

SECOND PARTY OPINION (SPO)

Sustainability Quality of the Issuer and Green Financing Framework

TenneT Netherlands

5 December 2025

VERIFICATION PARAMETERS

Type of instrument contemplated	<ul style="list-style-type: none">Green financing instruments¹
Relevant standards	<ul style="list-style-type: none">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 (June 2023)
Scope of verification	<ul style="list-style-type: none">TenneT Netherlands' Green Financing Framework (as of Dec. 5, 2025)TenneT Netherlands' Eligibility Criteria (as of Dec. 5, 2025)
Lifecycle	<ul style="list-style-type: none">Pre-issuance verification
Validity	<ul style="list-style-type: none">Valid as long as the cited Framework remains unchanged

¹ The assessment covers green senior and/or hybrid bonds, green private placements, green Schuldscheindarlehen, green (syndicated) loan facilities, and green euro commercial paper. TenneT Netherlands might issue other types of green debt instruments, which are not assessed in this SPO.

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SCOPE OF WORK

TenneT Holding B.V. and TenneT Netherlands B.V. (individually and collectively “TenneT Netherlands, “the Issuer” or “the Company”) commissioned ISS-Corporate to assist with its green financing instruments by assessing four core elements to determine the sustainability quality of the instruments:

1. TenneT Netherlands’ Green Financing Framework (as of Dec. 5, 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 use of proceeds category contributes positively to the United Nations Sustainable Development Goals (U.N. SDGs) (see Annex 1).
3. The alignment of the use of proceeds category with the EU taxonomy based on ISS-Corporate’s methodology — whether the nominated category is 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).²
4. Consistency of green financing instruments with TenneT Netherlands’ sustainability strategy, drawing on the key sustainability objectives and priorities defined by the Issuer.

² Commission [Delegated Regulation \(EU\) 2023/2485](#) of 27 June 2023 amending [Delegated Regulation \(EU\) 2021/2139](#).

TENNET NETHERLANDS OVERVIEW

TenneT Netherlands provides electricity transmission services, system operation services and services to facilitate the energy market. It functions as grid operator under the Dutch energy laws, the Elektriciteitswet. It is also involved in certain limited non-regulated activities, which help to ensure the energy market performs properly. The company was founded in 1998 and is headquartered in Arnhem, the Netherlands.



ESG risks associated with the Issuer Industry

TenneT Netherlands is classified in the gas and electricity network operators industry, as per ISS Sustainability's sector classification. Key sustainability issues faced by companies³ in this industry are the promotion of a sustainable energy system, accessibility and reliability of energy supply, environmentally safe operation of plants and infrastructure, protection of human rights and community outreach, worker safety, and accident prevention.

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.

³ 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 ⁴
<p>Part I:</p> <p>Alignment with GBP and GLP</p>	<p>The Issuer has defined a formal concept for its green financing instruments regarding use of proceeds, processes for project evaluation and selection, management of proceeds and reporting. This concept is in line with the Green Bond Principles (GBP) and Green Loan Principles (GLP).</p> <p>The green financing instruments will (re)finance the eligible use of proceeds category of Renewable Energy.</p>	<p>Aligned</p>
<p>Part II:</p> <p>Sustainability quality of the eligibility criteria</p>	<p>Product and/or service-related use of proceeds categories⁵ individually contribute to one or more of the following SDGs:</p> <div style="text-align: center;">   </div>	<p>Positive</p>
<p>Part III:</p> <p>Alignment with EU taxonomy</p>	<p>TenneT Netherlands' use of proceeds category characteristics, due diligence processes and policies have been assessed against the requirements of the EU Taxonomy (Climate Delegated Act of June 2023), based on ISS-Corporate's methodology. The use of proceeds category is considered to be:</p> <ul style="list-style-type: none"> ▪ Aligned with the Climate Change Mitigation Criteria ▪ Aligned with the Do No Significant Harm Criteria ▪ Aligned with the Minimum Safeguards requirements 	
<p>Part IV:</p> <p>Consistency of green financing instruments with</p>	<p>The Issuer clearly describes the key sustainability objectives and the rationale for issuing green financing instruments. The use of proceeds category aligns with the Issuer's sustainability objectives.</p>	<p>Consistent with Issuer's sustainability strategy</p>

⁴ The evaluation is based on the TenneT Netherlands' Green Financing Framework (Dec. 5, 2025), on the analyzed eligibility criteria as received on Dec. 5, 2025.

⁵ Transmission infrastructure or equipment in an electricity system, construction/installation and operation of equipment and infrastructure where the main objective is an increase of the transmission of renewable electricity generation, and construction and operation of interconnectors between transmission systems, provided that one of the systems is compliant under the EU Taxonomy.

SECOND PARTY OPINION

Sustainability Quality of the Issuer
and Green Financing Framework

ISS-CORPORATE 

SPO SECTION

SUMMARY

EVALUATION⁴

TenneT

**Netherlands'
sustainability
strategy**

SPO ASSESSMENT

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

This section evaluates the alignment of TenneT Netherlands’ Green Financing Framework (as of Dec. 5, 2025) with the GBP and GLP.

GBP/GLP	ALIGNMENT	OPINION
1. Use of proceeds	✓	<p>The use of proceeds description provided by TenneT Netherlands’ Green Financing Framework is aligned with the GBP and GLP.</p> <p>The Issuer’s green use of proceeds category aligns with the use of proceeds categories as proposed by the GBP and GLP. Criteria are defined clearly and transparently. Disclosure of an allocation period and commitment to report by use of proceeds category has been provided and environmental benefits are described and quantified.</p> <p>Green commercial papers are exclusively used to finance and/or refinance Eligible Green Investments of TenneT Netherlands. The Issuer does not define the share of financing and refinancing since a green commercial papers programme is currently not envisaged.</p>
2. Process for project evaluation and selection	✓	<p>The process for project evaluation and selection description provided by TenneT Netherlands’ Green Financing Framework is aligned with the GBP and GLP.</p> <p>The project selection process is defined. ESG risks associated with the use of proceeds category are identified and managed appropriately. Moreover, the projects selected show alignment with the Issuer’s sustainability strategy.</p> <p>The Issuer clearly defines responsibilities in the process for project evaluation and selection and is transparent about it, in line with best market practice. The Issuer identifies the alignment of their green projects with the European Taxonomy</p>

GBP/GLP

ALIGNMENT

OPINION

and the European Green Bond Standard, in line with best practices.

3. Management of proceeds



The management of proceeds provided by TenneT Netherlands' Green Financing Framework is **aligned** with the GBP and GLP.

The net proceeds collected will equal the amount allocated to eligible projects. The net proceeds are tracked appropriately. The net proceeds are managed on an aggregated basis for multiple green bonds. Moreover, the Issuer discloses the temporary investment instruments for unallocated proceeds. TenneT Netherlands does not structure loan facilities in tranches, but the Issuer confirms that – if such structure would be used – each loan tranche will be clearly labeled as green

TenneT Netherlands has defined an expected full allocation at issuance, alternatively within 24 months. The Issuer discloses the intended types of temporary placement for the balance of unallocated proceeds.

There is no information regarding the monitoring process and frequency for commercial papers, since a green commercial papers program is currently not envisaged.

4. Reporting



The allocation and impact reporting provided by TenneT Netherlands' Green Financing 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

GBP/GLP

ALIGNMENT

OPINION

publicly available on the Issuer’s website. TenneT Netherlands has disclosed the type of information that will be reported and explains that the level of expected reporting will be at the use of proceeds category level. Moreover, the Issuer commits to report annually at least until full allocation or until maturity of issued Green Financing Instruments.

TenneT Netherlands is transparent on the level of impact reporting and the information reported and further defines the duration, scope, and frequency of the impact reporting, in line with best market practice. Additionally, the Issuer commits to getting the allocation report reviewed by an external party, in line with best market practices.

With respect to commercial paper, the Issuer has measures to avoid double counting.

The Issuer commits to report on aggregated portfolio basis and to include the highest amount of outstanding commercial papers applied to the eligible projects over the reporting period.

PART II: SUSTAINABILITY QUALITY OF THE ELIGIBILITY CRITERIA

CONTRIBUTION OF THE GREEN FINANCING INSTRUMENTS TO THE U.N. SDGs⁶


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

The assessment of use of proceeds (UoP) categories for (re)financing products and services is based on various internal and external sources. These include ISS Sustainability’s SDG Solutions Assessment, a proprietary methodology designed to assess the impact of an Issuer’s products or services on the U.N. SDGs. Additional sources include other ESG benchmarks, such as the EU taxonomy Climate Delegated Act, the Green and 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:





Each of the green financing instruments’ UoP categories has been assessed for its contribution to, or obstruction of, the SDGs:

USE OF PROCEEDS (PRODUCTS/SERVICES)	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p>Renewable Energy — Energy Infrastructure:</p> <p><i>Transmission infrastructure or equipment in an electricity system that complies with at least one of the following criteria:⁷</i></p> <ul style="list-style-type: none"> <i>the system is the interconnected European system, i.e. the interconnected control areas of Member States, Norway, Switzerland and the United Kingdom, and its subordinated</i> 	<p>Contribution</p>	

⁶ 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.

⁷ Infrastructure dedicated to creating a direct connection or expanding an existing direct connection between a substation or network and a power production plant that is more greenhouse gas intensive than 100 gCO₂e/kWh measured on a life cycle basis is not compliant.

USE OF PROCEEDS (PRODUCTS/SERVICES)	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p>systems;</p> <ul style="list-style-type: none"> more than 67% of newly enabled generation capacity in the system is below the generation threshold value of 100 gCO₂e/kWh measured on a life cycle basis in accordance with electricity generation criteria, over a rolling five-year period; the average system grid emissions factor, calculated as the total annual emissions from power generation connected to the system, divided by the total annual net electricity production in that system, is below the threshold value of 100 gCO₂e/kWh measured on a life cycle basis in accordance with electricity generation criteria, over a rolling five-year period. 	<p style="text-align: center;">Contribution</p>	
<p>Renewable Energy — Energy Infrastructure:</p> <p>Construction/installation and operation of equipment and infrastructure where the main objective is an increase of the transmission of renewable electricity generation</p>		
<p>Renewable Energy — Energy Infrastructure:</p> <ul style="list-style-type: none"> Construction and operation of interconnectors between transmission systems, provided that one of the systems is compliant under the EU Taxonomy. 		

PART III: ALIGNMENT OF THE ELIGIBILITY CRITERIA WITH THE EU TAXONOMY CLIMATE DELEGATED ACT⁸

The alignment of TenneT Netherlands' assets characteristics, due diligence processes and policies for the nominated use of proceeds category has been assessed against the relevant substantial contribution to climate change mitigation and do no significant harm (DNSH) technical screening criteria, as well as against the minimum safeguards requirements of the EU taxonomy [Climate Delegated Act](#) (June 2023), based on information provided by TenneT Netherlands. Where TenneT Netherlands' assets characteristics, due diligence processes and policies meet the EU taxonomy criteria requirements, a tick is shown in the table below.

TenneT Netherlands' project selection criteria overlap with the following economic activity in the EU taxonomy:



4.9 – Transmission and distribution of electricity

All projects financed under the Green Financing Framework are and will be located in the Netherlands and Germany.

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 access the original criteria at the following [link](#).

⁸ The assessment is based on the 2023 assessment. Only minor adjustments were made.

a) 4.9 – Transmission and distribution of electricity

PROJECT CHARACTERISTICS AND SELECTION PROCESSES ⁹	ALIGNMENT WITH THE EU TAXONOMY'S TECHNICAL SCREENING CRITERIA
1. SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION	
<p>TenneT Netherlands confirms that all projects listed in the green investment portfolio (November 2025 version)¹⁰ located in the Netherlands and Germany are eligible for (re)financing with green financing instruments, governed by its latest Green Financing Framework (November 2025 version).</p> <p>The Issuer confirms that all projects in the green investment portfolio are located in the Netherlands and Germany. Therefore, the projects are part of the interconnected European system and considered eligible under the established criteria.</p> <p>Furthermore, TenneT Netherlands has confirmed that all financed infrastructure dedicated to creating a direct connection or expanding an existing direct connection between a substation or network and a power production plant connects power production plants with a greenhouse gas intensity of no more than 100 gCO₂e/kWh, measured on a life cycle basis.</p>	
2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA	
<p>According to TenneT Netherlands' integrated annual report, the Issuer has confirmed that it has assessed the DNSH criteria, including climate adaptation, and that its activities meet the DNSH criteria for the other environmental objectives. It has conducted a screening to determine which physical climate risks may potentially affect the transmission and distribution of electricity. Ensuring electricity grid's performance under a variety of circumstances is a standard procedure in grid design and construction.</p> <p>Additionally, TenneT Netherlands <u>collaborates</u> with its suppliers to develop more robust solutions that can withstand the impact of climate change, including scenarios related to drought, flooding and extreme weather events.</p> <p>During the design of new assets, TenneT Netherlands considers three scenarios (SSP1-2.6, SSP2-4.5, SSP5-8.5) to test asset performance over a period of approximately 10 to 100 years (up to 2100). The typical lifespan of TenneT Netherlands' assets range from 15 to 100 years. Material climate risks are identified during this stage and mitigated through adaptation solutions, where necessary. TenneT Netherlands confirms that it conducts risk assessments at</p>	

⁹ This column is based on input provided by the Issuer.

¹⁰ The client confirmed that the instruments issued under this Framework will only be allocated to projects within its green investment portfolio (as of November 2025).

the planning stage for every project, considering the expected lifetime of the activity, including both acute and chronic physical climate risks. When applicable, appropriate climate adaptation measures are implemented, such as reengineering the facility or building, changing the location, or changing materials.

One example provided by TenneT Netherlands is the case of Noordwaard, where flooding submerged part of a pylon (Mast 58) on the 380 kV line between Krimpen aan den IJssel and Geertruidenberg. TenneT Netherlands designed a new steel base for the mast, coated to withstand water, and raised the pylon by 4 meters, all while maintaining the power supply.

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

N/A: there are no EU taxonomy criteria for the category.

4. CIRCULAR ECONOMY – DO NO SIGNIFICANT HARM CRITERIA

TenneT Netherlands commits to the principles of the [United Nations Global Compact](#) and Organisation for Economic Co-operation and Development (OECD) guidelines¹¹ to minimize its environmental impact and facilitate a circular economy.

Examples from TenneT Netherlands’ annual report demonstrate the company’s efforts to minimize waste and support the circular economy.

TenneT Netherlands has updated its policy for circular inflow, establishing a target for 40% of its copper inflow to be circular by 2025 (results to be reported in the 2025 integrated annual report). Recent efforts have focused on [improving data maturity](#), aiming to elevate four additional materials — steel, aluminum, concrete and plastics — to the same level as copper, measuring their circular inflow based on supplier-specific data, and setting quantitative targets.



The 2GW Program includes strict requirements for contracted parties, emphasizing transparency and quantification of material use and its environmental impacts, as well as the limitation of non-recyclable waste at the end of the assets’ life cycle. Contractors are expected to progressively reduce their environmental impact with each new asset planned.

TenneT Netherlands is implementing a material passport system for its tenders to enhance understanding and insight into material usage. This system records all raw materials used in a product, specifying the inclusion of recycled and recyclable materials. The passport provides transparency regarding the

¹¹ As outlined in TenneT Netherlands’ [additional CSR data](#) published in March 2023, an addendum to its Integrated Annual Report 2022.

resource mix and serves as a foundation for increasing the circularity of product components. TenneT Netherlands has incorporated a raw material passport system into some of the new tenders to control circularity throughout its supply chain and to foster collaboration with its suppliers, and aims to expand the passport system to all tenders in the future

TenneT Netherlands confirms that requirements regarding the amount of recycled material and a mandatory material passport system will be incorporated into contracts for specific products, such as transformers or land cables, upon their next revision.

5. POLLUTION – DO NO SIGNIFICANT HARM CRITERIA

TenneT Netherlands confirms that its construction site activities adhere to the principles outlined in the IFC General Environmental, Health, and Safety Guidelines. The Issuer also confirms that its activities respect applicable norms and regulations to limit the impact of electromagnetic radiation on human health, including the Council recommendation on the limitation of exposure of the general public to electromagnetic fields (0 Hz to 300 GHz).

TenneT Netherlands confirms that no polychlorinated biphenyls are used in any activities.



TenneT Netherlands has published a series of brochures explaining its procedure for constructing high voltage facilities and addressing the impact of these facilities on the environment, safety, neighboring property and associated compensation arrangements.

Environmental incidents are monitored and tracked, as is the amount of oil leaked from cables.

6. BIODIVERSITY AND ECOSYSTEMS – DO NO SIGNIFICANT HARM CRITERIA

All projects are located within the Netherlands and Germany, making them subject to the directive and relevant national legislation for environmental impact assessments.

TenneT Netherlands confirms that all its projects have completed environmental impact assessment in accordance with Directive 2011/92/EU, as well as other appropriate assessments such as those conducted in accordance with Directives 2009/147/EC and 92/43/EEC, regarding projects near biodiversity-sensitive and protected areas. The Issuer also confirms its commitment to implementing mitigation and compensation measures, as required, based on assessment results. Furthermore, the Issuer has developed a [Code of Conduct](#) encompassing rules and guidelines for maintenance and construction works, aligned with Nature Protection laws to ensure flora and fauna protection.



<p>TenneT Netherlands’ Green Map initiative focuses on nature, biodiversity, communities and society as a whole. This initiative is realized through protective measures for animals, nature-inclusive measures and biodiversity enhancements.</p>	
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Minimum Safeguards

The alignment of the use of proceeds category characteristics and selection processes in place with the EU taxonomy minimum safeguards, as described in Article 18 of the [Taxonomy Regulation](#), have been assessed. The results of this assessment are applicable for every use of proceeds category financed under this Framework and are displayed below:

PROJECT CHARACTERISTICS AND SELECTION PROCESSES ¹²	ALIGNMENT WITH THE EU TAXONOMY REQUIREMENT
<p>TenneT Netherlands’ Corporate Human Rights Policy (updated December 2023) affirms its commitment to the principles of the United Nations Global Compact. Furthermore, it acknowledges and supports the United Nations Guiding Principles on Business and Human Rights (UNGP) and the OECD Guidelines for Multinational Enterprises, ensuring respect for human rights and adherence to social standards.</p> <p>For its own operations, TenneT has the Health, Safety & Environment (HSE) management system in place. This establishes mechanisms to provide safe and healthy working conditions, to prevent work-related injuries and illnesses, to minimize the environmental impact of operational activities, to comply with applicable legal and other HSE-related requirements, to eliminate hazards and reduce HSE risks, and to continuously improve the corporate HSE management system and HSE performance. All employees and units are responsible for day-to-day application of the HSE policy. The Executive Board is accountable. With the Diversity and Equity policy TenneT sets guidelines to manage the workforce in a diverse, inclusive, and safety-oriented manner.</p> <p>To identify and assess potential adverse impacts against the UNGP, TenneT Netherlands established a human rights assessment framework based on the UNGP and conducted a first human rights assessment in 2018/2019, followed by regular reviews. TenneT Netherlands maintains a policy of non-acceptance for suppliers who fail to meet established standards. In 2022, 50 suppliers were subject to follow-up visits, resulting in the non-approval of four suppliers. The remaining 43 suppliers either met the standards or were approved following the successful implementation of corrective actions.</p>	<p style="text-align: center;">✓</p>

¹² This column is based on input provided by the Issuer.

In alignment with the International Labor Organization’s commitment, TenneT Netherlands has also defined expectations regarding the conduct and integrity of its service providers and suppliers. TenneT Netherlands’ [Corporate Supplier Code of Conduct](#), revised in 2022, articulates these expectations and is incorporated into supplier contracts.

When a deviation from the policies is flagged, the issue is addressed by the respective unit, following TenneT’s compliance and integrity processes, with oversight of the Compliance and Integrity Committee.

The Issuer provides a “Speak Up” portal, enabling the workforce and the public, including stakeholders, to report potential misconduct and compliance violations, and to address grievances. The findings from the “Speak Up” portal will be reported and updated in the Integrated Annual Report.

In the Annual Report all metrics regarding workforce and incidents are reported. Moreover, TenneT Netherlands communicates annually with its stakeholders regarding the impacts and results of its supplier visits through its Integrated Annual Report.

PART IV: CONSISTENCY OF GREEN FINANCING INSTRUMENTS WITH TENNET NETHERLANDS' SUSTAINABILITY STRATEGY

Key sustainability objectives and priorities defined by the Issuer

TOPIC	ISSUER APPROACH
Strategic ESG topics	<p>The Issuer adheres to the Doughnut Economics framework, with the objective of safeguarding the planet's ecological ceiling while ensuring the fulfillment of essential social foundations. The Issuer prioritizes climate, circularity, nature and human rights. These sustainability topics have been defined through a double materiality analysis, aligned with the requirements of the European Sustainability Reporting Standards.</p>
ESG goals/targets	<p>To achieve its sustainability objectives, the Issuer has established the following targets:</p> <ul style="list-style-type: none"> ▪ Reduce Scope 1 and 2 market-based emissions by 95% by 2030 (from a 2019 baseline) ▪ Reduce Scope 3 emissions from purchased goods and services and capital goods in its value chain by 30% by 2030 (from a 2019 baseline) ▪ Ensure at least two-thirds of newly installed assets are SF6-free by 2030 ▪ Reduce the total recordable incident rate to 3.7 ▪ Reduce the absentee rate to 3.0% <p>These targets are public and monitored annually. The Issuer has established 1.5°C-aligned targets for its Scope 1, Scope 2 and well below 2°C target for Scope 3 greenhouse gas emissions.</p>
Action plan	<p>The Issuer has established a Health, Safety, and Environment (HSE) roadmap to achieve a fully implemented HSE management system. To ensure a safer work environment and reduce incident rates, various initiatives, such as Safety Weeks, safety project start-ups and other HSE-related activities, are integrated into daily operations.</p> <p>The action plan for greenhouse gas (Scope 1, Scope 2 and Scope 3) emissions reduction is outlined below.</p>
Climate transition strategy	<p>The Issuer aims to achieve a climate-neutral energy system by 2045 and has developed a climate transition plan, which has been approved by both the Executive Board and the Supervisory Board.</p> <p>To reduce Scope 1 and 2 emissions, the Issuer plans to:</p>

TOPIC	ISSUER APPROACH
	<ul style="list-style-type: none"> ▪ Use alternative insulation gases (such as clean air insulation) and replace existing assets with alternative technologies ▪ Move to a fully electric company vehicle fleet ▪ Procure green gas contracts where possible and purchase guarantees of origin if green gas contracts are not an option ▪ Optimize grid design to minimize energy losses ▪ Use electricity efficiently, for example, by implementing LED lighting <p>Furthermore, to reduce Scope 3 emissions, the Issuer will incentivize its suppliers to increase the use of green energy in producing, transporting and installing its assets. Additionally, the Issuer aims to evaluate the possibilities of changing product specifications to allow for more efficient material use or the use of recycled materials.</p>
<p>ESG risk and sustainability strategy management</p>	<p>The Issuer maintains a risk management system designed to ensure the early identification, assessment and management of risks. This system continuously identifies risks, assesses their severity, prioritizes them, implements appropriate risk responses, and maintains a comprehensive portfolio view. Identified uncertainties are reported quarterly to the Executive Board, Audit, Risk and Compliance Committee, and Senior Leadership Team. Risk management is supported through quarterly top-down and bottom-up risk dialogue workshops, in conjunction with detailed risk analysis and training provided at all levels within the Issuer. Furthermore, the Issuer has implemented an internal control system, incorporating specific controls and monitoring activities to ensure effective risk oversight. The sustainability reporting process follows a similar approach, integrating risk management, internal controls and other relevant organizational processes. The administrative, management and supervisory bodies oversee sustainability matters.</p>
<p>Sustainability reporting</p>	<p>The Issuer adheres to the European Sustainability Reporting Standards to comply with the Corporate Sustainability Reporting Directive for its Integrated Annual Report.</p>
<p>Industry associations, collective commitments</p>	<p>The Issuer is a signatory to the United Nations Global Compact and the Dutch Sector Agreement on Nature-Inclusive Infrastructure.</p>
<p>Previous sustainable or sustainability-linked issuances or transactions and publication of</p>	<p>In 2024, the Issuer issued EUR 1.1 billion in green hybrid notes. This issuance was preceded by notable and substantial multi-tranche green bond issuances in 2022 totaling EUR 3 billion (October 2022) and EUR 3.85 billion (May 2022). Consistent with previous issuances, the proceeds were allocated to eligible green projects in the Netherlands and Germany.</p>

TOPIC	ISSUER APPROACH
sustainable financing framework	

Rationale for issuance

TenneT Netherlands has been issuing green financing instruments since 2015. Its Framework defines the social and environmental aspects considered in the selection of eligible green projects financed through these instruments. Through its Green Financing Framework, the Issuer aims to provide a sustainable and secure electricity supply to society.

Opinion: *The Issuer clearly describes the key sustainability objectives and the rationale for issuing green financing instruments. The use of proceeds category aligns with the Issuer's sustainability objectives.*

DISCLAIMER

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ANNEX 1: METHODOLOGY

The ISS-Corporate 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 projects and assets or project selection eligibility criteria included in the Green Financing Framework 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 TenneT Netherlands, 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

TenneT Netherlands commissioned ISS-Corporate to compile a green financing instruments SPO. The second-party opinion process includes verifying whether the Green Financing Framework aligns with the Green Bond Principles and Green Loan Principles 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 (June 2023)

ISSUER'S RESPONSIBILITY

TenneT Netherlands' responsibility was to provide information and documentation on:

- Framework
- Eligibility criteria
- Documentation on the alignment of the project categories with the EU taxonomy Climate Delegated Act

ISS-CORPORATE'S VERIFICATION PROCESS

Since 2014, ISS STOXX, 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 TenneT Netherlands has been conducted based on proprietary methodology and in line with the ICMA/LMA GBP and GLP.

The engagement with TenneT Netherlands took place from October to December 2025.

ISS-CORPORATE'S BUSINESS PRACTICES

ISS-Corporate has conducted this verification in strict compliance with the ISS STOXX 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 STOXX.

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.

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