the net asset value as per 31 December 2024 as included in the Allocation report section (page 5) of the Green Finance Report 2024 and the examination thereof

Responsibilities of the Management Board

The Management Board of Alliander N.V. is responsible for the preparation of the net asset value as per 31 December 2024 as included in the Allocation report section (page 5) of the Green Finance Report 2024 in accordance with the Alliander Green Finance Framework and the paragraph “Notes to the Allocation report” as included on page 5 of the Green Finance Report 2024, including the identification of the intended users and the criteria being applicable for the purpose of these users.

Furthermore, the Management Board is responsible for such internal control as it determines is necessary to enable the preparation, measurement and evaluation of the net asset value as per 31 December 2024 as included in the Allocation report section (page 5) of the Green Finance Report 2024 that is free from material misstatement, whether due to fraud or error.

Our responsibilities for the examination

Our responsibility is to plan and perform our examination in a manner that allows us to obtain sufficient and appropriate evidence to provide a basis for our conclusion.

Our conclusion aims to provide limited assurance. The procedures performed in this context consisted primarily of making inquiries with officers of the entity and determining the plausibility of the information included in the net asset value as per 31 December 2024 as included in the Allocation report section (page 5) of the Green Finance Report 2024. The level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Procedures performed

We have exercised professional judgement and have maintained professional scepticism throughout the examination in accordance with the Dutch Standard 3000A, ethical requirements and independence requirements.

Our examination consisted, among other things of the following:

- Identifying area's of the net asset value as per 31 December 2024 as included in the Allocation report section (page 5) of the Green Finance Report 2024 with a higher risk of a material misstatement, whether due to fraud or error, designing and performing assurance procedures responsive to those risks, and obtaining evidence that is sufficient and appropriate to provide a basis for our conclusion.
- Obtaining an understanding of internal control relevant to the examination in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion on the effectiveness of the company's internal control.
- Making inquiries with management and others within the company.
- Determining the plausibility of the information included in the net asset value as per 31 December 2024 as included in the Allocation report section (page 5) of the Green Finance Report 2024.

Utrecht, 6 June 2025

PricewaterhouseCoopers Accountants N.V.

T.A.M. van Steijn-Meijer RA

The logo for Alliander, featuring the word "allliander" in white lowercase letters on a green rectangular background. Below the green background is a dark red horizontal bar, and below that is an orange horizontal bar. The right side of the page has a solid orange background with a white geometric pattern of lines and dots.

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6 June 2025

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Explanatory note
“We”, “Alliander”, “the company” and similar
expressions used in this report mean Alliander N.V.
and its subsidiaries.

Publication Alliander N.V.