

Vattenfall NV Annual Report 2025



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VATTENFALL

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Report of the Management Board

About Vattenfall NV

Vattenfall AB is one of Europe's largest producers and retailers of electricity and heat. Vattenfall's main markets are Sweden, Germany, the Netherlands, Denmark, and the UK. The Group has approximately 20,000 employees. The Parent Company, Vattenfall AB, is 100% owned by the Swedish state, and its headquarters are in Solna, Sweden. Vattenfall Group is organised in five cross-border Business Areas: Wind, Customers & Solutions, Generation, Markets and Distribution. In the Netherlands Vattenfall NV is mainly active in the Business Areas Wind and Customers & Solutions.

Vattenfall's operations in the Netherlands are carried out by Vattenfall NV and its subsidiaries. Vattenfall NV also operates one gas storage facility located in Germany. Vattenfall NV supplies electricity, gas, heat and cooling, offering its customers a wide range of energy-saving products and services. Vattenfall NV has approximately 4,100 employees (FTEs) and around 3.5 million gas- and electricity contracts in the Netherlands. With net sales reaching almost EUR 5.0 billion in 2025, Vattenfall NV holds a top three position in the Dutch energy market. The activities relating to market access, trading and power plant optimisation are centralised in one Continental hub in Hamburg. The activities that serve and support Vattenfall NV's power plants and gas portfolio optimisation are also handled in Hamburg and are executed on behalf of Vattenfall NV. In this Annual Report, references to Vattenfall NV relate exclusively to items applicable to the Netherlands. References to Vattenfall AB, or Vattenfall, are used when activities are presented from a Vattenfall Group perspective. The paragraphs where the operating segments are described start with an introduction of Vattenfall AB and continues with describing the specific situation for Vattenfall NV.

Vattenfall AB has committed itself to the Swedish Corporate Governance Code (SCGC). Within the Vattenfall Group focus on the SCGC is therefore emphasised. More information about Vattenfall can be found in the 2025 Annual and Sustainability Report of Vattenfall AB and can be found at www.vattenfall.com. As part of Vattenfall, Vattenfall NV's financial and sustainability results are included in this Vattenfall report. More detailed information about Vattenfall's work with sustainability is also available at <https://group.vattenfall.com/who-we-are/sustainability>.

In Focus: Focused execution in a changing energy system

The world is becoming increasingly volatile. Geopolitical instability and challenging market dynamics are shifting EU priorities towards security, defense, and industry competitiveness. This also affects climate efforts. Although EU climate targets are set to remain and the direction of the energy transition is still clear, the pace is not. When things change, it is important to find a way forward – together with customers and partners. Vattenfall is determined to continue driving the transition towards net zero CO₂ emissions, for our customers, for our competitiveness and for future generations. With profitable investments, more efficient ways of working, and important collaborations, we are creating value for our customers, owner, partners and the climate – and thus for society at large.

Vattenfall NV developed a CO₂ roadmap that describes how Vattenfall NV, intends to become net zero by 2040 in the Netherlands. <https://www.vattenfall.nl/over-vattenfall/onsplan/>

The transition is clear, the path is not linear

The energy transition is not a straight line. In 2025, stabilisation in European energy markets was accompanied by continued uncertainty around policy implementation, grid constraints, and the pace of industrial electrification. While climate targets remain in place, the pathway towards them is increasingly complex. In this environment, we focused on operational excellence and financial discipline. We continued to optimise our existing asset base and continued the development of our advanced flagship, the renewable project Zeevonk, an offshore windpark with a pilot project for floating solar panels. We invested in the Leiden region in a peak and backup installation and in a hybrid thermal energy storage system in the north of Amsterdam. These actions improve our ability to respond quickly as market conditions change, while maintaining a strong balance between risk and return. Our early commitment to decarbonisation enhances our long-term competitiveness. By reducing exposure to fossil fuels and strengthening our renewable portfolio, we are better positioned to manage volatility and support customers in their own transition.

Strengthening resilience through integration

Delivering a net-zero energy system requires collaboration across the value chain. In 2025, partnerships remained a cornerstone of our strategy. Through cooperation with industrial customers, infrastructure partners and public

stakeholders, we continued to align supply and demand for fossil-free electricity. Large-scale projects such as offshore wind, system integration and green hydrogen require coordinated investments and long-term commitment. By working with partners, we can reduce project risk, improve capital efficiency and accelerate decarbonisation for energy-intensive industries. This collaborative approach also supports affordability by spreading costs and optimising system solutions.

Disciplined investments and operational excellence for net-zero growth

Vattenfall NV benefits from an integrated business model and diversified portfolio. This diversification acts as a natural hedge in volatile markets and supports resilient earnings. In 2025, we sharpened our strategic focus by being selective in capital allocation, prioritising projects that strengthen our competitive position and deliver long-term value. At the same time, we continued to drive efficiency improvements across the organisation, leveraging digitalisation and data-driven decision-making to enhance performance and cost control. Operational excellence remains essential. By maintaining high availability of assets, strengthening risk management and continuously improve processes, we ensure that Vattenfall NV can deliver reliable in an increasingly complex energy landscape.

Affordability and reliability for our customers

Affordability and transparency are critical as customers navigate the energy transition. In 2025, Vattenfall NV continued to support customers with clear communication, digital tools, and flexible product offerings that enable smarter energy use. We expanded propositions that help customers align consumption with market conditions, including dynamic and hybrid pricing solutions, smart charging and energy management services. These offerings empower customers to reduce costs, lower emissions, and contribute to balancing the energy system. At the same time, we remain committed to a fair and inclusive transition. Supporting vulnerable customers, working with public partners and ensuring reliable energy supply remain integral to our role in Dutch society.

Important events in 2025

Advancing offshore wind and system integration

We continued progress on Zeevonk, (the IJmuiden Ver Beta) offshore wind project in partnership with Copenhagen Infrastructure Partners. During 2025, activities focused on further project development, supply-chain preparations and advancing system integration elements, including offshore solar and hydrogen-related infrastructure. These steps are critical to delivering a large-scale, integrated energy system supporting Dutch and European decarbonisation objectives.

Further development of dynamic and flexible energy solutions

Building on earlier product innovations, we continued to develop and scale dynamic pricing and flexibility solutions for customers in 2025. These offerings support customers in aligning consumption with market conditions, contribute to grid stability and reinforce Vattenfall's role as a partner in the energy transition.

Expansion of public charging infrastructure

The roll-out of public EV charging infrastructure accelerated in 2025 following tenders won in previous years. Vattenfall InCharge continued to expand and manage charging networks across multiple Dutch provinces and municipalities, increasing the availability of smart and future-proof charging solutions and supporting the electrification of transport. As an example in Enschede we have taken an important step where we will install five new fast charging locations at shopping centres equipped with integrated batteries. A solution that not only addresses the growing number of electric cars but also smartly manages grid congestion.

District heating portfolio assessment and strategic review

In response to evolving regulation and market conditions including the new Heat Act, Vattenfall continued its strategic assessment of the district heating portfolio during 2025. This review focused on long-term investment security, sustainability objectives, and future ownership structures, while maintaining continuity of supply and service for existing heat customers. Vattenfall NV invested in the heat grids in the regions Leiden/Rotterdam, Arnhem/Nijmegen and the city of Amsterdam.

Strengthen electricity grids and investing in storage

Wind and sun provide a continuously fluctuating supply. Batteries play an important role in balancing supply and demand. They store excess production and supply it back when production is low. Moreover, they respond fast to fluctuations. Therefore, we are expanding and optimising our flexibility portfolio and have contracted 100MW of storage capacity in the newly built Leopard battery of Giga Storage.

Investing in reliability of heat supply

We are investing in the construction of a peak and backup heat plant that maintains the heat supply in the Leiden region during times of very high heat demand or in case of outages. This new heat plant, named 'de Sleutel', aims to safeguard the reliability of district heating supply in the Leiden region in the course of 2026, and from 2027 onwards also heat from the Rotterdam harbor will be delivered to the Leiden region. The new peak and backup

installation in Leiden is an important step in our efforts to realise sustainable heating solutions and reduce CO₂ emissions. By utilising heat from the Port of Rotterdam, we are taking an important intermediate step towards a future with less dependence on fossil fuels.

Recognition of our customer focus

For the consecutive year we have won awards at the Emerce Website of the Year election. Our website was chosen by the public as the best in the Energy category. The Dutch public, which visits our website with around 87,000 visitors per day, gave Vattenfall the highest quality score for content, navigation, site design, and recommendation intention. In addition, we won second place for the most popular website of the year in the same category. We have also been elected the best energy supplier of 2025 by the energy comparison site Overstappen.nl. With an average score of 8.6, we were the winner of the Golden Energy award.

Continued focus on affordability and customer support

Affordability remained a central theme in 2025. Vattenfall continued to support initiatives aimed at protecting vulnerable households and worked with public and private partners to address energy affordability, while maintaining reliable and sustainable energy supply.

Markets and regulations

New political momentum following new elections

The Dutch political landscape has been turbulent since the collapse of the cabinet in June 2025. This led to parliamentary elections on 28 October, in which both D66 and the PVV won 26 seats, marking a historic tie and resulting in a fragmented parliament. Coalition formation was expected to be complex and protracted. Until a new government was installed, the outgoing cabinet continued in a caretaker role. Early in 2026, the minority cabinet—comprising D66, VVD and CDA—was installed.

The cabinet's coalition agreement

With the coalition agreement in place, a process of continuous negotiation will be required to build parliamentary majorities for individual policies and measures. This working method is new for both the coalition and opposition parties. Together, D66, CDA and VVD hold 66 of the 150 seats in the House of Representatives and 22 of the 75 seats in the Senate.

The intended energy and climate policies for the 2026–2030 cabinet period focus on achieving the EU target of a 90% emissions reduction by 2040, with the Netherlands fully aligning with this goal. The policy

framework emphasises sustainability as the pathway to long-term energy security. Tackling grid congestion is a top priority. The government will continue to invest in offshore wind through Contracts for Difference to reach 40 GW of capacity. The SDE++ scheme will be extended with six additional application rounds to support the further development of renewable energy sources.

The coalition agreement also includes support for biomethane production, E-mobility, hydrogen, industrial decarbonisation, nuclear energy and implementation of the new Heat Act. The Heat Act requires public majority shareholding and the advice to the government to take over large private heat companies to accelerate the transition and maintain affordability. Additionally, the government will develop policies to safeguard electricity supply security, including the introduction of a capacity market, in which providers of controllable capacity can receive compensation for making their capacity available. This is in addition to the income they generate by actually producing electricity.

Impact of climate and energy policies

According to the Climate and Energy Outlook (KEV) 2025, the Netherlands is projected to reduce greenhouse gas emissions by 45–53% by 2030 compared with 1990 levels under current implemented policies. When additional planned measures are included, the reduction could reach between 47% and just under 55%. However, the likelihood of achieving the legally binding 55% target remains below 5%. This shortfall underscores the urgent need for stronger and more structural climate policies, as delays will make achieving future climate neutrality goals more difficult and more expensive.

Energy Act ('Energiewet')

The new Energy Act will replace the current Gas Act and Electricity Act and implements, among other measures, the EU Electricity Directive and elements of the Dutch Climate Agreement. It includes provisions on Transmission System Operator (TSO) and Distribution System Operator (DSO) regulation, consumer protection and data governance. The Act has been fully approved and entered into force on 1 January 2026.

Heat Act (Wet Collectieve Warmtevoorziening)

The legislative proposal for the new Heat Act has been adopted by Parliament. Depending on the timing of the subsidiary legislation "Besluit Collectieve Warmte" and its passage through the Parliament, the Act will be implemented in two phases: from 1 July 2026 and 1 January 2027. However, this timeline remains uncertain, as several steps are still outstanding. In general, the heat transition has experienced significant delays due to the decision to require majority public ownership of heat companies.

Onshore renewables

Onshore renewables (wind and solar) continue to face significant challenges in the densely populated Netherlands. Both technologies are constrained by regulatory and spatial limitations. Nonetheless, the collective voluntary regional policy target for onshore renewable generation remains in place at 55 TWh by 2030.

Offshore wind: challenging conditions for new development

In 2024, Vattenfall won the tender for IJmuiden Ver Beta. The so called Zeevonk project project is being jointly developed by Vattenfall and Copenhagen Infrastructure Partners. After the tender award, it was announced that parts of the hydrogen infrastructure—most notably the Delta Rhine Corridor—were delayed. Given the importance of hydrogen production to the project, a process was initiated to adapt the project design to the revised infrastructure and market conditions. This resulted in a revised irrevocable permit issued in 2025. The updated project consists of a phased approach:

- Phase 1: 1 GW of offshore wind and 6 MW of offshore floating solar to be developed by 2030.
- Phase 2: 1 GW of offshore wind and 500 MW of system integration (e.g., hydrogen production).

Ongoing concerns regarding electricity infrastructure

The development, accessibility, and financing of the energy infrastructure remain persistent challenges. The increasing share of renewable energy, combined with electrification, requires updated arrangements for grid contracts (e.g., non firm connection and transport agreements) and revised tariff regulation. In March 2025, the government published a cross departmental assessment of the funding needs for required grid investments. On the basis of this analysis, new policies are being developed to govern grid usage, access, and tariffs.

Affordability of energy

Energy prices remain higher than in the past, requiring a tailored approach to energy affordability and energy poverty. In 2025, the public-private emergency fund was made available for the last time. Municipalities have also been allocating funding to support households affected by energy poverty. From 2027 onwards, a publicly funded support scheme will be established to help households invest in energy efficiency in response to the forthcoming EU ETS 2 legislation.

European competitiveness and industrial transition

The Dutch industrial sector—particularly energy intensive industries such as chemicals, steel and refining—faces

growing pressure due to rising energy costs, strict environmental regulations and global competitive dynamics. While the Netherlands aims to become climate neutral by 2050, the transition presents significant challenges. These include high energy costs (taxes and grid fees) and limited electricity grid capacity. Industrial demand remains crucial for the further expansion of offshore wind, among other developments.

Investment plan

Vattenfall NV's investment strategy reflects our ambition to become net zero by 2040. Substantial growth investments are planned in renewable generation, with approximately EUR 1.3 billion allocated for the Netherlands in 2026 and 2027. The plan includes significant expenditures for the major offshore wind project Zeevonk, developed in partnership with Copenhagen Infrastructure Partners (CIP). Vattenfall NV is also investing in solar and battery projects, as well as large-scale onshore wind developments under its develop-to-sell strategy. This strategy involves developing renewable assets that are sold, or partially divested, after completion to release capital for new investments.

Another investment area is the expansion of district heating and cooling networks, achieved by connecting new customers and geographical areas to the existing system. In July 2025, the House of Representatives adopted the Collective Heat Supply Act, submitted by the Ministry of Climate and Green Growth (NL Ministerie van Klimaat en Groene Groei). In December 2025, the Senate discussed and adopted the Act, completing the key procedural stages. The subsidiary legislation (Besluit Collectieve Warmte) arranges that the Heat Act will be implemented in two phases: on 1 July 2026 and 1 January 2027. The Act requires designated heat companies to be more than 50% publicly owned.

Vattenfall NV is in discussions with the Ministry and municipalities on how investment certainty can be ensured for private heat companies in the coming period, as well as on achieving legal clarity regarding the future transfer of heat companies. Meetings with representatives of the Ministry of Climate and Green Growth have been constructive. In parallel to these discussions, the Dutch heat sector has had to postpone certain large investments due to insufficient investment certainty from the Ministry. Nevertheless, Vattenfall NV continues to invest in decarbonising and improving the reliability of heat sources within existing district heating networks. In Leiden, we are constructing new peak and backup capacity in support of the WarmtelinQ project, a new heat pipeline from Rotterdam to Leiden. In the north of Amsterdam, a Heat Only Boiler will be constructed, and a hybrid thermal energy storage system became operational in 2025. This installation combines heat and cold storage with supply from the district heating network. At other locations, renewable and low

carbon heat sources—such as residual heat from data centres and geothermal energy—are being developed. For heating and cooling new apartment buildings, thermal energy storage systems are being constructed and connected to district heating grids for supplementary heat supply.

Further growth activities include investments in electric vehicle charging infrastructure and decentralised heat solutions, including investments by Vattenfall's subsidiary Feenstra. In addition to growth projects, Vattenfall NV is planning substantial investments in the maintenance, modernization, and replacement of existing assets.

Investments in property, plant and equipment at Vattenfall NV are financed as far as possible through operational earnings. In addition, the partial sale of wind farms frees up capital that can be reinvested in newly constructed wind farms or other assets. Investment planning within Vattenfall AB is carried out centrally, including arranging financing through partnerships and the option to issue green bonds. Vattenfall AB ensures that adequate funds are available to Vattenfall NV by providing credit facilities or making capital contributions where necessary. In 2023, Vattenfall AB provided a loan of EUR 470 million to Vattenfall NV for the construction of the Hollandse Kust Zuid wind farm.

Operational performance

Operational results in 2025

EBIT (earnings before interest and taxes) decreased from EUR 1,179 million in 2024 to EUR 109 million in 2025. The table below shows the EBIT per segment for 2025 compared to 2024 and includes the impact of items affected by market price volatility:

Amounts in EUR million	2025	2024
Customers (Electricity, Gas & Heat), Heat Grids & Projects, Staff	184	183
Production (Wind and Heat Condensing Generation)	366	273
Markets	-441	723
Operating profit/(loss) (EBIT)	109	1,179
Items affected by volatility of market prices		
Unrealised fair value loss/gain power and gas contracts	-411	1,299
Provision onerous fixed-price customer contracts	0	0
Hedge result gas, electricity and CO ₂	-105	-569
Other commodities (Guarantees of Origin)	29	-52
Revaluation of gas stock	-22	75
Total Items affected by volatility of market prices	-509	753
Operating profit (EBIT) excluding items affected by volatility of market prices	618	426

The table illustrates that volatility in market prices has a substantial impact on the decrease in EBIT.

The business activities serving electricity and gas customers (including E-mobility) show a decreased EBIT in 2025 (2025: EUR 189 million; 2024: EUR 210 million). Business-to-Business market margins are lower, partly offset by higher margins in the consumer market, though this also includes both positive and negative incidental effects. The consumer market shows negative price and volume effects, with ongoing customer focus on energy savings. Costs increased mainly due to higher staff and marketing expenses.

Our business activities serving heat and cooling customers (Heat Grids & Projects) show an increased EBIT contribution (2025: EUR 4 million positive; 2024: EUR 1 million negative), mainly due to higher volumes resulting from more degree days. Costs were lower following the restart of the AVR waste incinerator plant, our main heat supplier in the Rotterdam area. In 2024 we incurred additional costs from temporarily renting heat boilers due to a fire at the AVR plant. For our heat activities, an annual statement has been prepared based on the existing Heat Act and related ministerial regulations and decisions, which require separate financial information for each heat supply company as of 1 January 2014. Furthermore, these regulations require heat supply companies to publish an annual financial statement. With this annual statement, Vattenfall Warmte NV fulfils this obligation. The statement can be found on page 77 of this annual report. So called regulated EBIT of Vattenfall Warmte NV increased from EUR 13.8 million negative in 2024 to EUR 10.1 million positive in 2025, while the Return on Investment (ROI) increased from negative 4.1% in 2024 to positive 2.5% in 2025.

The staff functions supporting all the business activities are presenting a less negative EBIT in 2025 due to higher surcharges to the internal customers in Vattenfall NV and lower surcharges from foreign Vattenfall companies, while costs are on the same level as last year.

The Production segment recorded an improved result compared with the previous year. Power plants in the Netherlands (2025: EUR 78 million; 2024: EUR 87 million) benefited from higher clean spark spreads and maintained almost the same availability as in 2024, although ancillary service revenues and internal revenues from the Epe gas storage were lower. The Velsen plant, held for sale from Q3 2025, had lower depreciation charges compared with 2024. The 2024 results included sales revenues from the disposal of land at the Hemweg power plant. Wind operations benefited from higher volumes due to full commissioning of the Hollandse Kust Zuid wind farm and almost the same average price levels as 2024 (EBIT 2025: EUR 288 million; 2024: EBIT EUR 186 million).

Market price volatility had the greatest impact on the Markets segment (2025: EUR 441 million negative; 2024: EUR 723 million positive). An unrealised fair value loss on power and gas contracts of EUR 411 million (2024: gain of EUR 1,299 million) was recognised in 2025. This loss of EUR 411 million includes a EUR 20 million loss on power, which is mainly due to decreased power prices for sourcing, partly offset by the realisation of power hedges with negative fair values built up in prior periods; the derecognition of these fair values led to a positive fair value result in 2025. The EUR 391 million loss on gas is mainly due to decreased gas sourcing prices and the realisation of gas hedges with positive fair values built up in prior periods; the derecognition of these fair values generated a negative fair value result in 2025.

Other effects from price volatility include a negative hedge result for power of EUR 105 million (2024: EUR 569 million loss), with average spot electricity prices more aligned with hedge prices in 2025. Hedge prices increased compared with 2024, while hedge volumes were lower. In 2024, besides power hedges, gas and CO₂ hedges were also included, with average spot prices below hedge prices, resulting in losses. The hedging strategy for power, gas, and CO₂ that applied during 2024 was phased out at year end. From 2025 onwards only electricity is hedged with as primary hedging arrangement the Corporate Power Purchase Agreement (CPPA) between BA Markets and BASF. Under this agreement, 49.49% of the HKZ volume was sold at a fixed average price. Higher average market prices in 2025 resulted in a negative mark to market (MtM) valuation reported within the Markets segment, with the offsetting position reported within the Wind segment. Vattenfall NV does not apply hedge accounting. Revaluation of gas stock in gas storages had a negative effect of EUR 22 million due to lower spot prices, resulting in a lower outcome compared with 2024 (gain of EUR 75 million). The deterioration in the gas portfolio performance (2025: gain of EUR 8 million vs 2024: gain of EUR 48 million) is due to lower results on gas sourcing and the use of gas storages, partly offset by positive weather effects. There was a substantial positive effect in 2025 from power sourcing, driven by an improved portfolio and imbalance management, and lower imbalance costs (2025: gain of EUR 56 million vs 2024: loss of EUR 66 million).

In 2022, the European Commission introduced a price cap for inframarginal power generation technologies, including nuclear, lignite, and most renewables, with exceptions for some forms of hydropower, biomass, and biogas. The Dutch government set the inframarginal cap at EUR 130/MWh. The calculation is performed monthly for the period in which the regulation applies (December 2022 to June 2023). The settlement took place in 2025 with a negligible effect.

Customers & Solutions

Vattenfall's Customers & Solutions business provides electricity, heat, gas, and energy services to retail and business customers. The heat operating segment consists of the heating and condensing businesses, serving district heating customers in the Netherlands. Vattenfall NV is a market leader in the Netherlands with 3.5 million electricity and gas contracts, 278,000 housing-equivalent heat customers, and 1.6 TWh of heat delivered. With this, Vattenfall NV supplies both the consumer and business segments of energy sales in the Netherlands. Our subsidiary Feenstra installs heat boilers and heat pumps and, for the first time, services more than 1 million contracts as of 2025. Customers & Solutions also provides E-mobility charging solutions for homes, businesses, and public charging in towns and cities across our Dutch market. In the Netherlands, Vattenfall NV has around 38,000 charging points.

Customers & Solutions aspires to be the partner of choice and supports our customers with solutions to help them decarbonise, for example via solar panels. Our flexible energy solutions support both grid stability and the energy transition. We are actively investing in our heating decarbonisation offerings, such as heat pumps for B2C customers, and developing data-driven and decentralised solutions for and with our B2B customers. Our heat operations offer an attractive and reliable heat supply.

2025 was a year of electricity and gas price fluctuations, with lower prices towards the end of the year. Customers are increasingly aware of their energy consumption and demand more transparency and control over their real-time usage through digital or in-app insights. District heating systems remain crucial for decarbonising buildings and integrating sustainable energy sources such as geothermal energy, biofuels, and excess heat. The Dutch government took additional steps towards public ownership of heating grids. In 2025, Vattenfall began assessing the ownership of its district heating operations in the Netherlands, including a potential divestment. While this process will take time, the business continues to focus on offering an attractive and reliable heat supply, and Vattenfall continues to develop the heat business—for example by investing in a peak and backup heat plant in Leiden, to be completed in 2027.

Grid congestion remains a key topic in the Netherlands—for new grid connections in E-mobility and e-boilers, and for flexibility services. The changing regulatory landscape shows also increased uncertainty, particularly with regards to the blend-in and production of biomethane in the Netherlands. We continue our efforts in the electrification of transport and industry, as well as in

decarbonisation. We leverage Vattenfall's renewable electricity production to offer a diversified commodity portfolio that covers an increasing share of renewable electricity and its associated Guarantees of Origin. To remain competitive, our focus is on stabilising our customer base while reducing the cost to serve. We are increasing our fossil-free electricity share and investigating options to secure additional fossil-free electricity certificates. As electrification progresses, we are increasingly developing and offering flexibility solutions to empower our business customers to use energy efficiently.

The consumer customer base in the Netherlands slightly decreased during the year. The consumer market saw increased competition in the second half of the year, but Vattenfall NV continued to be a reliable partner for our customers with a focus on energy savings. Customer experience remains volatile. We finished in the top three of friendliest companies within the energy industry and continue to focus on improvements. Our churn rate is below the market average, mainly due to our strong attention to, and appreciation of, our loyal customer base. The Dutch market churn increased from 15.8% in 2024 to 18.2% in 2025.

Customers are increasingly demanding renewable electricity. The electricity supply mix for our consumers in the Netherlands remains 100% renewable and of Dutch origin, making us one of the suppliers with the highest share of Dutch renewable sources in the retail market.

In the Netherlands, we launched the TijdPrijs Trend product, a hybrid contract offering customers fixed prices for the contract period and the flexibility of lower rates during off-peak hours. The newly adjusted Breakfree campaign, launched in Q4 2024, continued through 2025. Political developments and market conditions have had a major impact on current and expected sales of heat pumps and solar panels for our subsidiary Feenstra. The installation of heat pumps is stagnating. We are exploring options to secure biomethane in the Netherlands in response to the expected Dutch biogas blend-in obligation and to help customers decarbonise their gas consumption. Our customer apps provide real-time insight into consumption and energy prices, enabling efficient energy use. In the Netherlands, we are introducing smart charging, allowing customers to charge during off-peak periods and reduce their overall energy costs.

Competition in both the commodities and E-mobility markets remains fierce. The Dutch build-out has been slower than planned, largely due to nationwide grid congestion and reduced demand growth, although existing stations have shown strong utilisation. By

securing supply through early investments and expanding our business across the value chain, we aim to stay ahead of the competition and continue meeting customer demand. We are working to make the energy transition more accessible to all, with a focus on inclusivity and social responsibility. Vattenfall NV uses its experience and expertise to support vulnerable customers who have difficulties paying their bills. Therefore, Vattenfall successfully lobbied for the continuation of the emergency fund in 2025 and contributed again to this fund. We continuously investigate meaningful ways to make the transition more inclusive as we continue our efforts towards a just transition. We have implemented concrete actions in our billing process to help customers, such as offering flexible payment dates and payment arrangements, to prevent increasing debt levels. Municipalities are obliged to follow up on these signals, as well as signals from housing corporations, water suppliers, and health insurers. We work together with all municipalities in the Netherlands to ensure early detection of debt issues. Vattenfall NV worked closely with the Dutch Municipalities Organisation (VNG), debt-relief organisations and the Ministry of Social Affairs to improve the possibilities of sharing debt-related signals from our customers and thereby prevent forced disconnections. We also collaborate closely with over 1,000 Vattenfall Verlicht partners. Another example is our cooperation with Geldfit and Geldfit for Business, initiatives that support, advise, and connect customers to financial assistance.

Total volumes of electricity and gas sold in the consumer market (Vattenfall NV consumer market, DELTA Energie, powerpeers, E-mobility) and business market decreased for electricity (-0.7%) and increased for gas (3.2%) compared with 2024. Net sales decreased mainly due to lower electricity and gas prices in the Netherlands, combined with decreased electricity volumes in the business market. Gas sales in the business market increased as a result of prior-year acquisition growth. The consumer market recorded lower sold volumes and was also affected by settlements from previous years. The year 2025 was again warm, although with cooler weather compared with 2024. Customers continue to focus on energy savings. The Declaration of Compliance with the Code of Conduct for Suppliers and Metering Companies operating under their responsibility is included in the section Other Information.

District heating supply to our heat customers relies on heat from large heat production sources, such as Combined Heat and Power (CHP) installations owned by Vattenfall NV, as well as other producers including Uniper, and heat from waste-incineration plants such as AVR in Rotterdam and Arnhem and AEB in Amsterdam. For Vattenfall NV, decarbonising our heat operations aligns with our ambition

to reach net zero by 2040. We continue our efforts to replace fossil fuels with renewable and low-GHG-emission alternatives. We have expanded our portfolio to include technologies such as e-boilers, additional third-party heat infeed (TPI), thermal energy storage systems, and geo- and aquathermal heat sources, as well as power-to-heat solutions. We supply heat to both B2B and B2C customers, including large private and publicly owned property companies and households. We are involved in partnerships with cities to support the realisation of carbon-reduction plans, and with companies to integrate a higher share of renewable third-party heat sources.

The heat operating segment also includes Vattenfall's condensing power plants, consisting mainly of gas-fired power plants in the Netherlands. Vattenfall NV does not own any operational coal-fired plants; we closed our last coal-fired power station in 2019.

In the Netherlands, we are investigating the feasibility of lowering heat-network temperatures. This would minimise heat losses and enable the integration of more renewable third-party heat sources, as most excess heat is supplied at lower temperatures than conventional power plants and waste-incineration plants. We aim to grow our customer base by connecting additional newly constructed buildings to new and existing heat networks and by implementing smart, hybrid and decentralised low-carbon heating and cooling solutions. This ensures a reliable heat supply, facilitated by digitalised operations.

District heating systems remain crucial for decarbonising buildings and integrating sustainable energy sources such as geothermal energy, biofuels, and excess heat, as they reduce reliance on natural gas and ease pressure on the electricity grid. New large-scale heating networks for existing buildings in residential areas were paused in the Netherlands due to market conditions—including by Vattenfall NV—although local district heating tends to be highly competitive and efficient compared with individual heating solutions such as oil or gas boilers and heat pumps.

Total produced electricity amounted to 7.0 TWh in 2025 (2024: 6.7 TWh) from our gas-fired power plants in the Netherlands, which demonstrated good availability. Clean spark spreads were higher compared with 2024, although ancillary service revenues were lower. The number of heating customers, measured in dwelling equivalents, increased to 278,000 in 2025 (2024: 271,000). Total sold heat amounted to 5.8 PJ in 2025 (2024: 5.7 PJ), and total realised CO₂ reduction in 2025 compared with 2024 was around 234,000 tonnes CO₂ (2024: 223,000 tonnes CO₂).

The Annual Statement 2025 in the framework of the Heat Act is presented in the section Other Information.

An overview of the energy sources used in the heating networks and the environmental impact is presented in the district heating label (Other Information) and is also published at www.vattenfall.nl.

In 2025, Vattenfall InCharge became the market leader in operating public AC charging points in the Netherlands, with an 18% market share in alternating-current (AC) public charging as of December 2025. Our Electric Vehicle (EV) charging infrastructure continues to grow strongly, both in total installed charging points and in usage per point. As a result, we recorded 68% more charging sessions in 2025 compared to 2024. In addition, the technical performance of our network improved to over 97.5% uptime.

Throughout 2025, we expanded our installed base with over 8,000 additional charge points, reaching more than 38,000 points. This led to stable and successful growth in the following regions: North Brabant & Limburg, Gelderland & Overijssel, Utrecht, Flevoland, North Holland, and the City of The Hague. Furthermore, we won our first public high-power charging (HPC; fast-charging) tender in Enschede, including battery solutions.

In 2025, we reached an agreement with distribution system operators (DSOs) to restrain capacity during peak grid moments in winter 2025/2026. Grid congestion and longer lead times for new grid connections are challenging both network growth and increased usage of the existing network. Dynamic price and capacity products are expected to become more common, driven by market trends such as volatile energy prices and grid congestion. This trend is reflected in the smart-charging product that InCharge introduced in the MRaE region (three provinces in the Netherlands: North Holland, Utrecht, and Flevoland, excluding Amsterdam and Utrecht), which offers discounts during off-peak periods.

In 2025, Vattenfall and Tata Steel finalised the transfer of three gas-fired power plants—IJmond 1, Velsen 24, and Velsen 25—located on and near Tata Steel's site in IJmuiden. These plants utilise residual gases from Tata Steel's production processes to generate electricity, which is supplied to Tata Steel. Ownership of the power plants was transferred to Tata Steel in January 2026.

Reflection on expectations for Customers & Solutions from 2024

Looking back at our expectations for 2025, sustained price competition in the consumer market continued to influence customer dynamics. In this context, our focus remained on strengthening customer engagement through targeted energy solution advice, while further reducing the cost to serve through a continued emphasis on efficiency and cost discipline.

Our service company Feenstra performed in line with expectations, achieving growth in the number of service contracts. This was realised despite a stagnating market for heat pumps, a development already identified in 2024. In parallel, we continued to explore options to secure biomethane in the Netherlands, in anticipation of the expected Dutch biogas blend in obligations.

Our ambition to make the energy transition more attainable for all customers remained a key priority in 2025, with continued focus on accessibility, affordability and social responsibility. Within our heat business, we further advanced the investigation into lowering heat network temperatures to minimise heat losses and enable the integration of a broader range of renewable third party heat sources. The customer base continued to grow, supported by the expansion of our heat grids.

The sale of three gas fired power plants to Tata Steel was concluded in 2025, with ownership transferred in January 2026. Vattenfall InCharge developed broadly in line with expectations, supported by acquisitions and tenders secured in 2024. At the same time, grid congestion and continued volatility in energy prices remained important external factors influencing the pace of development.

Planned Activities for Customers & Solutions

- Continue developing portfolio of energy solutions.
- Assess ownership of the heat businesses in the Netherlands.
- Advance flexibility offerings to give customers control over how and when to consume energy, reduce costs, integrate decentralised energy solutions, and balance the grid.
- Further expansion of low-carbon heat infrastructure; geothermal heat sources in the Netherlands.
- Enable electrified transport by expanding our public charging network.
- Continue to work with governments to address the impacts of incoming regulations and address the concern regarding affordability of sustainable solutions and facilitate a fairer distribution of costs and benefits.

Wind

Wind is responsible for the development, construction, and operation of Vattenfall's wind farms, as well as large-scale solar power and battery assets. Vattenfall's continuously expanding renewables operations in north-western Europe are essential to achieving a sustainable energy system and form the backbone of the wider electrification of society.

The energy market remained dynamic in 2025, with geopolitical tensions and trade disputes shifting attention away from the energy transition. Market uncertainty

persisted throughout the year, partly due to political elections in the Netherlands, which presented a mixed outlook for meeting decarbonisation targets and national pathways. Industry decarbonisation has been delayed by slower economic growth and a postponed scale-up of the green hydrogen economy. Data centres, however, represent a demand segment experiencing global growth. At the same time, electricity prices have trended downwards, dampening investor confidence in new capacity. Despite this environment, Vattenfall remains committed to investing in attractive markets. The Netherlands is expected to introduce new Contracts for Difference (CfD) schemes to support the development of renewables. A CfD is a contractual mechanism designed to incentivise investment by securing revenue through fixed prices. For intermediate auctions in 2026, the SDE++ (Stimulerend Duurzame Energieproductie en Klimaattransitie) mechanism remains in place as the primary operating subsidy for renewable energy and CO₂ reduction.

Vattenfall NV is active in the development, construction and operation of offshore and onshore wind farms. In the solar and battery sectors, we believe the hybrid development of large-scale solar and co-located battery storage is becoming the "new normal", increasing resilience and mitigating exposure to lower electricity prices.

In offshore wind we operate the Hollandse Kust Zuid wind farm and we are focusing on delivering our next project, Zeevonk, as we prepare for the final investment decision (FID). Zeevonk is a joint venture between Vattenfall and Copenhagen Infrastructure Partners (CIP). Vattenfall NV made already capital contributions (in kind) to the joint venture totaling EUR 85 million, of which EUR 46 million was contributed in 2025. The government-related payments were EUR 30 million and reflect the Vattenfall share in the joint venture. Together with our partner we invested already EUR 171 million and we will continue to develop the project to FID at a similar run rate. When we will take FID the additional spend for the total project will amount to ~ EUR 3 billion. In 2025, Zeevonk successfully obtained a permit amendment from the Dutch government allowing a phased development of the 2 GW offshore wind project, the floating solar installation and the 1 GW system integration. This phased approach aligns with evolving market demand for hydrogen and the changing pace of the energy transition. Phase 1 (by 2029) will deliver 1 GW of offshore wind and a 6 MW floating solar pilot. Phase 2 (by 2032) will add a further 1 GW of wind, 500 MW of system integration and additional floating solar, subject to technical feasibility. Once operational, the project will generate state-of-the-art integrated energy, supporting industrial

decarbonisation through green hydrogen production and electricity supply.

In onshore wind, we balance our renewable growth ambitions with the needs of industrial decarbonisation. Onshore Wind Eemshaven West has been granted subsidy. We operate a portfolio of wind turbines in the Netherlands with a total commissioned capacity of approximately 2.14 GW (2024: 2.02 GW). In addition to wind power, we operate solar PV assets and battery storage. We now operate or own 86 MW (2024: 65 MW) of solar PV capacity, consisting of both decentralised and large-scale projects. Kooypunt and Echteld-Spoorstraat are already in operation. We have installed 15 MW (2024: 24 MW) of battery capacity in the Netherlands.

In 2025, development continued on our pipeline of large-scale solar PV and battery storage projects. Construction also progressed on two Dutch solar projects: Goirle (14.5 MW), with commissioning in February 2026, and Sas van Gent (19 MW) with planned commissioning in 2026.

Reflection on expectations for Wind from 2024

Renewable energy continued to play a central role in supporting Vattenfall NV's ambition to reach net zero by 2040. In line with our expectations, we prioritised further strengthening our project pipeline, with Zeevonk remaining the most significant focus during the year.

Electricity prices trended downwards in 2025, influencing market conditions and investor sentiment for new capacity. In this context, we continued to prepare for the anticipated introduction of new Contracts for Difference (CfD) schemes to support renewable energy development. These schemes are expected to facilitate partnerships with industrial off takers, supporting their decarbonisation ambitions while contributing to greater revenue stability for our renewable projects.

The development of large scale solar PV and battery storage projects progressed during the year. At the same time, project timelines remained subject to evolving market conditions and system constraints, resulting in selective adjustments to development phasing.

Planned Activities for Wind

- Collaborate with suppliers to mitigate supply-chain challenges.
- Foster partnerships with industries for decarbonisation and a fair and just transition.
- Implement and enhance sustainability criteria in procurement tenders.
- Evaluate environmental impacts, mitigation, and biodiversity enhancement of wind and solar farms through our Environmental R&D program.
- Engage decision makers and stakeholders on renewable energy risks and opportunities to facilitate a swift transition in a sustainable (environmental, social and economic) manner
- Enhance health and safety practices for both physical and psychological well-being.

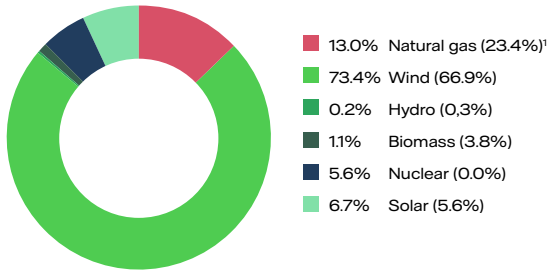
Fuel Mix supply

Electricity suppliers in the Netherlands are required by law to publish the fuel supply mix of the electricity they deliver to customers. Our supply mix is shown in the figures below and demonstrates that the share of renewable electricity in 2025 was 81.4%. The share of renewable electricity reflects the number of Guarantees of Origin used for the green electricity supplied to end-customers.

Since January 2020, electricity suppliers must disclose their complete supply mix ("full disclosure"). This means they must cancel not only Guarantees of Origin for renewable sources, but also Certificates of Origin for all other sources, covering the full volume of electricity supplied to their end-customers. The fuel supply mix is therefore based on the percentage of different types of Guarantees of Origin and Certificates of Origin used in that activity.

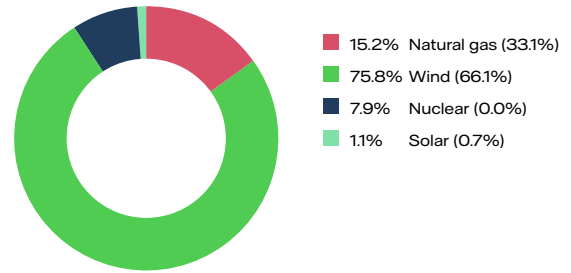
Our supply mix is shown in the figures below, illustrating that the share of renewable electricity increased by 4.8% from 76.6% in 2024 to 81.4% in 2025. The share of renewable electricity represents the number of Guarantees of Origin (GoO) used for green electricity supplied to end-customers. In line with the preferences of some of our business customers, Nuclear Certificates of Origin have also been acquired. For consumers in the Netherlands, the electricity we supply is sourced entirely from Dutch renewable production. This makes us one of the suppliers with the highest share of Dutch renewable sources in the retail market. More information and definitions are available at www.vattenfall.nl/stroometiket.

Fuel mix energy supply Vattenfall NV



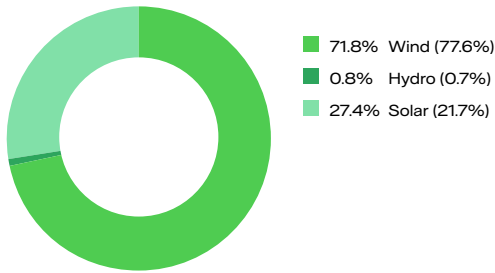
Fossil-based energy	13.0%
Nuclear energy	5.6%
Renewable energy	81.4%
CO ₂ emissions rate	49.51 g/kWh
Radioactive waste rate	0.12000 g/MWh

Fuel mix energy supply business market



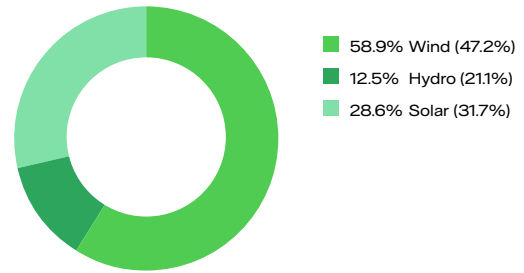
Fossil-based energy	15.2%
Nuclear energy	7.9%
Renewable energy	76.9%
CO ₂ emissions rate	57.70 g/kWh
Radioactive waste rate	0.18000 g/MWh

Fuel mix energy supply consumer market



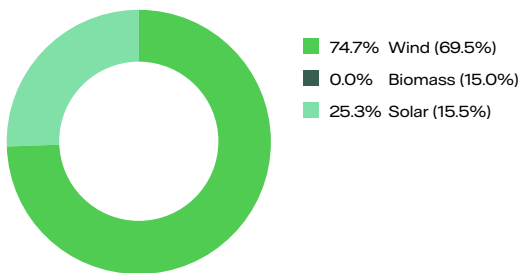
Fossil-based energy	0.0%
Nuclear energy	0.0%
Renewable energy	100.0%
CO ₂ emissions rate	0.00 g/kWh
Radioactive waste rate	0.00000 g/MWh

Fuel mix energy supply powerpeers



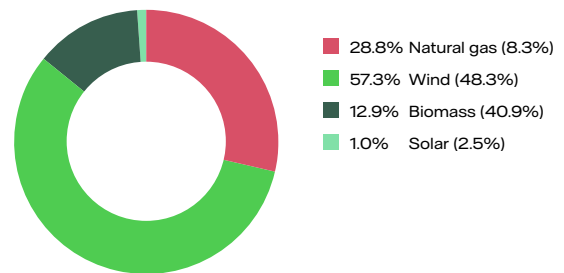
Fossil-based energy	0.0%
Nuclear energy	0.0%
Renewable energy	100.0%
CO ₂ emissions rate	0.00 g/kWh
Radioactive waste rate	0.00000 g/MWh

Fuel mix energy supply Delta Energie



Fossil-based energy	0.0%
Nuclear energy	0.0%
Renewable energy	100.0%
CO ₂ emissions rate	0.00 g/kWh
Radioactive waste rate	0.00000 g/MWh

Full mix energy supply Vattenfall Energy Trading Netherlands



Fossil-based energy	28.8%
Nuclear energy	0.0%
Renewable energy	71.2%
CO ₂ emissions rate	109.64 g/kWh
Radioactive waste rate	0.00000 g/MWh

¹ Between brackets 2024 percentages

Financial Performance

Income statement

The table below shows the results for 2025 compared to 2024.

Amounts in EUR million, 1 January-31 December	2025	2024
Net sales	4,934	4,980
Cost of purchases	-3,739	-2,750
Gross Margin	1,195	2,230
Other external expenses	-392	-427
Personnel expenses	-442	-401
Other operating incomes and expenses, net	47	65
Participations in the results of associated companies	8	4
Operating profit before depreciation, amortisation and impairment losses (EBITDA)	416	1,471
Depreciation, amortisation and impairments	-307	-292
Operating profit (EBIT)	109	1,179

Net sales

Net sales decreased by 0.9% to EUR 4,934 million in 2025. Electricity volumes increased, mainly due to sales of electricity generated by the Hollandse Kust Zuid wind farm to our partner BASF and higher volumes delivered to large clients. Volumes for E-mobility also increased. Gas volumes sold to business customers were higher in 2025 due to an increase in contracted customers. Gas volumes sold to consumer customers were lower than in 2024, as customers continued to focus on energy savings.

Gross margin

In 2025, the gross margin decreased sharply to EUR 1,195 million. As in 2024, the gross margin was affected by volatility in market prices (for a detailed explanation, refer to 'Operational Performance' on page 7). A net unrealised fair value loss on power and gas forward contracts was recognised in 2025, mainly due to decreasing spot prices (negative variance of EUR 1,710 million). Fair value results on Guarantees of Origin showed a positive variance of EUR 81 million. Other effects of price volatility include a less negative hedge result, leading to a positive variance of EUR 464 million for gas, CO₂, and power hedges (Gas and CO₂ hedges ended in 2024.) Vattenfall NV does not apply hedge accounting. The revaluation of gas stocks in storage had a negative impact (EUR 97 million) due to lower spot prices. The lower results from the gas portfolio optimisation are causing a negative deviation of EUR 40 million, while power sourcing improved substantially with a positive deviation of EUR 122 million. The commissioning of the offshore wind farm Hollandse Kust Zuid significantly increased electricity production, with the wind farm earning almost the same average electricity prices in 2025 as in 2024. The gross margin of Wind was negatively affected by a revaluation of Windplan Blauw in both 2025 (EUR 24 million) and 2024 (EUR 27 million), due to asset usage and reassessment of project assumptions.

Other external expenses

Operating expenses decreased by 8% to EUR 392 million in 2025. The decrease was mainly driven by realised efficiencies and reduced staffing and activities in support functions and E-mobility, partly offset by higher maintenance costs for E-mobility and increased marketing expenditure in the consumer market. Heat and Wind also reported lower costs. The Heat segment incurred lower operational costs in 2025 (e.g. maintenance and external staffing). In 2024, temporary heat boilers had been rented in the Rotterdam area. Wind recognised start-up costs in 2024 for Hollandse Kust Zuid when it became operational. 2024 was also affected by write-off charges of wind farm design due to discontinued offshore projects. Our subsidiary Feenstra realised savings on overhead.

Personnel expenses

The total number of FTEs increased to 4,145 at the end of 2025, up from 4,130 at the end of 2024. Personnel expenses increased by 10% to EUR 442 million due to wage indexation under the collective labour agreement for Vattenfall NV and its subsidiaries and an increase in workforce already at the end of 2024. Demand for technicians increased because more services are provided to Feenstra customers. Support functions within Vattenfall NV also grew to accommodate increased activity in the operating segments. Staffing levels in the consumer and business market decreased, driven by digitalisation, process improvements, and operational efficiency. E-mobility also reduced its internal workforce due to portfolio reshaping, and the Heat segment continued its focus on efficiency measures, resulting in lower staffing.

Other operating income and expenses, net

Net other income and expenses amounted to EUR 47 million in 2025. This includes a recognised claim of EUR 35 million against our supplier due to lower availability of Hollandse Kust Zuid than contractually agreed (2024: EUR 44 million). In addition, a net compensation of EUR 6 million was received for damage to a monopile at Hollandse Kust Zuid caused by the cargo vessel Julietta D in January 2022. An insurance compensation of EUR 2.5 million was received for the fire at the Heat-only Boiler Boris Pasternak. The remaining EUR 3 million mainly comprises dunning fees and capital losses on equipment, slightly lower than in 2024 (EUR 4 million). In 2024, a capital gain of EUR 17 million was recognised relating to the sale of part of the land at the Hemweg power plant.

EBITDA

EBITDA (earnings before interest, taxes, impairment, depreciation and amortisation) decreased from EUR 1,471 million in 2024 to EUR 416 million in 2025. Unrealised negative price developments on power and gas contracts, together with losses on power hedges, had a negative impact on EBITDA in 2025. Aside from price volatility impacts, the lower performance of the gas portfolio was fully offset by improved results in power sourcing. Higher electricity volumes from Hollandse Kust Zuid contributed positively to EBITDA in 2025. Our power plants benefitted from higher clean spark spreads, although this was fully offset by other items mainly affecting gross margin. Activities servicing our customers delivered a stable EBITDA contribution (see 'Operational Performance' on page 7).

EBIT

EBIT (earnings before interest and taxes) decreased from a EUR 1,179 million in 2024 to a EUR 109 million in 2025. Price volatility had a negative impact of EUR 1,262 million (2025: loss EUR 509 million vs 2024: gain EUR 753 million), as already highlighted in the table on page 7 ('Operational results in 2025').

Depreciation, amortisation and impairments increased from EUR 292 million in 2024 to EUR 307 million in 2025. The main reason for the increase is the commissioning of wind farm H Ollandse Kust Zuid. The intended divestment of the Velsen power plants had a positive impact, as depreciation charges were lower than in 2024. Regular depreciation increased in 2025, primarily due to maintenance and growth investments in Heat. Growth investments in E-mobility and higher inflation also contributed to higher depreciation.

Balance sheet

Non-current assets

Non-current assets decreased by 1% to EUR 4,910 million at the end of 2025. The majority of the non-current assets relates to property, plant and equipment. The investments in the Hollandse Kust Zuid wind farm continued during 2024, but were limited in 2025, while the depreciation charges have increased. The Velsen power plants have been reclassified to current assets ("held for sale"). The construction of a heat peak and backup installation and the associated heat grid in Leiden commenced in 2024 and continued in 2025, alongside growth investments in the heat grid and maintenance investments for our heat power plants.

Deferred tax assets, as part of non-current assets, increased mainly due to movements in trade derivative positions, inventories and hedge transactions, reflecting differences between carrying amounts and tax bases, partially offset by the utilisation of tax loss carry forwards in both the current and previous year. Contributions to associates and joint ventures increased due to contributions to project Zeevonk, while a reversal of a premium reserve benefitted Windplan Blauw. The derivatives position decreased further, driven by unrealised (net) fair value losses on gas forward contracts due to lower gas market prices.

Condensed balance sheet

Amounts in EUR million	31 December 2025	31 December 2024
Non-current assets	4,910	4,982
Current assets	2,929	3,026
Cash and cash equivalents	150	165
Total assets	7,989	8,173
Equity	4,163	4,184
Non-current liabilities	1,476	1,409
Current liabilities	2,350	2,580
Total equity and liabilities	7,989	8,173

Current assets

Current assets decreased by 3% to EUR 2,929 million at the end of 2025. The decline in trade receivables (wholesale trading in power and gas) from related parties is attributable to decreased prices. Receivables decreased due to lower electricity and gas prices and a smaller customer base. The balance in the In-House Vattenfall group cash pool has increased. Claims on our supplier for lower availability at project Hollandse Kust Zuid and on TenneT for reduced export cable capacity are also presented under current assets in 2024; these were reduced respectively settled during 2025. Accrued income for gas and electricity supplied to business customers was lower. Inventories decreased due to reduced gas and biomass storages and a negative revaluation of gas and biomass stocks driven by falling gas prices. The current derivatives position also decreased, reflecting the aforementioned unrealised (net) fair value losses on power and gas forward contracts, including gas storage. The loan previously granted to wind farm Windplan Blauw to finance development was repaid in 2025.

Cash and cash equivalents

Cash and cash equivalents fell by EUR 15 million to EUR 150 million at the end of 2025, mainly due to lower cash flow from operating activities and an increase of cash included in the Vattenfall group cash pool. Capital contributions from our partners BASF and Allianz in the Hollandse Kust Zuid wind farm were repaid, and both partners received higher dividends compared with the previous year. In 2024 a loan was granted by Vattenfall NV to wind farm Windplan Blauw. Conversely, cash outflows from investments were substantially lower, primarily due to the completion of wind farm Hollandse Kust Zuid, partly offset by increased investments in the heat segment.

Equity

Equity decreased by EUR 21 million to EUR 4,163 million. Equity attributable to non-controlling interests fell by EUR 51 million due to refunds of capital contributions and dividend payments. The positive result of EUR 82 million in 2025 had a favourable impact. No dividend was paid to Vattenfall AB for 2024. In 2025, minority interests amounted to EUR 1,178 million (2024: EUR 1,229 million), mainly representing BASF and Allianz's participation in wind farm Hollandse Kust Zuid. Minority interests are also present for windfarm Klaverspoor and ARX.

Non-current liabilities

Non-current liabilities increased by 5% to EUR 1,476 million at the end of 2025. The primary driver was a change in the derivatives position, reflecting unrealised fair value losses on power and gas forward contracts and CO₂ emission rights. In addition, contributions from heat customers for connections to the heat grid increased compared with the previous year.

Current liabilities

Current liabilities decreased by 9% to EUR 2,350 million at the end of 2025. The decline was mainly driven by lower trade payables for power and gas within the markets segment, reflecting reduced gas and electricity prices. Short term derivatives increased. The income tax liability rose due to taxable profit in the current year, prior year adjustments and tax payments relating to previous years. The loan granted to wind farm Windplan Blauw for the purchase of jointly developed wind turbines was repaid in 2025.

Net cash position

Reconciliation net cash position

Amounts in EUR million	31 December 2025	31 December 2024
Cash and cash equivalents	150	165
In-house Vattenfall group cash pool	908	267
Total free cash	1,058	432
Non-current interest-bearing liabilities	676	688
Current interest-bearing liabilities	59	44
Gross debt position	735	732
Net cash/(debt) position	323	-300

The net cash position at the end of 2025 amounted to EUR 323 million, compared with a net debt position of EUR 300 million at the end of 2024. The cash position with Vattenfall AB increased substantially in 2025 due to strong operational performance, lower investment levels, a reduced negative impact from the settlement

of hedges with Vattenfall Energy Trading GmbH, and the repayment of the loan granted to the Windplan Blauw wind farm. Cash and cash equivalents were EUR 15 million lower, reflecting decreased cash flow from operating activities and increased financing, partly offset by lower investment outflows. Investments in the Hollandse

Kust Zuid wind farm were significantly lower, offset by growth investments in the heat grid and maintenance investments for our heat power plants.

The financing of the Hollandse Kust Zuid wind farm also involves BASF and Allianz, who together hold a 49.5% interest in the project. In 2021, BASF acquired 49.5% of the shares from Vattenfall and subsequently sold 25.2% of these shares to Allianz. In 2025, EUR 44 million was refunded to BASF and Allianz, while in 2024 they made a capital contribution of EUR 25 million. In addition, EUR 55 million in dividends was paid in 2025 (2024: EUR 48 million).

In 2023, Vattenfall AB provided a EUR 470 million loan to Vattenfall NV to secure investment capacity, including for the Hollandse Kust Zuid wind farm. This amount is reported under non-current interest-bearing liabilities. There are no material changes in non-current or current interest-bearing liabilities compared with 2024. Vattenfall NV expects that positive operational cash flows in the coming years will support the continuation of a net cash position. Vattenfall AB will ensure that Vattenfall NV has sufficient liquidity by providing credit facilities or capital contributions when required. The total credit facility available from Vattenfall AB amounts to EUR 500 million, which remained unused in 2025.

Vattenfall NV has implemented guidelines and processes to ensure robust liquidity and solvency. The company participates in the Vattenfall Group cash pool to optimise the use of liquidity. The main accounts within the cash pool have an internal overdraft facility linked to in-house cash, enabling Group entities to meet unanticipated short-term liquidity needs. Cash-pool funding is used exclusively for short-term requirements; if Vattenfall NV has a more permanent funding need, the cash-pool balance must be converted into a long-term loan. At the end of 2025, Vattenfall NV had a EUR 470 million loan outstanding to Vattenfall AB to support investment execution. This loan was issued in 2023. Vattenfall NV also has an unused EUR 500 million overdraft facility with Vattenfall AB and the ability to draw EUR 310 million on an uncommitted overnight credit line from ING, its cash management bank, which likewise remained unused.

The liquidity and solvency impact is also assessed when preparing the dividend proposal. The proposal considers net profit, adjusted for significant non-cash fair value movements on financial instruments, to ensure a transparent view of available liquidity sources. A sustainable cash position for the subsequent 12 months is required to safeguard the execution of the investment plan. Furthermore, Vattenfall NV requires a debt/equity ratio not exceeding 60/40 to ensure the repayment of long-term debt. At the end of 2025, this criterion was met, with a debt/equity ratio of 44/56 (2024: 48/52), indicating solid solvency. As the sustainable cash

position required for the execution of the investment plan, as well as the required debt-to-equity ratio, are both met by Vattenfall NV, the Management Board has decided to declare a dividend of EUR 321 million to Vattenfall AB.

Our people

At Vattenfall, we believe in the power of our people to drive the energy transition. Our people strategy is designed to create meaningful employee experiences while building the right culture, leadership, and capabilities to meet today's and tomorrow's challenges. Vattenfall's operations in the Netherlands are carried out by Vattenfall NV and its subsidiaries. The principles outlined under 'Our people' from an overall Vattenfall perspective apply equally to the Netherlands due to our cross-country organisational setup and shared vision on employership.

Continuous development is at the heart of our strategy. From mentoring and coaching to leadership journeys, we empower our employees to grow and adapt. Diversity, Equity and Inclusion (DEI) principles are embedded throughout the employee lifecycle, and we are committed to fostering a workplace where everyone feels respected, valued, and truly included. Vattenfall takes a future-focused, integrated approach to recruitment, learning, performance, and reward. Using data-driven insights and inclusive practices, we attract, develop, and retain talent—supporting both individual growth and overall business performance. Equally essential is our mature and proactive health and safety culture, driven by a clear ambition to further reduce the frequency and severity of work-related injuries, illnesses, and eliminate fatalities at Vattenfall locations. Our core values—Active, Positive, Open, and Safe—guide behaviours across the organisation, reinforcing accountability, psychological safety, performance, and inclusion. Each value is anchored in our people strategy, which is structured around three core strategic pillars: Culture, Leadership, and Capabilities. Together, these form the foundation of a resilient and inclusive organisation.

- Culture – We foster a high-performing and inclusive culture where everyone feels safe, valued, and empowered to contribute and collaborate for impact.
- Leadership – We invest in our leaders to build the mindset, skills, and behaviours required to lead effectively today and in the future.
- Capabilities – Through strategic workforce planning and a unified job architecture, we ensure that our organisation has the right mix of skills in the right places at the right time.

Vattenfall's journey towards fossil freedom is enabled by attracting, developing, and retaining the right people through data-driven, fair, and future-focused people practices. By aligning with business strategy and leveraging insights, technology, and transparent communication, we deliver meaningful employee experiences—from recruitment to

reward and continuous learning. We strive for compliance, foster trust, and try to empower our diverse workforce to perform at their best—today and tomorrow.

How Vattenfall manages its workforce and employer reputation affects our ability to attract and retain key talent and therefore impacts competitiveness and innovation. Vattenfall's managers play a crucial role in motivating and supporting employees. They act as role models for Vattenfall's values, ensure diverse and well-organised teams, and provide employees with a platform for regular dialogue. All managers have a responsibility to foster a culture that promotes engagement. To support this, regular training sessions and various leadership tools are provided. Employee dialogues typically take place two to three times per year as part of the performance management process. These discussions may include topics such as health, work-life balance, working conditions, and working hours, and outcomes are analysed. Managers are equipped with a leadership toolbox and a platform offering guidance on health and wellbeing support available in each market, along with methods, tools, and training opportunities. Employees also complete annual mandatory training, including the Code of Conduct and Integrity, as well as role-specific learning.

Vattenfall has established development and career paths to support personal and professional growth, outlining the (e-)learnings and training that strengthen competencies and skills. Through access to free learning programmes and knowledge libraries, employees can prepare for future roles and develop technical, digital, interpersonal, and sustainability skills. This aligns with our efforts to evolve the Performance Management process to build a culture of continuous development and feedback that enables individuals and teams to reach their full potential. Additionally, Vattenfall has explored ways to increase transparency regarding mandatory and recommended training for each role, linked to development paths and onboarding programmes. Mandatory training covers topics such as the Code of Conduct and Integrity or role-specific areas like electrical safety. We believe that a healthy feedback culture is essential for Vattenfall's cross-generational workforce and will continue to pilot initiatives to strengthen it. There is strong demand for talent and capability in the energy sector, driven by the accelerating energy transition and scarcity of critical skills. Securing and retaining talent is therefore central to our strategy, with focus on three key areas:

- Attract – Attracting the right talent
- Enhance – Development through personal growth
- Retain – Inclusion strengthens retention and innovation

Vattenfall NV's ambition can only be realised by operating in a safe, inspiring, and caring work environment for everyone

working at and for Vattenfall NV. Health and Safety (H&S) is therefore at the heart of Vattenfall's strategy and a key component of a sustainable business. We recognise that working conditions are an area where we can make significant impact—particularly in health and safety, where we aim to continuously develop a healthy work environment in order to improve all aspects of health for our employees. This applies both to physical risks at our sites and to potential negative effects of unhealthy working conditions, such as excessive workloads. Vattenfall's operations include several high-risk activities, particularly in construction and maintenance, where risks must be carefully identified and mitigated. Vattenfall also recognises the material importance of healthy working conditions by addressing mental health, work-life balance, and career development, which contribute to engaged and satisfied employees.

Vattenfall aims to achieve “world-class H&S”, defined as being among the top three organisations when benchmarked against peers in the European energy sector. In 2025, Vattenfall continued its company-wide three-year H&S strategy based on four focus areas: 1) Management accountability; 2) Contractor H&S management; 3) Healthy work environment; and 4) H&S culture. Each focus area includes several targets, amounting to ten in total. Each Business Unit identifies relevant activities to address gaps and contribute to the overall targets. Progress is measured quarterly using fulfilment scores. The target for 2025 was 90 per cent, and the result achieved was 96.6 per cent (compared with 95.3 per cent in 2024). Vattenfall also tracks Lost Time Injury Frequency (LTIF), measuring injuries resulting in at least one day of absence. The LTIF (including Feenstra) in the Netherlands was higher at 0.9 in 2025 (0.4 in 2024).

To achieve its H&S targets and maintain a safe, inspiring, inclusive, and caring workplace, Vattenfall focuses on the four aforementioned areas. Effectiveness is assessed through the annual My Opinion employee survey and risk assessments under ISO 45001. Key initiatives in 2025 included development of a new H&S Strategy, handover of Critical Control Management to the business, electrical safety improvements, implementation of a common HSSEQ reporting tool, improved incident investigation and learning forums, development of a new leadership programme, updated employee survey methodology, and new labour contracts with clear and accessible language.

Vattenfall's Health and Safety Policy outlines our principles and commitments as an employer and clarifies expectations for employees and non-employees. Top management is responsible for implementing and communicating the policy across the organisation.

Leaders must ensure their teams have the necessary knowledge, training, and resources for compliance. All employees are responsible for adhering to the policy, and non-employees must follow it when working for Vattenfall. Occupational health care covers all employees, with training tailored to local requirements. Non-occupational medical services vary by country due to differences in legislation and social security systems. The sick leave rate in the Netherlands increased to 6.3% in 2025, compared with 5.7% in 2024 (including Feenstra).

Vattenfall promotes an H&S culture where best practices are shared and active hazard reporting helps detect and mitigate risks before incidents occur. The company is committed to a zero fatality threshold as part of the TRIF+ targets and maintains a robust incident-learning process based on Root Cause Analysis. Insights are used to update procedures, adapt training, and implement preventive measures. The H&S Policy states that work must stop if an employee or contractor is in danger. The hierarchy of controls is defined in the Code of Conduct and Integrity and in Intelx. The policy is based on three pillars: Be Safe, Take Care, and Speak Up. Vattenfall will place increased emphasis on the health element of its H&S strategy for 2026–2030, focusing on preventive measures in response to rising mental health-related sick leave.

At Vattenfall, our goal of reaching net zero by 2040 aligns with our commitment to people. Diversity, Equity and Inclusion (DEI) are essential to shaping a sustainable future that reflects and benefits all communities. These principles are integrated into our strategy and culture, influencing how we build teams, foster innovation, and create positive impact. Diversity is embedded in our values and represented at the highest levels of leadership. Our vision is to be recognised as one of the most inclusive workplaces in the energy sector, creating an environment where everyone can thrive and contribute to a sustainable future. Vattenfall's DEI strategy focuses on the systemic integration of DEI principles into programmes and processes. We also actively participate in and support significant events and observances, such as holidays and Pride weeks. A structured DEI roadmap and calendar ensure recognition of key moments, including Vattenfall Women in Energy Week, Pink Shirt Day, Vattenfall Diversity Month, and Vattenfall Pride Season.

In the Netherlands, the number of employees increased from 4,130 FTEs in 2024 to 4,145 FTEs in 2025, comprising 1,139 female employees (2024: 1,136) and 3,006 male employees (2024: 2,994). The annual My Opinion survey measures the extent to which employees feel connected to Vattenfall's purpose and their own contributions.

Vattenfall Foundation NL

The social impact of employees contributing their time on a voluntary basis has increased further, reaching 7,448 hours in 2025 (2024: 7,092 hours). More than half of employees in the Netherlands participated in at least one activity. Vattenfall NV has also decided to introduce a formal leave scheme with effect from 2024, allowing all employees to use four hours of paid leave for activities organised through the Foundation. The impact of the Vattenfall Foundation NL is regarded as an important contribution to the social dimension of the sustainability objectives. In addition to supporting community investment, the involvement of volunteers also makes a significant contribution to employee engagement.

Integrity

Vattenfall believes that free competition plays a decisive role in ensuring an effective market and has a zero-tolerance policy for bribery and corruption. We require all employees to act in accordance with our Code of Conduct and Integrity, which all our employees must be familiar with. We are a member of the Partnering Against Corruption Initiative (PACI), launched by the World Economic Forum. We are also a member of the Business Integrity Forum of Transparency International, an initiative focused on promoting transparency and combating corruption in the world.

We have established a robust supply chain compliance framework to proactively prevent, detect, respond to, and remediate risks, and to meet legal requirements when engaging with counterparties. What is stated about 'Integrity' from an overall Vattenfall perspective also applies to the business activities conducted by Vattenfall NV, due to the cross-country organisational set-up and shared vision of ethical business conduct. We require all employees to take personal responsibility for acting in accordance with the company's ethics guidelines, as set out in the Vattenfall Code of Conduct and Integrity. Tailor-made face-to-face training programmes, mandatory e-learning modules, instructions, flowcharts and Q&A documents support these ambitions.

Our suppliers and business partners must act ethically and in full compliance with the applicable rules in every country in which they operate, as outlined in the Vattenfall Code of Conduct for Suppliers and Partners (CoCfSP). It sets out requirements and expectations relating to environmental, social, human rights and governance topics, and specifies the minimum standards that suppliers and partners must apply within their own operations and supply chains when working with Vattenfall.

In the area of integrity, the CoCfSP places particular emphasis on business integrity, anti-corruption, conflicts of interest, competition law, and the use of the whistleblowing function. It is based on, among other sources, the UN Global Compact, the UN Guiding Principles on Business and Human Rights, ILO declarations and the OECD Guidelines for Multinational Enterprises. Additionally, Vattenfall has implemented a process for managing counterparties, through which we seek to identify, manage, and control the risk of engaging with entities involved in money laundering, tax fraud, terrorist financing, those subject to EU sanctions, or those with poor environmental, social or governance performance. Vattenfall has, for example, activated a continuous supplier monitoring process in which counterparties are monitored based on their assessed risk level. We evaluated the effectiveness of our compliance framework and updated the necessary compliance checks in the contracting process for Goods & Services, in light of emerging legal requirements on supply chain due diligence. We continue to monitor the legal and regulatory landscape related to supply chain due diligence, including the EU Corporate Sustainability Due Diligence Directive. More information about Vattenfall's integrity organisation can be found in the Corporate Governance Report in the Annual and Sustainability Report of Vattenfall AB.

The Code of Conduct and Integrity outlines Vattenfall's work in establishing, developing, promoting and assessing a positive corporate culture. It forms the foundation for all work performed at Vattenfall and defines what is expected of employees (including temporary staff) with respect to business integrity and corporate culture. Vattenfall works to identify, report and investigate concerns regarding unlawful behaviour or conduct that does not uphold the Code of Conduct and Integrity. Every employee is required to complete an e-learning module on the Code of Conduct and Integrity, and it is published on the Vattenfall AB (www.vattenfall.com) and Vattenfall NV (www.vattenfall.nl) websites with references to the Vattenfall Management System (VMS), which elaborates on this code.

An Integrity Survey is conducted annually and may be followed by individual interviews where necessary. The annual group-wide 'My Opinion'-survey and the mandatory Integrity Survey for managers are important tools for measuring progress, identifying risks, and determining areas for development and improvement. Employees and external stakeholders may also report suspected or observed breaches of the Code of Conduct and Integrity, internal rules or the CoCfSP to the whistleblowing function. Reports can be made anonymously through an encrypted system, or directly to a national whistleblowing coordinator or Internal Audit. Vattenfall has implemented its whistleblowing system in compliance with all relevant legislation. To investigate business conduct incidents, Vattenfall maintains an independent investigation function comprising employees from Legal, Internal Audit, Corporate Security & Resilience, and People & Culture. The investigation teams operate independently and have all the necessary resources to conduct investigations thoroughly, promptly, and objectively. It is strictly prohibited for all Vattenfall employees and representatives to attempt to determine the identity of a whistleblower.

To ensure our employees have the appropriate tools, extensive integrity training is provided. One example is the Vattenfall Integrity Programme (VIP), which mitigates integrity-related risks by delivering recurring training to all managers from level N to N-3, as well as employees with regular external contact such as suppliers, customers and trade associations. For example, the procurement organisation has been identified as most exposed to risks relating to corruption and bribery due to its regular supplier interactions and responsibility for awarding contracts. The VIP focuses on competition law, anti-corruption, conflicts of interest, procurement and bribery. These trainings are essential to ensuring that integrity-related matters remain high on the agenda and are continuously discussed within business units and teams. During 2025 1,974 employees completed the VIP across the Vattenfall Group. Furthermore, all new employees must complete mandatory e-learning on the content and principles of the Code of Conduct, and a "four-eyes principle" is applied across all procurement activities.

Business risks and Risk management

Vattenfall AB applies conscious and balanced risk-taking and review of business transactions both from profitability and risk perspectives. The risks are managed based on a sound risk culture throughout the entire company, with the aim of supporting our short-term objectives and achieving our long-term strategic goals. In accordance with the Swedish Corporate Governance Code and the Risk Policy, adopted by the Board of Directors, Vattenfall's risk management framework ensures thorough identification and management of risks and acceptable risk exposure. What is stated about 'Risk management' from an overall Vattenfall perspective is applicable for the business activities conducted by Vattenfall NV as well due to the cross-country organisational set-up.

Risk management

Vattenfall NV is exposed to a number of risks that could have an adverse impact on operations and outcome. A better understanding of and control over these risks can potentially generate better results from the business activities. The Vattenfall NV Management Board is responsible for the company's risk management and control system. Vattenfall NV strives for transparency with regard to risk exposure and recognises all risks that may impact the company.

Vattenfall NV, as part of Vattenfall, applies the 'three lines' model for the management and control of risks. The first line is primarily represented by units associated with the provision of products or services to the organisation's customers, such as Business Units and certain Staff Functions. It is responsible for executing the strategy and managing risks. The second line provides control, expertise, support, monitoring and challenge on risk-related matters. It consists of Staff Functions governing the

organisation, among them Health & Safety, Environment, Integrity, Security, Group Internal Financial Control, and Risk Management. The third line is made up of internal audit, which oversees and evaluates the first and second lines.

The following paragraphs describe the performed risk management efforts.

The Vattenfall Risk Management Framework

The objective of the Vattenfall Risk Management Framework is to provide reasonable assurance that the achievement of strategic and operational objectives is effectively monitored, that the financial reporting is reliable and that current laws and regulations are complied with.

The framework is part of Vattenfall NV's Governance and designed to ensure an acceptable risk exposure, based on a thorough and transparent analysis of Vattenfall NV's risks, thus facilitating the in-control situation and risk exposure based on an appropriate assessment of the risk-reward balance. The framework facilitates the monitoring of risks with a potential impact on the organisation and is based on a set of best practice policies, procedures and internal control mechanisms. All risks as reported and discussed are continuously reconciled with the risk appetite defined by Vattenfall NV.

The Vattenfall Risk Management Framework focuses on ensuring that the most important risks are identified and that appropriate control measures are executed to manage these risks. The Framework is based on the COSO Enterprise Risk Management (ERM) Framework and the three lines model.

The ERM is executed as a continuous process for identifying, assessing, managing, and following up on risks at all levels of the business at an early stage. An update of the risk situation is presented periodically for discussion at Management and Supervisory Board level.



Important components of Vattenfall NV's governance to manage risks are:

- The Vattenfall Management System (VMS) which Vattenfall NV, as part of Vattenfall, implemented and which contains regulations, guidelines and procedures that are relevant for all Vattenfall employees and for the relationship between Vattenfall AB and its subsidiaries, Business Units, Staff Functions and other Vattenfall companies. VMS includes the Vattenfall Code of Conduct and Integrity and the Whistle-blower Policy, which are publicly accessible at www.vattenfall.com. VMS also comprises the IFRS accounting manual and the reporting manual;
 - The Vattenfall Code of Conduct and Integrity, which sets the behavioural rules for all employees. The Code of Conduct and Integrity fosters an honourable business culture in which the rules applicable to employees are clear. Breaches of the Code of Conduct and Integrity, if they come to the attention of Vattenfall, will be investigated and may lead to sanctioning;
 - The Risk Management organisation, headed by the Chief Risk Officer, supports Vattenfall NV in applying Vattenfall's risk framework. The Risk Management organisation monitors market risk on a daily basis, manages credit risk, oversees compliance with policies and risk limits and guides the group-wide reporting of significant business risks. Together with other specialist risk stakeholders (for example health and safety, information security), the Risk Management organisation supports the Business Units in the identification, quantification, mitigation, monitoring and reporting of risks;
 - Vattenfall does not state a specific level of risk appetite. The BoD and the CEO state their risk appetite explicitly and implicitly in decision making through, e.g.
 - Group Strategic Direction
 - Decentralised business responsibility
 - Target setting
 - Clear boundaries in mandates (e.g. hedge deviation)
 - Hedge objectives/strategy
 - DHR (differentiated hurdle rate);
 - The Integrity function, which advises and reports on issues with regard to competition, anti-bribery/corruption, conflict of interest, the whistleblowing function and inside information. In addition, the function advises management on measures to enhance compliance and monitoring compliance risks and it stimulates awareness of the Code of Conduct. The Vattenfall NV Integrity, Fraud and Incidents report is submitted semi-annually to the Vattenfall NV Management Board and Supervisory Board. This report focuses on integrity developments, fraud and other incidents reported in the Netherlands and is a combined report of Internal Audit and the Integrity department;
 - The Legal department, which submits the Claims & Litigation report to the Management Board of Vattenfall NV. The report contains a summary of current legal proceedings and disputes;
 - The Vattenfall Internal Financial Control Framework (IFC), which reports on the effectiveness of the controls which aims to assure reliable financial reporting and which is partly based on the results of the key controls for the primary processes within the different business areas;
 - The planning & control cycle, in which annual budgets are assigned for each organisational unit and the outcome of which is subsequently discussed between the Management Board and the Business Units;
 - The periodic reporting on Business Units' financial and operational performance, partly based on the system of Key Performance Indicators (KPIs);
 - Business Areas within Vattenfall NV report risks into the ERM which enables Risk Management to create the Enterprise Risk Report, which summarises the most significant risks facing the organisation. The Vattenfall NV Risk reports are produced semi-annually: in the beginning of the year providing the risk values for the following Business Plan period and mid-year, whereby changes to the risk levels are highlighted but the values are not recalculated. The reports are discussed with the Management and Supervisory Board;
 - The responsible management's confirmation at corporate and unit level of the reliability of the financial reporting through signed Letters of Representation;
 - The execution of audits by the Internal Audit department in conformity with the annual plan, which is approved by the Supervisory Board. The outcomes of their audits are discussed with management and summarised for the Supervisory Board;
 - The follow-up of findings from internal and external audits by the Business Units, which are periodically reported on to the Management Board and summarised for the Supervisory Board.
- All risks are quantified both with regard to exposure as well as with regard to probability according to the agreed ERM methodology. The Management Board periodically discusses all aspects of the framework, including all reported individual and aggregated quantified risks. This includes conclusions with regard to either the acceptance of the ultimate risks, or the instigation of actions to reduce risks, as well as with regard to the reconciliation with the risk appetite.

Main risks and mitigation

This section describes the most important risks within Vattenfall NV.

- Market Price Risk Assets. The revenues (Gross Margin) from Vattenfall NV's generation assets are highly dependent on the pricing developments on the energy

markets. The risk declined over the past year following the volatile period of the pandemic and the energy crisis, driven by both a decrease in market prices and an overall reduction in expected power production volumes. The gross Margin at Risk still continues to represent the largest single risk in the Group's overall and in the Vattenfall NV risk profile.

Mitigation(s): Risk is actively managed and monitored via the Hedge Strategy Process on Vattenfall level.

- Loss of margins due to a decrease of sales volume or unfavourable pricing structure. Developments in energy efficiency and decentralised generation could lead to lower consumption and demand for electricity and gas resulting in lower margins on commodities. Furthermore, usage of discounted pricing structures could lead to significant loss of margin under rising market prices. Another example is the solar netting regime risk related to increasing proportion of return deliveries of solar customers yielding negative margins which remains prominent despite the introduction of an explicit feed-in charge for solar power customers in the Netherlands.

Mitigation(s): Decrease operational costs and development of volume independent solutions (e.g. solar lease, storage). Optimising management of contract portfolio.

- Consumption Risk Sourcing Adjustments captures the sourcing related financial impact on Gross-Margin due to potential demand fluctuation of the current customer base during delivery. Temperature is an important driver for gas and heat volumes. This risk displays possible additional cost from the need to adjust gas and power volumes in the wholesale market.

Mitigation(s): Continuous refinements of forecasting process coupled with customer specific risk charges. Temperature as well as impact on volume offtake is monitored. Explore product innovation to make sales less temperature dependent.

- Credit risk for various counterparties. Credit risk is the risk that a counterparty cannot or will not meet its obligations to Vattenfall and exists across all activities. Mitigation(s): Robust credit check and credit monitoring processes. In case of trading counterparties and business customers, requesting additional securities and certain credit clauses.

- Operational and Compliance risks. This includes all risks of operating the business and includes breakdown of technical processes (both during operations and construction), data and information security risks, legal risks of litigation and potential (mass) claims and non-compliance with law and regulation. Fraud and unethical conduct could disrupt operations as well and have negative impact on people and environment. Mitigation(s): Maintenance, Business Continuity plans, Code of Conduct and Integrity, Code of Conduct for Suppliers, Compliance officers for dedicated risk areas.

- Increased competition. Missing profit due to increased competition both on current customer base and innovation.

Mitigation(s): Continuously monitor the market for competitive products and new developments; develop non-traditional business models and actively work together with start-ups and other market entrants; attract right capability and create multi-disciplinary teams and foster customer co-creation.

- Economic feasibility of projects under pressure because of surging prices for input material and procurement risk, including risk of increasing competition for critical and low-carbon materials for construction of renewable assets.

Mitigation(s): Continued improvements of sustainability performance, including human rights action plan, environmental action plan and sustainable supply chain. To ensure diversification of the supply chain and availability of resources, we cooperate with suppliers and peers.

- Fraud Risk: Management override of controls. Management has the ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

Mitigating action(s): via our Internal Control Framework we take into consideration this presumed risk via checking the appropriateness of e.g. journal entries by restricting system access to limited number of finance employees with the right competences, by requesting supporting documentation and by approval of the journal entry via an authorised person. These procedures are also applicable for other adjustments made in the preparation of the financial statements (e.g. manual corrections) and via signalling of significant transactions, if any, outside the normal course of business for the entity via applying system authorisations and a Tax review on material/ non-routine transactions with a minimum of twice a year. Next to that, financial reports are analysed and discussed within both the Management Board and the Supervisory Board. Main risk of management override is reduced, since the members of the Management Board are not paid any variable pay dependent on Vattenfall's financial results; for other management a limited variable pay is in place, mainly based on Vattenfall AB group results.

- Fraudulent financial reporting: this includes the risk of overstating the revenue – sales of electricity, gas and heat to end-users (consumers and businesses) and overstating the revenues from wind production. These sales are e.g. recognised as revenue at the time of delivery. The types of revenues with the assessed highest materiality could potentially result in a material misstatement due to fraud.

Mitigating actions are: actuals are on a monthly basis reported and analysed versus previous year and plan value. The accuracy of sales prices, the accuracy and

completeness of the registration of meter readings and information on EAN -codes is established via an internal control framework, which includes among other things authorisations and 4-eye principle of sales prices entered into the invoicing system. So the billing process, as connected process of revenue recognition is secured via internal controls. Further, we refer to controls mentioned above at Fraud Risk – Management override of controls.

- Fraud Risk – Data theft might negatively impact Vattenfall’s reputation and cause claims from customers and a fine from the data protection authority.
Mitigating action(s): Vattenfall NV adapted procedures, such as reduction of the search possibilities into the customer database, increased monitoring of user logs and tightened the process of hiring new employees.
- Fraud Risk – Other, such as breach of procurement rules (risk of vendor favouritism/corruption, risk of non-compliance with EU tender law and the risk of conflict of interest).
Mitigating action(s): Vattenfall maintains a framework of internal controls, as further described in the section ‘The Vattenfall Risk Management Framework’. Also, where applicable or pertinent, (forensic) investigations are requested both internally and externally. In that case a legal opinion by a specialised law firm and an external forensic investigation can be requested to assess compliance with e.g. procurement law and potential supplier favouritism.
- Going concern: The risk includes the ability to continue as a going concern for at least twelve months.
Mitigation(s): Creating budget and liquidity forecasts, including expected future cash flows in relation to market developments, developments in the macro-economic environment, future pricing curves for power and gas, climate-related developments, investment projects and the relevant information, including, among other things, the cash flow projection of the five-year business plan obtained as part of the non-current assets impairment testing. Evaluation of the credit facilities and capital structures and requesting additional loans or capital injections from the parent company Vattenfall AB.
- Security risks including cyber risks, (e.g. phishing and espionage), as well as physical security risks.
Mitigation(s): Applying and improving Business Continuity Management Processes. New cyber security awareness training mandatory to all employees. We constantly monitor cyber-attacks, and work to counter attacks and implement safeguards. Note 28 to the financial statements provides further qualitative and quantitative information on financial risk management.

- Climate risks: The changing climate affects Vattenfall NV both through physical changes to the environment we operate in and through changes in society associated with the transition from fossil fuels and materials. Vattenfall’s greenhouse gas footprint poses a transition risk for some of Vattenfall’s assets and business models. We have set science-based targets for 2030 and 2040 to transition away from fossil fuels and align our business with the requirements to limit global warming to 1.5°C. For 2040 Vattenfall NV has set a net zero target, which means at least a 90% reduction in absolute emissions and neutralising any outstanding emissions. Vattenfall NV also has a high focus on assessing and managing risks linked to physical climate change, such as sea level rise and changed temperatures. For physical risks impacting energy infrastructure or critical functions, adaptation measures for managing risks are in place and work is continuously ongoing to mitigate risks and reduce vulnerability to external disruptions. For more detailed information, see Vattenfall AB’s 2025 Annual and Sustainability Report.

Responsibility

Vattenfall NV’s Management Board is responsible to ensure that the design and operation of Vattenfall NV’s internal risk management and control system is effective. Throughout the year, the design and operation of this system were monitored and evaluated, based on, among other things, business control information, Internal Audit reports, and the management letter from the external independent auditor.

The Vattenfall NV Enterprise Risk Management Framework does not provide absolute assurance as to the achievement of the corporate objectives, nor does it guarantee that material errors, losses, fraud or violations of laws and regulations will not occur in the operational processes and/or the financial reporting.

With due regard to the above, the Management Board is of the opinion that the internal risk management and control systems provide a reasonable assurance that the financial reporting does not contain any errors of material importance and that the risk management and control systems worked properly with regard to the financial reporting risks in the year under review.

The above was also discussed with the Supervisory Board in the presence of the internal and external independent auditor.

Outlook

The energy transition will continue to evolve in a complex and non-linear manner in 2026 and onwards. Market volatility, ongoing grid congestion and regulatory uncertainty are expected to remain key external factors influencing the pace of electrification and decarbonisation in the Netherlands. At the same time, the strategic direction towards a net-zero in 2040 remains clear. In that respect in January 2026 we also transferred ownership of three power plants located on and near Tata Steel's site in IJmuiden to Tata steel.

We believe that a successful energy transition requires a strong customer focus. In 2026, we will continue to prioritise an easy and transparent customer experience in an increasingly competitive market. Our efforts will focus on strengthening customer relationships through retention initiatives, targeted energy advice and the further development of products and services that help customers reduce costs and CO₂ emissions. As customers seek more control over their energy consumption, we expect continued growth in demand for dynamic pricing, smart charging and energy management solutions. Affordability and inclusivity will remain central to our approach, including continued cooperation with governments, municipalities and social partners to support vulnerable customers and contribute to a fair distribution of costs and benefits

Electrification remains a cornerstone of our view on the future energy system. In transport, we will continue the expansion of our public charging network and further enhance smart-charging functionality to help customers optimise charging behaviour and reduce pressure on the electricity grid. Planned activities include the continued roll-out of charging infrastructure under existing tenders and the further integration of battery solutions and flexibility services. Grid congestion and longer lead times for new connections are expected to remain constraining factors, reinforcing our belief that flexibility, storage and close collaboration with distribution system operators will be increasingly important.

District heating and cooling remain an essential component of a sustainable and resilient energy system. In 2026, we will continue to invest selectively in improving the efficiency and reliability of existing heat networks, including further steps to reduce heat losses and integrate renewable and low-carbon heat sources such as residual heat and power-to-heat solutions. Planned activities also include continued investments in peak and backup capacity to safeguard security of supply. In parallel, we will continue the assessment of the future ownership of

the heat business in the Netherlands. This assessment reflects our belief that district heating can make a significant contribution to the energy transition, it has the potential for efficient, cost-effective and flexible large-scale use of low-CO₂ energy for heating and cooling. But in order to grow and further optimise district heating, significant investments are also needed. The energy transition is facing challenging times, costs are rising and we need to look at how we are going to combine our intention towards becoming net zero in 2040 with investments in activities that give us a competitive advantage. During this process, our commitment to customers and employees remains unchanged, supplying them with reliable, affordable and more sustainable energy.

Renewable energy remains key to achieving our ambition to reach net zero by 2040. In 2026, our focus in wind and renewable generation will remain on disciplined execution and portfolio development. Planned activities include progressing the Zeevonk offshore wind project towards its next decision milestones and advancing selected onshore wind, solar PV and battery storage projects. Project phasing and investment decisions will continue to reflect market conditions, system integration requirements and capital discipline. We expect further development of Contracts for Difference schemes to support renewable investments and facilitate partnerships with industrial off-takers, contributing to greater revenue stability while supporting industrial decarbonisation. Furthermore we will work on meeting the requirements on expected blend-in biomethane legislation

There are investments planned in wind farms, like Zeevonk, solar projects and heat and cooling grids. Regular investments are primarily related to planned major overhauls of some of our power plants. The investments will be financed through positive cash flows from operations and revenues from sale of wind farms or solar projects and if necessary by internal loans and a capital injection from our parent company Vattenfall AB. We have a credit facility in place with our parent Vattenfall AB of EUR 500 million, which is currently not utilised.

The aforementioned growth scenario and the corresponding investment program is accompanied by an expected increase of workforce for E-mobility, Feenstra and support functions (e.g. IT) in order to fulfil the additional demand from the business.

Our future efforts will also be directed to the concern we have about a fair and just transition. We will continue to focus on an affordable energy transition and the need to continue discussing this with government, municipalities, housing cooperatives and energy suppliers and to find solutions to this complex matter.

Composition of the Management and Supervisory Board and management positions

The composition of the Management Board changed in 2025 due to Martijn Hagens leaving Vattenfall NV. We would like to thank Martijn for all the positive work to the Management Board and his contribution to the development of Vattenfall NV and Vattenfall AB.

With the departure of a male board member and the continuation of Management Board with two members, the distribution of seats between men and women shifted, resulting in ½ of the seats being filled by female members. The composition of the Supervisory Board is 1 female member and 2 male members resulting in ⅓ of the seats being filled by female members. In 2025, Vattenfall NV had 92 female managers (33.5%) and 182 male managers (66.2%). In 2024 there were 84 female managers (32.8%) and 172 male managers (67.2%). The Vattenfall Group has a strategic target of reaching 40% female manager representation by 2030, which also applies to Vattenfall NV as a subsidiary of Vattenfall AB. There are KPIs on the female manager ratio and female manager hires. So progress is actively assessed with efforts to gradually increase the number of female managers in the coming years to reach the 2030 target.

Within the Vattenfall Group, there is a strong emphasis on adhering to the Swedish governance code. The remuneration policy for Management Board members aligns with the policy for the management of Vattenfall AB and is consequently in line with the Swedish Code.

Management Board members are included in the Group's Annual Review process, with any changes in remuneration ultimately decided and formalised by the shareholder of Vattenfall NV. Supervisory Board members not employed by the Vattenfall Group receive a fixed annual fee determined by the shareholder, and incurred expenses are reimbursed.

A final word

As we look back on 2025, we reflect on a year marked by continued change in the energy landscape and steady progress in executing our strategy. Against a backdrop of volatile markets, evolving regulation and persistent grid constraints, we remained focused on delivering reliable, affordable and increasingly sustainable energy solutions for our customers.

Our progress in 2025 was driven first and foremost by the dedication and expertise of our employees. Across all business areas, teams delivered tangible results under complex conditions. Colleagues advanced major projects such as Zeevonk, expanded renewable generation and flexibility solutions, and ensured the safe and reliable operation of our assets. We supported households and businesses with energy-saving advice, transparent communication and innovative offerings, while maintaining a strong focus on affordability and inclusivity. We continued to connect new customers, improve network efficiency and integrate renewable heat sources, and Vattenfall InCharge further strengthened its market position through the expansion of public charging infrastructure and smart charging solutions, despite ongoing grid constraints.

We would like to express our sincere appreciation to all employees for their commitment, flexibility and engagement throughout the year. Their contribution is the foundation of our performance and our ability to navigate uncertainty while continuing to deliver on our ambitions.

Looking ahead, the energy transition will remain complex and non-linear. Market conditions, policy developments and infrastructure challenges will continue to shape the pace of change. At the same time, the direction is clear. In 2026 and beyond, we will continue to invest selectively in renewable generation, flexibility, electrification and low-carbon heat solutions, while strengthening partnerships with customers, industry and public stakeholders. Our focus remains on disciplined execution, operational excellence and supporting a fair and inclusive energy transition.

Thank you for your interest in reading our annual report and taking interest in our Vattenfall NV's journey. Together, we can make a positive impact and shape a brighter, more sustainable future.

Amsterdam, 28 May 2026

The Management Board
Cindy Kroon and Alexander van Ofwegen

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Consolidated accounts

Consolidated statement of comprehensive income

Amounts in EUR million, 1 January - 31 December	Note(s)	2025	2024
Net sales	4	4,934	4,980
Cost of sales	5	-3,739	-2,750
Other external expenses	7	-392	-427
Personnel expenses	33	-442	-401
Other operating income and expenses, net	8	47	65
Participation in the results of associated companies	15	8	4
Operating result before depreciation, amortisation and impairment losses (EBITDA)		416	1,471
Depreciation, amortisation and impairments	6, 12, 13	-307	-292
Operating result (EBIT)		109	1,179
Financial income	9	18	30
Financial expenses	9	-31	-30
Result before income taxes		96	1,179
Income tax	10	-14	-284
Result for the year		82	895
Other comprehensive income		–	–
Total comprehensive income for the year		82	895
Attributable to owner of the parent company		30	844
Attributable to non-controlling interests		52	51

Consolidated statement of financial position

Amounts in EUR million	Note(s)	31 December 2025	31 December 2024
Assets			
Non-current assets			
Intangible assets	6, 12	100	102
Property, plant and equipment	6, 11, 13	4,395	4,521
Participations in associated companies and joint ventures	15	112	94
Other shares and participations		1	1
Derivative assets	28	8	31
Deferred tax assets	10	230	173
Contract assets	4	1	–
Other non-current receivables	28	67	60
Total non-current assets		4,914	4,982
Current assets			
Inventories	16	409	479
Trade receivables and other receivables	17	2,133	2,031
Advance payments paid	18	1	2
Derivative assets	28	10	121
Prepaid expenses and accrued income	19	302	365
Current tax assets	10	1	28
Cash	21	150	165
Assets held for sale	20	73	–
Total current assets		3,079	3,191
Total assets		7,993	8,173
Equity and liabilities			
Equity attributable to owner of the Company			
Share capital and premium		2,895	2,895
Retained earnings/(accumulated losses) incl. result for the year		90	60
Total equity attributable to owner of the Company	31	2,985	2,955
Equity attributable to non-controlling interests	31	1,178	1,229
Total equity		4,163	4,184
Non-current liabilities			
Interest-bearing liabilities	11, 22, 28	676	688
Provisions	24	362	365
Derivative liabilities	28	80	23
Contract liabilities	4	358	333
Total non-current liabilities		1,476	1,409
Current liabilities			
Trade payables and other liabilities	25	1,429	1,897
Contract liabilities	4	35	22
Advance payments received	26	3	2
Derivative liabilities	28	175	27
Accrued expenses and deferred income	27	570	571
Current tax liabilities	10	60	–
Interest-bearing liabilities	11, 22, 28	59	44
Provisions	24	20	17
Liabilities associated with assets held for sale	20	3	–
Total current liabilities		2,354	2,580
Total equity and liabilities		7,993	8,173

Consolidated statement of cash flows

Amounts in EUR million, 1 January-31 December	Note(s)	2025	2024
Operating activities			
Operating result before depreciation, amortisation and impairment losses		416	1,471
Tax paid	10	16	46
Capital gains, net		6	7
Interest received		5	17
Interest paid		-6	-5
Changes in the fair value of derivatives	28	339	-1,002
Other, incl. non-cash items		-12	-36
Funds from operations (FFO)		764	498
Changes in inventories	16	70	-232
Changes in operating receivables		-22	644
Changes in operating liabilities		-456	-412
Other changes		2	-1
Cash flow from changes in operating assets and operating liabilities		-406	-1
Cash flow from operating activities		358	497
Investing activities			
Investments in associated companies and other shares and participations	15	-45	-34
Other investments in non-current assets	30	-211	-290
Total investments		-256	-324
Divestments recognised as assets and liabilities held for sale		73	–
Divestments	15	35	–
Loans granted		–	-102
Loans repaid		-7	43
Cash flow from investing activities		-155	-383
Cash flow before financing activities		203	114
Financing activities			
Interest-bearing debt raised		11	10
Interest-bearing debt repaid		-53	-45
Dividends paid to owners		-58	-48
Contribution from owners of non-controlling interests		-45	25
Cash flow from financing activities		-145	-58
Cash flow for the year		58	56
Cash			
Cash at start of year		165	109
Cash and cash equivalents included in assets held for sale/sold		-73	–
Cash flow for the year		58	56
Cash at end of year	21	150	165

Consolidated statement of changes in equity

Amounts in EUR million for the year 1 January - 31 December	Note(s)	Share capital	Share premium	(Accumulated losses)/Retained earnings	Total	Attributable to non- controlling interests	Total equity
Balance brought forward 2025	31	684	2,211	60	2,955	1,229	4,184
Total comprehensive income for the year		-	-	30	30	52	82
Dividends paid to owners		-	-	-	-	-58	-58
Contribution to (-)/from (+) non-controlling interest		-	-	-	-	-45	-45
Total transactions with equity holders		-	-	-	-	-103	-103
Balance carried forward 2025	31	684	2,211	90	2,985	1,178	4,163

Amounts in EUR million for the year 1 January - 31 December	Note(s)	Share capital	Share premium	(Accumulated losses)/Retained earnings	Total	Attributable to non- controlling interests	Total equity
Balance brought forward 2024	31	684	2,211	-784	2,111	1,201	3,312
Total comprehensive income for the year		-	-	844	844	51	895
Dividends paid to owners		-	-	-	-	-48	-48
Contribution to (-)/from (+) non-controlling interest		-	-	-	-	25	25
Total transactions with equity holders		-	-	-	-	-23	-23
Balance carried forward 2024	31	684	2,211	60	2,955	1,229	4,184

See also Note 31 to the consolidated accounts, Specifications of equity.

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Note 1 Company information

Vattenfall N.V. is a public limited liability company, registered in Amsterdam, the Netherlands with its business address at Hoekenrode 8, 1102 BR Amsterdam. The most significant activities of Vattenfall N.V. and its subsidiaries comprise the production and supply of electricity, gas, heat and cooling to customers in the Netherlands, energy storage and a broad portfolio of energy-saving products and services.

'We', 'Vattenfall NV', 'the Company' or similar expressions are used in these consolidated accounts as a synonym for Vattenfall N.V. and its subsidiaries. 'Vattenfall AB', 'the Parent' or 'the parent company' are used in these consolidated accounts as a synonym for Vattenfall AB and its subsidiaries. Vattenfall NV is registered at the Dutch Chamber of Commerce with registration number 33292246.

Vattenfall AB, owned by the Swedish government, is the sole shareholder of Vattenfall NV. The financial data of Vattenfall NV is included in the consolidated accounts of Vattenfall AB.

The consolidated financial statements for the 2025 financial year were approved for publication by the Management Board and the Supervisory Board on 28 May 2026. Subsequently, the consolidated financial statements were adopted by the General Meeting of Shareholders on 12 June 2026.

As the 2025 company income statement of Vattenfall NV is included in the consolidated accounts, a condensed income statement has been disclosed in the company accounts in accordance with Section 402, Book 2, of the Dutch Civil Code.

Note 2 Accounting policies

Conformity with standards and regulations

The consolidated accounts have been prepared in accordance with the IFRS Accounting Standards as adopted by the European Union as well as the interpretations issued by the IFRS Interpretations Committee (IFRS IC) for application within the European Union and comply with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code.

Going concern

These financial statements have been prepared on the assumption that the Company will continue as a going concern. The Management Board has assessed the Company's ability to continue as a going concern and does not anticipate any impact on this assumption arising

from the current uncertain market conditions following the ongoing conflicts in Ukraine and the Middle East, nor from any other factors considered in its analysis.

Important changes in the financial statements compared with the preceding year

Changes in the presentation of the financial statements for 2024

No changes were made.

New accounting principles effective from 2025

None of the amendments to the existing accounting standards effective from 2025 have had a material impact on Vattenfall NV's financial statements.

New accounting principles effective from 2026 and later

IFRS 18, Presentation and Disclosure in Financial Statements.

IFRS 18 Presentation and Disclosure in Financial Statements is a new standard that is applicable from 1 January 2027 (early adoption is permitted). The new standard replaces IAS 1, Presentation of Financial Statements, with focus on updates to the structure of the income statement with defined subtotals and required disclosures regarding management-defined performance measures. IFRS 18 will result in changes to the presentation and disclosure of the financial statements. Vattenfall plans to apply the standard from 1 January 2027.

Vattenfall is currently assessing the impact on its financial statements of the following amendments:

- *IFRS 9 & IFRS 7 Amendments to the Classification and Measurement of Financial Instruments*
 - This set of amendments includes enhancements to the rules for classification and measurement, including clarifications regarding contractual cash flows and presentation/disclosure.
 - Contracts Referencing Nature-dependent Electricity.

These standards/amendments are effective from 1 January 2026.

- *IFRS 7 Financial Instruments Disclosures*
 - Gain or loss on derecognition
 - Introduction, disclosure of deferred difference between fair value and transaction price, and credit risk disclosures.

These standards/amendments are effective from 1 January 2026.

- *IFRS 9 Financial Instruments*
 - Derecognition of lease liabilities and transaction price.

These standards/amendments are effective from 1 January 2026.

- *IFRS 19 Subsidiaries without public accountability*
These amendments will provide reduced disclosure requirements for new and amended IFRS Accounting Standards issued between February 2021 and May 2024. An entity may elect to apply IFRS 19 retrospectively for annual periods beginning on or after 1 January 2027, with earlier application permitted.

No other new or amended accounting standards or interpretations that have been published and are effective from 2026 and later are considered to have a material impact on Vattenfall N.V.'s financial statements.

Important changes in the financial statements compared with the preceding year

No changes were made.

Basis of measurement

Assets and liabilities are reported at cost or amortised cost, except for certain financial assets and liabilities and inventories held for trading, which are measured at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Vattenfall NV uses valuation methods that reflect the fair value of an asset or liability appropriately. Financial assets and liabilities that are measured at fair value are described below according to the fair value hierarchy (levels), which in IFRS Accounting Standard 13 is defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

Classification into a level is determined by the lowest level input that is significant for the measurement of the fair value at the end of a reporting period. Vattenfall NV assesses whether reclassifications between the levels are necessary. Observable input data are used whenever possible and relevant. The assumptions for the estimated cash flows are monitored on a regular basis and adjusted if necessary.

Determination of result

The result represents the difference between net sales and other income, and the expenses and other charges incurred during the financial year. Income is recognised in the year in which it is realised, whereas losses are recognised in the year in which they become foreseeable. The profit or loss is determined considering

the recognition of unrealised changes in the fair value of derivative financial instruments.

Functional and presentation currency

The functional currency is the currency of the primary economic environment in which each entity of Vattenfall NV operates. The Company's functional currency is the euro (EUR), which is also the presentation currency for both the consolidated and the company financial statements of Vattenfall NV. Accordingly, the financial statements are presented in euro. Unless stated otherwise, all amounts are rounded to the nearest million euro (EUR million).

Significant accounting policies

The accounting policies of the Company described below and in each respective note to the consolidated accounts have been applied consistently for all periods presented in the consolidated financial statements.

Principles of consolidation

The consolidated financial statements include Vattenfall NV, its subsidiaries, associates, joint ventures, and joint arrangements that are accounted for as joint operations in accordance with IFRS Accounting Standard 11. For the accounting policies applied to associates and joint ventures, reference is made to Note 15 Participations in associated companies and joint ventures. For the accounting policies applied to subsidiaries and joint operations, reference is made to Note 14 Shares and participations in subsidiaries and joint operations.

Transactions that are eliminated upon consolidation

Intragroup receivables and liabilities, income and expenses, as well as gains or losses arising from intragroup transactions between Vattenfall NV entities, are eliminated in full in the preparation of the consolidated financial statements. Gains arising from transactions with associates and joint ventures are eliminated to the extent of Vattenfall NV's ownership interest in the respective entity. Losses are eliminated in the same manner as gains, except where they provide evidence of an impairment.

Transactions in foreign currencies

Transactions in foreign currencies are translated into the functional currency at the exchange rate prevailing on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate applicable on the balance sheet date. Exchange differences arising from foreign currency translation are recognised in the income statement.

Operationally derived exchange gains and losses are presented under Other operating income and Other operating expenses, respectively. Financially derived exchange gains and losses are reported as financial income and financial expenses, respectively.

Important estimations and assessments in the preparation of the financial statements

The preparation of the financial statements in accordance with IFRS Accounting Standards requires the Management Board to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and judgements are based on historical experience and other factors considered reasonable under the prevailing circumstances. The results of these estimates and judgements form the basis for the reported values of assets and liabilities that cannot be directly derived from other sources. Actual outcomes may differ from these estimates and judgements.

Estimates and judgements are reviewed on a regular basis. The effects of revisions to estimates are recognised in the period in which the revision is made, if the revision affects that period only, or in both the period of revision and future periods if the revision affects both current and future periods.

Important estimations and assessments are described further in the following notes to the consolidated accounts:

Key accounting estimates and judgements	Note
Estimated consumption relating to the delivery of energy	4, Net sales
Assumptions used for the recognition and measurement of deferred tax	10, Income taxes
Assumptions for determining the provision for doubtful debts	17, Trade receivables and other receivables
Assumptions related to impairment testing	6, Impairment losses and reversed impairment losses 12, Intangible assets 13, Property, plant and equipment 14, Shares and participations in subsidiaries and joint operation 15, Participations in associated companies and joint ventures
Estimates of useful life	12, Intangible assets 13, Property, plant and equipment
Consolidation method for partnerships	13, Property, plant and equipment 14, Shares and participations in subsidiaries and joint operation 15, Participations in associated companies and joint ventures
Measurement of lease liabilities and right-of-use assets	11, Leasing
Assumptions and estimates related to future cash outflows regarding provisions	24, Provisions
Assumptions for determining the fair value measurement of level 2 financial instruments (fair value hierarchy)	28, Financial instruments

Price ceiling arrangement

To compensate consumers for the increased costs of energy, the Dutch government introduced the 'Subsidiereregeling bekostiging plafond energietarieven kleinverbruikers 2023 (CEK23)' (Energy Price Cap Scheme 2023) for the period from 1 January 2023 to 31 December 2023. In accordance with the government's request, Vattenfall implemented this temporary price cap for electricity, gas, and district heating for all households and other small-scale consumers. The price cap applies to all households and other small-scale consumers like self-employed persons, shops, associations, small social organizations and some small SMEs.

As of 1 December 2023, the monthly settlement process for this scheme commenced, whereby the advances received were offset against the actual consumption of the consumers. In 2025 the scheme has been fully settled for Vattenfall, and the final settlement decision has been received. Consequently, as of year-end 2025, Vattenfall has no further outstanding obligations to consumers or the government in relation to the price ceiling arrangement.

Temporary Energy Emergency Fund ('Tijdelijk Noodfonds Energie')

In addition to the price ceiling arrangement, a temporary Energy Emergency Fund was launched in 2023 by Vattenfall, Eneco, Essent and Greenchoice in cooperation with the Dutch government. The fund supports low-income households by partially compensating energy bills and preventing energy debt. In 2023 and 2024, a total of nearly EUR 108 million was provided, supporting 160,000 households. In 2025, the fund opened for a third time, compensating more than 100,000 households with a budget of EUR 56.3 million. The total contribution of the participating energy companies over three years was more than EUR 70 million of which Vattenfall contributed a significant amount. As of the end of 2025, Vattenfall has no outstanding obligations to the fund. As energy poverty remains an important subject for our customers, we continue our talks with the government about the committed structural public funded Energy Fund.

Queen Máxima visited Vattenfall's headquarters for a meeting on socially responsible debt collection organized

by SchuldenlabNL, an independent foundation with the mission of making the Netherlands free of debt, of which Queen Máxima is the Honorary Chair. Vattenfall, as a partner of SchuldenlabNL, hosted the event. The event highlighted the importance of a people focused approach and early intervention to prevent problematic debt. By signing the Framework Agreement during the SchuldenlabNL meeting, the participating parties, including Vattenfall, committed to applying socially responsible debt collection on a broad scale and to making this approach the new standard. Vattenfall has applied this method for many years and continues to strengthen it through improved customer communication, flexible payment solutions, and close cooperation with debt counselling services and the Dutch Debt Relief Route. In this way, we help reduce payment difficulties and contribute to a debt free society in the Netherlands.

Note 3 Acquired and divested operations

Acquired operations

Acquisitions in 2025

No acquisitions took place in 2025.

Divested operations

Divestments in 2025

No major divestments during 2025.

Note 4 Net sales

Accounting policy

Net sales include revenue from production, sales and distribution of electricity and heat, sales of gas, energy trading and other revenues such as service and consulting assignments and connection fees. Materially all revenues are generated in the Netherlands.

Vattenfall NV offers customers discounts and bonuses on sale of both electricity, gas and heat through various campaigns. The Company recognises discounts and bonuses when the performance obligation to the customer is satisfied and are recognised over the contract term.

Costs to obtain customer contracts

Vattenfall NV utilises various sales channels to market its products, resulting in different categories of costs associated with sales activities. Costs incurred to obtain a contract related to revenue from contracts with customers are presented in *Note 12 – Intangible assets*. Capitalisation of such costs is performed either on a portfolio basis (B2C) or on an individual contract basis (B2B).

For the B2C portfolio, practical expedients are applied whereby all contracts with a duration of more than one year are treated as a single portfolio. Accordingly, costs to obtain contracts associated with one year B2C contracts are expensed as incurred. In accordance with IFRS Accounting Standard 15, contracts with a variable term are considered short term, and therefore the related costs to obtain such contracts are also expensed when incurred.

For contracts with a duration exceeding one year, the amortisation schedule reflects the contractual term while considering the probability that customers may terminate their contracts before the end of the agreed period.

Accounting for netting of electricity and back delivery

For B2C customers who generate their own electricity (for example, through solar panels), Dutch regulations permit the supply and consumption of electricity to be settled on an annual basis. Until the end of 2023, revenue and cost of goods sold were presented on a gross basis for the volumes of electricity fed back into the grid, resulting in higher reported revenues and higher costs of goods sold.

The supply of electricity within a contract period of up to 12 months (or shorter if the customer terminates the contract earlier) is regarded as a series of distinct services that are substantially the same and have the same pattern of transfer to the customer, consistent with IFRS Accounting Standards 15.22 and 15.23. Under these requirements, the supply of electricity is treated as a single performance obligation. Accordingly, as from year end 2024, the total electricity consumed by the customer is netted against the total electricity delivered back into the grid over the applicable 12 month contract period.

Revenue recognition for sales of electricity, gas and heat

Sales of electricity, heat and gas, including related distribution services, are recognised as revenue at the moment of delivery, exclusive of value-added tax and excise duties. Depending on the metering system in place, Vattenfall NV recognises revenue either based on expected consumption—with subsequent reconciliation upon receipt of meter readings—or based on actual measured consumption, adjusted for any back-delivery of electricity.

Vattenfall has entered into long-term power purchase agreements under which electricity is supplied to customers through physical delivery. The associated performance obligation is satisfied over time, and the related income is recognised within electricity sales upon delivery. These agreements do not contain embedded derivatives and do not fall within the scope of lease accounting.

Develop-to-sell projects

Vattenfall constructs wind and solar projects which, in certain cases, are intended for sale. Assets under construction that are designated for sale are accounted for as inventory, and the related sales proceeds are recognised as revenue in accordance with IFRS Accounting Standard 15. Depending on the terms of the contract, revenue is recognised either at a point in time or over time, consistent with the way the performance obligation is satisfied.

Connection fees

Vattenfall NV is responsible for establishing physical connections between its heating networks and residential or commercial buildings. The connection fee is paid by the customer upon completion of the physical connection. Revenue from connection fees is recognised over time, as Vattenfall NV is responsible for the ongoing maintenance and repair of the assets used in the physical connection. The period over which revenue is recognised corresponds to the useful life of the underlying assets.

Vattenfall NV recognises revenue from contracts with customers, as well as other operating revenue, through profit or loss. Revenue from contracts with customers is recognised when the related performance obligation is satisfied. Contract assets primarily comprise bonus payments granted to customers upon entering into a new contract or renewing an existing contract. These contract assets are amortised over the minimum contractual period.

Amounts in EUR million	2025	2024
Sales of electricity	2,382	2,423
Sales of gas	1,739	1,792
Sale of heat, steam and cooling	289	292
Sales income Develop-to-Sell projects	1	–
Sales / lease of solar and battery assets	216	208
Service and consulting	171	157
Total Revenues from contracts with customers	4,798	4,872
Other revenues	136	108
Total revenues	4,934	4,980

The payment recognised may not match the revenue for the period, which results in the recognition of contract assets and contract liabilities. The Company applies the practical expedient not to adjust for the effects of a significant financing component if it is expected that, at inception, the period between satisfying the performance obligation and the payment will be one year or less.

Contract balances

Amounts in EUR million	2025	2024
Contract assets	1	–
– of which released as cost from opening balance during the year	1	1
Contract liabilities	393	355

Contract liabilities relate to cashbacks, obligations resulting from loyalty programs, and construction contributions received. Construction contributions received are mainly attributable to district heating grids. The amortisation periods of these received amounts are equal to the depreciation periods of the underlying assets with a maximum of 30 years.

Note 5 Cost of sales

Amounts in EUR million	2025	2024
Cost of sales	3,342	4,080
Release from the provision for onerous contracts	-7	-8
Change in fair value of derivatives	404	-1,322
Total cost of sales	3,739	2,750

Total cost of sales includes fair value movements on commodity derivatives as well as costs related to the provision for onerous contracts. The amount of EUR 404 million (2024: EUR -1,322 million) represents the net effect of recognising derivatives at fair value through profit or loss.

Note 6 Impairment losses and reversed impairment losses

Accounting policy

General principles

Assessments are made throughout the year for any indication that an asset may have decreased in value. If there is an indication of this kind, the asset's recoverable amount is estimated. For intangible assets that are still not ready for use, the recoverable amount is calculated at least annually or as soon there is an indication that an asset has decreased in value.

If the independent cash flow for an individual asset cannot be established for the assessment of any need for impairment, the assets must be grouped at the lowest level possible to identify the essentially independent cash flow (a so-called cash-generating unit). An impairment loss is reported when an asset or cash-generating unit's reported value exceeds the recoverable amount. Any impairment loss is recognised in profit or loss. Impairment of assets attributable to a cash-generating unit is allocated primarily to goodwill. Thereafter, a proportional impairment loss is conducted of other assets that are part of the unit.

Calculation of the recoverable amount

The recoverable amount is the higher of fair value less costs to sell and value in use. When calculating value in use, the future cash flow is estimated and discounted by a discounting rate that takes into consideration the risk-free interest rate and the risk associated with the specific asset.

Reversal of impairment losses

Impairment of goodwill is never reversed. Impairment of other assets is reversed if a significant and lasting change has occurred in the assumptions that formed the basis for the calculation of the recoverable amount. An impairment loss is reversed only if the asset's carrying amount after reversal does not exceed the carrying amount that the asset would have had if the impairment loss had not been recognised.

Financial information

Process for impairment testing

To ensure that the best available information is used for impairment testing and that that information represents management's best estimate, the basis for all impairment calculations is data used by management for strategic decision-making. Part of this information are cash flow projections and NPV calculations. Cash flows of the asset clusters Condensing, Heat, Customers & Solutions and the separate windfarms within Wind are calculated on a yearly basis in the asset book process. Those cash flow estimates form the basis of the impairment test. The main assumptions that executive management used in calculating projections of future cash flows in cash-generating units with finite useful lives are based on forecasts of the useful life of the respective assets. The projected cash flows are based on market prices and on Vattenfall NV's long-term market outlook. The calculated revenues in these forecasts are based on Vattenfall NV's long-term pricing projections, which are the result of many simulations of the prices of oil, gas, electricity and CO₂ emission allowances in the relevant commodity markets.

The long-term market outlook is based on internal and external input parameters and is benchmarked against external price projections. Based on the price assumptions, the dispatch of the power plants is calculated, taking technical, economic and legal constraints into consideration. Technical flexibility of the assets, that is the ability to adapt generation to changes in spot market prices, has been considered as well. Cash flow projections of other cash-generating units are based on the business plan for the coming five years, after which their terminal value is considered, based on a growth factor of 0% (2024: 0%). If the final year of the business plan horizon does not represent a reasonable basis for assessing the long-term value, an extended forecast may be required to arrive at a steady-state earnings situation on which to calculate the terminal value.

Future cash flows have been discounted to value in use using the following discount rates:

	Before tax 2025	After tax 2025	Before tax 2024	After tax 2024
Discount rate Condensing	9.7%	7.5%	8.9%	6.9%
Discount rate Heat	8.2%	5.7%	6.8%	5.1%
Discount rate Wind Onshore	8.2%	5.6%	7.6%	5.0%
Discount rate Wind Offshore	8.1%	5.6%	7.5%	5.0%
Discount rate Customers & Solutions	8.1%	6.0%	6.9%	5.3%

The discount rate varies for the various asset classes, depending on their risk. When setting the discount rate, consideration has been given to the extent to which the various asset classes are exposed to changes in the wholesale prices of electricity, fuel, CO₂ emission rights and regulatory risks. An increase in the discount rate by 0.5 percentage points would decrease the estimated value in use for the cash-generating unit Condensing by approximately EUR 26 million (2024: EUR 62 million). On the other hand, a decrease in the discount rate by 0.5 percentage points would increase the estimated value in use for the cash-generating unit Condensing by approximately EUR 28 million (2024: EUR 69 million). This would not give rise to an impairment.

Electricity prices and margins for generation assets represent another major value driver. Electricity prices are relevant for non-subsidised wind farms. The most important production margin is the "clean spark spread" for gas-fired power plants. This spread includes electricity prices as well as the respective costs for fuel and CO₂ emission allowances to produce the electricity, considering the fuel type and efficiency factors. Based on the assumptions used in the impairment testing, a decrease in future electricity prices by 5%, with unchanged costs for fuel and CO₂ emission allowances, would lead to a decrease in the value of gas-fired assets of 15 million. Furthermore, a reduction of 5% in future margin would decrease the estimated value in use for the cash-generating unit Condensing segment by 17% or approximately EUR 66 million. This would not lead to any impairment. For the non-subsidised wind farms Hollandse Kust Zuid 1&2 and Hollandse Kust Zuid 3&4, the corresponding figure is 7% or approximately EUR 216 million. This would not lead to any impairment.

Vattenfall has performed impairment testing by calculating the recoverable amount of the cash-generating units. The structure of the cash-generating units, which represent the smallest group of identifiable assets that generate continuous cash inflows that are largely independent of other assets or groups of assets, is based on the Company's Business Area structure. The cash-generating units are part of the business areas Condensing, Customers & Solutions, E-mobility and Wind.

The Business area Condensing contains 3 gas-fired plants, necessary equipment and infrastructure. Some of these plants are for district heating in addition to electricity.

The Business area Customers & Solutions operates Vattenfall's downstream retail activities as well as other decentralised, but still consumer-oriented businesses. It is a margin business subject to churn and counterparty risk. The diverse portfolio is structured to minimise single commodity exposure by offering different commodities to different types of customers.

The Business area E-mobility is responsible for the sale of electric vehicle charging solutions at people's homes, business locations and in large cities in markets where Vattenfall NV is active.

Ever since Vattenfall has been focusing its investment strategy on generation of renewable energy, it has led to continuous growth in BA Wind. Vattenfall NV operates approximately 10 wind farms. For a large amount of future Wind assets investments, decisions have already been taken which will lead to an even further growth in the near future. Two major projects in Offshore are wind farm Zeevonk and Zeevonk Electrolyser.

Impairment losses 2025

Impairment losses charged against operating result in 2025 are EUR nil.

Impairment losses 2024

Impairment losses charged against operating result in 2024 are EUR nil.

Note 7 Other external expenses

Amounts in EUR million	2025	2024
Purchased services	70	83
IT expenses	24	22
Consulting expenses	81	102
Non-capitalised lease expenses	15	16
Marketing and selling expenses	52	44
Facility service costs	8	8
Other ¹	142	152
Total	392	427

¹ The category "other" contains a.o. the following cost categories: insurance, legal, banking, education and training, office, travel, contributions and branche fees.

Note 8 Other operating income and expenses, net

Amounts in EUR million	2025	2024
Other operating income	50	70
Other operating expenses	-3	-5
Total	47	65

Other operating income mainly consists of received compensation for technical underperformance of windfarms, capital gains from divested assets and dunning income.

Other operating expenses mainly consist of capital loss from divested assets.

Note 9 Financial income and expenses

Accounting policy

Interest income is reported as it is earned. The calculation is made based on the return on underlying assets in accordance with the effective interest method. Dividend income is reported when the right to receive payment is established. Interest income is adjusted for transaction costs and any rebates, premiums and other differences between the original value of the receivable and the amount received when due.

For calculation of interest effects attributable to provisions, discount rates have been used; see Note 24 to the consolidated accounts, Provisions for the discount rates used. Issue costs and similar direct transaction costs for raising loans are distributed over the term of the loan in accordance with the effective interest method. Borrowing costs directly attributable to investment projects in non-current assets which take a substantial period of time to complete are not reported as a financial expense but are included in the cost of the non-current asset during the construction period. Leasing fees pertaining to finance leases are distributed between interest expense and amortisation of the outstanding debt. Interest expenses are distributed over the leasing period so that each accounting period is charged in the amount corresponding to a fixed interest rate for the reported debt in each period. Variable fees are carried as an expense in the period in which they arise.

Financial income

Amounts in EUR million	2025	2024
Interest income	18	30
Total	18	30

Financial expenses

Amounts in EUR million	2025	2024
Interest expenses attributable to loans	25	24
Interest effects attributable to provisions	6	6
Total	31	30

Interest expenses, attributable to lease liabilities, amount to EUR 4 million (2024: EUR 4 million) and are included in interest expenses attributable to loans.

Note 10 Income tax

Accounting policy

Income taxes comprise current tax and deferred tax. Income tax is reported in the income statement except when the underlying transaction is reported in Other comprehensive income or in Equity, whereby also the associated tax effect is reported in Other comprehensive income and Equity, respectively. Current tax includes the expected tax payable and receivable on the taxable income for the current year, using tax rates enacted or substantively enacted at reporting date, as well as (any adjustments to) tax payable and receivable with respect to previous years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and it considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances based on either the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred tax is recognised using the liability method on temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred taxes are not recognised for the initial recognition of goodwill, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences related to investments in subsidiaries to the extent that the entity is able to control the timing of the reversal of the differences and the differences will probably not reverse in the foreseeable future. The foreseeable future is defined as a period of 12 months from the end of the reporting period. However, this period may be extended depending on the facts and circumstances (including management intent). Deferred tax assets are recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised.

Measurement of deferred tax assets and liabilities is based upon the enacted or substantively enacted tax rates expected to apply to taxable income in the years in which temporary differences are expected to be reversed.

Offset of deferred tax assets and liabilities

Deferred tax assets and liabilities can only be netted off if the following applies:

- (1) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (2) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets

on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Important estimations and assessments

The recognition of deferred tax assets is assessed annually. This assessment is mainly based on the business plan for the coming five years and on the assumption that future earnings after five years will be consistent with the business plan. For the assessment the enacted or substantively enacted tax rates and the applicable tax law at reporting date are considered. The nature of the evidence supporting the recognition of the deferred tax assets is regarding one-offs in prior years, business plan and forecast.

Unrecognised deferred tax assets

Unrecognised deferred tax assets relate to the temporary differences in the valuation of tax losses carried forward and amount to EUR 53.3 million (2024: EUR 53.3 million). Mentioned losses are so-called pre-fiscal unity losses and regards to Warmtebedrijf Rotterdam. These tax losses carried forward relate to losses in the Netherlands where it is not considered probable that sufficient taxable profit will be available in the foreseeable future to utilise the losses carried forward. From January 1, 2022, a tax loss can be carried forward indefinitely. To the extent that the taxable profit for the year is EUR 1 million or less, that taxable profit can be used in full to set off a loss of previous years. To the extent that the taxable profit for a year exceeds EUR 1 million, only 50% of that taxable profit in excess of EUR 1 million can be used to offset losses of previous years. The deferred tax on tax losses for the fiscal unity amounts to EUR 89 million (2024: EUR 145.9 million). In 2025, loss carry forward was applied.

Pillar II

The Group is subject to the global minimum top-up tax ('Pillar Two') legislation, which has entered into force in the Netherlands on 31 December 2023 and is effective as of 1 January 2024 onwards. The Group is active in the Netherlands and Germany. Based on the Pillar Two legislation, the Group is subject to an additional top-up tax for differences between the effective tax rate per tax jurisdiction as calculated under Pillar Two and a minimum tax rate of 15%.

The Company makes use of the so-called CbCR safe harbour rules, using the provisional 2025 Country-by-Country report and underlying financial statements. The rules are expected to apply for both countries where the Group operates. The Qualified Domestic Minimum Top-up Tax ('QDMTT') will be applicable in the Netherlands, and the Income Inclusion Rule ('IRR') will be applicable with respect to Vattenfall AB. No top-up tax is included in the consolidated tax expense since at least one of the safe harbour rules are met.

Each of the subsidiaries is legally responsible for the minimum top-up taxes in the jurisdiction in which they operate. The Company is liable for the minimum top-up taxes under the IRR and charges this back to the respective subsidiaries.

The Group has applied the temporary mandatory exemption under the IFRS to recognize and disclose deferred tax assets and liabilities related to Pillar Two income taxes and recognizes income tax in the reporting period in which it is payable or refundable.

Financial information

Breakdown of the reported income tax

Amounts in EUR million	2025	2024
Current tax expense (-)	-60	-
Adjustment of current tax expense (-) / credit (+) for prior periods	-11	-2
Deferred tax expense (-) / credit (+)	54	-287
Adjustment of deferred tax credit (+) for prior periods	3	5
Total income tax expense	-14	-284

The difference between the nominal Dutch tax rate and the effective tax rate is explained as follows:

Amounts in EUR million	2025 (in %)	2025	2024 (in %)	2024
Result before tax		96		1,179
Dutch income tax rate for the year ended 31 December	25.8	-25	25.8	-304
Difference in tax rate in foreign operations	0.3	-	0.0	-
Tax adjustments for previous periods	8.5	-9	-0.3	3
Non-taxable income	-16.3	16	-1.3	15
Non-deductible expenses	0.4	-	0.0	-
Energy investment allowance	-4.0	4	-0.2	3
Other	-0.1	-	0.1	-1
Effective tax rate and total income tax expense	14.6	-14	24.1	-284

Balance sheet reconciliation of current tax

Amounts in EUR million	2025	2024
Balance brought forward net asset (+)	28	85
Change via income statement	-71	-2
Taxes paid, net	-16	-55
Balance carried forward net asset (+) / liability (-)	-59	28

Gross movement in deferred tax assets / (liabilities)

Amounts in EUR million	Plant and equipment	Inventories	Intangible assets	Non-settled derivatives	Tax losses	Provisions	Liabilities	Other	Total
Carrying amount as of 1 January 2025	-42	10	-	-35	147	21	74	-2	173
Movements 2025									
Charged to income	19	6	3	98	-60	-2	-9	-	55
Charged to income prior year	-	-	-	-	2	-	-	-	2
Reclassifications and other movements	-14	-	-	-	-	1	13	-	-
Total	5	6	3	98	-58	-1	4	-	57
Carrying amount as of 31 December 2025	-37	16	3	63	89	20	78	-2	230

An amount of EUR 59 million of the deferred tax asset can be settled within one year.

Utilisation unused tax losses

The fiscal unity Vattenfall NV has a history of recent tax losses as referred to in IAS 12. "Convincing other evidence" is required from which it may be concluded that sufficient taxable profit will be available against which the unused tax losses and/or unused tax credits can be utilised. Assessed is that the aforementioned conditions are met by the fiscal unity Vattenfall NV for the full recognition of its DTA per

year end 2025. The nature of the evidence supporting the recognition of the deferred tax assets is regarding one-offs in prior years, business plan and forecast.

Deferred tax assets related to unused tax losses, tax credits and deductible temporary differences are derecognised when it is no longer considered probable that future taxable profits will be available against which

they can be utilised. The deferred tax positions for property, plant and equipment, inventories and intangible assets (including surplus values) mainly represent the differences between the carrying amount and the tax base of the power generating facilities, operated heat-grids, develop-to-sell projects and IFRS 16 right-of-use-assets, measured at the enacted or substantively enacted tax rates expected to apply to taxable income in which temporary differences are expected to be reversed. The deferred tax position in respect of derivatives represents the temporary differences in valuation between the carrying amount and tax base. The deferred tax position for liabilities represents mainly the difference between the carrying amount and tax base of IFRS 16 related interest-bearing liabilities and other liabilities. The deferred tax position for provisions mainly represents the difference between the carrying amount and tax base of the provisions for onerous contracts and of the provisions for dismantling. The net deferred tax position changed with EUR 57 million during 2025 (2024: EUR -281 million), mainly caused by the change in non-settled derivatives, the tax losses carry forward recognition, reversal depreciation applied accelerated depreciation facility.

Note 11 Leasing

Accounting policy

Leased assets

A right-of-use asset along with a lease liability are recognised on the balance sheet for all lease contracts except for leases for which the underlying asset is of low value or if the contract duration is 12 months or less. For these types of leases, the practical expedient is applied whereby costs incurred are expensed directly.

The right-of-use-asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset.

Right-of-use-assets 2025

Amounts in EUR million	Land	Buildings	Vehicles	Other	Total
Balance brought forward	158	31	17	18	224
Depreciation for the year	-8	-7	-4	-19	-38
Additions to the right of use asset during the year	1	1	14	-	16
Other changes to the right of use asset during the year	6	2	-4	19	23
Balance carried forward	157	27	23	18	225

Right-of-use-assets 2024

Amounts in EUR million	Land	Buildings	Vehicles	Other	Total
Balance brought forward	145	35	14	15	209
Depreciation for the year	-8	-5	-1	-16	-30
Additions to the right of use asset during the year	15	4	9	-	28
Other changes to the right of use asset during the year	6	-3	-5	19	17
Balance carried forward	158	31	17	18	224

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, while the leasing payments are reported as interest and amortisation of the debts.

The lease liability is initially measured at the present value of the lease payments outstanding at the commencement date, discounted using Vattenfall NV's incremental borrowing rate, which is updated by the Treasury department twice a year. After the commencement date, the amount of lease liabilities increases to reflect the accretion of interest and is reduced for the lease payments made. The commitment to pay future leasing charges is reported as a non-current or current liability.

Lease payments included in the measurement of the lease liability comprise:

- Fixed payments
- Variable lease payments that depend on an index or rate
- Amounts expected to be payable under a residual value guarantee
- The exercise price under a purchase option that Vattenfall NV is reasonably certain to exercise
- Lease payments in an optional renewal period, if Vattenfall NV is reasonably certain to exercise an extension option
- Penalties for early termination of a lease unless Vattenfall NV is reasonably certain not to terminate early.

Assets leased out

Assets that are leased out under finance leases are not reported as property, plant and equipment, since the risks associated with ownership are transferred to the lessee. Instead, a financial receivable is entered for the future minimum lease payments.

Leased property, plant and equipment

As a lessee

Vattenfall NV leases different assets, including but not limited to land, office buildings, vehicles and other. More detailed information about leases for which the Company is a lessee is presented below.

Lease liability development

Amounts in EUR million	2025	2024
Balance brought forward	234	217
Additions to the liability	16	29
Repayment of the liability	-46	-41
Other changes	32	29
Balance carried forward	236	234

Total leasing related cash-outflows amounted to EUR 46 million in 2025 (2024: EUR 41 million) of which EUR 4 million (2024: EUR 3 million) is related to interest expenses.

Maturity analysis - contractual undiscounted cash flows

Amounts in EUR million	
< 1 year	46
1 - 5 years	78
> 5 years	147
Total as of 31 December 2025	271

Lease payments amounting to EUR 14 million (2024: EUR 16 million) have not been accounted for as right-of-use assets as a result of the practical expedients relating to short-term contracts and low value items or because they related to variable components of contracts.

Leasing revenues

Leasing revenues and future receivables relate mainly to leases of production facilities and heating equipment to consumers. On 31 December 2025, the cost of assets reported under operating leases amounted to EUR 70 million (2024: EUR 532 million). Accumulated depreciation amounted to EUR 10 million (2024: EUR 427 million) and accumulated impairment losses amounted to EUR 9 million (2024: EUR 9 million).

Future leasing related cash-inflows for this type of facility are broken down as follows:

As of 31 December 2025

Amounts in EUR million	Operating leasing
2026	7
2027	4
2028	2
Total	13

As of 31 December 2024

Amounts in EUR million	Operating leasing
2025	94
2026	7
2027	4
2028	2
Total	107

The district heating grids belonging to Alliander N.V. which had been placed within a cross-border lease, were subleased to Vattenfall Warmte N.V., which is part of Vattenfall NV, as of mid-2008 until mid-2025. This sublease was terminated prematurely on 4 November 2025. It has been agreed with Alliander N.V. to continue the rental of the district heating grids as much as possible based on the agreements from the terminated sublease until 1 December 2026. In addition, it was agreed to consult each other in 2026, in order to agree on a future-proof system for the ownership and operation of the heating grids, as well as the related financial aspects. The impact of the implementation of the Heat Act (WcW) will be taken into account and is expected to be implemented in 2027.

Note 12 Intangible assets

Accounting policy

Intangible assets

Intangible assets such as concessions, patents, licences, trademarks and similar rights as well as renting rights are reported at cost less accumulated amortisation and impairment losses.

Principles for amortisation

Amortisation of intangible assets other than goodwill is reported on a straight-line basis in the income statement over the estimated useful life of the asset, provided the useful life is not indefinite.

Important estimations and assessments

Intangible assets are tested for impairment in accordance with the accounting policies described in Note 6 to the consolidated accounts. Impairment losses and reversed impairment losses. The recoverable amount for cash-generating units is determined by calculating the value in use or fair value less costs to sell. For these calculations, certain estimations must be made regarding future cash flows along with other adequate assumptions regarding the required rate of return, for example.

Estimated useful life

Concessions, customer lists and similar rights	1-63 years
Costs to obtain a contract	2-3 years

Estimated useful lives are unchanged compared to the preceding year.

Financial information

2025, Amounts in EUR million	Concessions, customer lists and similar rights with finite useful lives	Cost to obtain a contract	Total
Cost			
Cost brought forward	286	7	293
Investments	24	6	30
Divestments/disposals	–	-5	-5
Accumulated cost carried forward	310	8	318
Accumulated amortisation			
Amortisation brought forward	-137	-5	-142
Amortisation for the year	-30	-2	-32
Divestments/disposals	–	5	5
Accumulated amortisation carried forward	-167	-2	-169
Impairment losses			
Impairment losses brought forward	-49	–	-49
Accumulated impairment losses carried forward	-49	–	-49
Carrying amount carried forward	94	6	100

2024, Amounts in EUR million	Concessions, customer lists and similar rights with finite useful lives	Cost to obtain a contract	Total
Cost			
Cost brought forward	263	16	279
Investments	23	2	25
Divestments/disposals	–	-11	-11
Accumulated cost carried forward	286	7	293
Accumulated amortisation			
Amortisation brought forward	-110	-15	-125
Amortisation for the year	-27	-1	-28
Divestments/disposals	–	11	11
Accumulated amortisation carried forward	-137	-5	-142
Impairment losses			
Impairment losses brought forward	-49	–	-49
Accumulated impairment losses carried forward	-49	–	-49
Carrying amount carried forward	100	2	102

Note 13 Property, plant and equipment

Accounting policy

Property, plant and equipment are reported at cost less accumulated depreciation and any impairment losses. Property, plant and equipment are reported as assets if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the asset can be measured reliably. Cost includes the purchase price and costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating as intended. Borrowing costs directly attributable to significant investment projects in property, plant and equipment, which take a substantial period of time to complete, are included in the cost of the asset during the construction period. The cost also includes the present value of the estimated cost of dismantling and removing the assets and restoring the site on which it is located when there is a contractual obligation. The corresponding cost is initially recognized as a provision. See also Note 24 to the consolidated accounts, Provisions.

Subsequent costs

Subsequent costs are recognised as an asset only if it is probable that future economic benefits associated with the asset will flow to the Company and the cost can be measured reliably. Other subsequent costs are expensed as incurred. A subsequent cost is capitalised if it relates to a new component or replacement of identified components, or parts of them. Any undepreciated carrying amounts of replaced components, or parts of components, are retired and expensed in connection with the replacement. Repair and maintenance costs are expensed as incurred.

Depreciation principles

Depreciation is reported on a straight-line basis in the income statement over the estimated useful life of the asset. The Company applies component depreciation, which means that the components' estimated useful life provides the basis for the straight-line depreciation. Estimated useful life is described below in this note. Assessments of the residual value and useful life of an asset are conducted annually. Land and water rights are not subject to depreciation.

Key accounting estimates and judgements

Assumptions related to impairment testing

Property, plant and equipment are tested for impairment in accordance with the accounting policies described in Note 6 to the consolidated accounts, Impairment losses and reversed impairment losses. The recoverable amount for cash-generating units is determined by calculating the value in use or fair value less costs to sell. For these calculations, certain estimations must be made regarding future cash flows along with other adequate assumptions regarding the required rate of return, for example.

Estimates of useful life

The useful life is based on historical experience and assessments based on the best information available and may therefore deviate from the actual useful life.

Estimated useful life

Hydro power installations	5-40 years
Combined heat and power installations	5-40 years
Wind power installations	10-25 years
Solar power installations	5-25 years
Office and warehouse buildings and workshops	25-50 years
Office equipment	5-10 years

Estimated useful lives are unchanged compared with the preceding year.

Property, plant & equipment

2025, Amounts in EUR million	Land and buildings ¹	Plant and machinery and other technical installations	Equipment, tools, fixtures and fittings	Construction in progress	Total
Cost					
Cost brought forward ²	338	6,443	335	114	7,230
Investments ³	4	21	23	151	199
Transfer from construction in progress	1	71	7	-79	-
Divestments/disposals ⁴	-3	-116	-18	-	-137
Other reclassifications	9	-	19	-	28
Assets held for sale ⁵	-	-335	-8	-2	-345
Accumulated cost carried forward	349	6,084	358	184	6,975
Accumulated depreciation					
Depreciation brought forward	-101	-1,615	-226	-	-1,942
Depreciation for the year	-19	-214	-42	-	-275
Divestments/disposals ⁴	3	110	16	-	129
Assets held for sale ⁵	-	272	-	-	272
Accumulated depreciation carried forward	-117	-1,447	-252	-	-1,816
Impairment losses					
Impairment losses brought forward	-13	-750	-4	-	-767
Divestments/disposals ⁴	-	2	-	-	2
Other reclassifications	-	-	1	-	1
Accumulated impairment losses carried forward	-13	-748	-3	-	-764
Carrying amount carried forward	219	3,889	103	184	4,395

2024, Amounts in EUR million	Land and buildings ¹	Plant and machinery and other technical installations	Equipment, tools, fixtures and fittings	Construction in progress	Total
Cost					
Cost brought forward ²	314	5,157	325	1,188	6,984
Investments ³	20	106	17	150	293
Capitalised/reversed future payments for decommissioning, restoration	-	-22	-	-	-22
Transfer from construction in progress	1	1,217	6	-1,224	-
Divestments/disposals ⁴	-3	-15	-32	-	-50
Other reclassifications	6	-	19	-	25
Accumulated cost carried forward	338	6,443	335	114	7,230
Accumulated depreciation					
Depreciation brought forward	-86	-1,417	-218	-	-1,721
Depreciation for the year	-18	-209	-38	-	-265
Divestments/disposal ⁴	3	11	30	-	44
Accumulated depreciation carried forward	-101	-1,615	-226	-	-1,942
Impairment losses					
Impairment losses brought forward	-13	-750	-4	-	-767
Accumulated impairment losses carried forward	-13	-750	-4	-	-767
Carrying amount carried forward	224	4,078	105	114	4,521

1. Cost for land and buildings includes cost of land rights amounting to EUR 1 million (2024: EUR 1 million), which are not subject to depreciation.

2. Government grants received, balance brought forward, amount to EUR 40 million (2024: EUR 41 million).

3. Government grants received during the year amounted to EUR 0 million (2024: EUR 0 million).

4. Divestments and disposals consist of (fully) depreciated and disposed assets.

5. Movements in the line-items Assets held for sale pertain to the sale of the Vattenfall Powerplants in Velsen to Tata Steel. Refer to Note 20, Assets held for sale.

Note 14 Shares and participations in subsidiaries and joint operation

Accounting policy

Subsidiaries

Subsidiaries are all entities over which Vattenfall NV has control. Control is considered to exist when the following three criteria are met: (1) the investor is exposed to or is entitled to a variable return from the investment, (2) the investor has the opportunity to influence the return through its opportunity to govern the company, and (3) there is a link between the return that is received and the opportunity to govern the company. By influence is meant the rights that allow the investor to govern the relevant business, that is, the business which significantly influences the company's return. Business combinations are accounted for using the purchase method. Subsidiaries' financial statements, which are prepared in accordance with the Company's accounting policies, are included in the consolidated accounts from the point of acquisition to the date when control ceases.

Joint operation

A joint operation is when the Group has joint control with one or more external parties over an arrangement. A joint operation entails that the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Arrangements where the parties buy or are assigned all power generated

and are responsible for cost coverage are considered a joint operation if Vattenfall has joint control. In a joint operation, the respective owners recognise in relation to their interest in the joint organisation, their assets and liabilities as well as their respective share of assets and liabilities held or incurred jointly.

Key accounting estimates and judgements

Consolidation method for partnerships

On establishment of partnerships and in connection with any restructuring of existing partnerships Vattenfall needs to assess whether it controls the partnership, i.e. if Vattenfall has control or joint control. When Vattenfall has joint control an assessment of whether it is a joint venture or a joint operation is needed. In the assessment we consider the decision making, corporate form/legal structure, financing, risks, if Vattenfall is entitled to the net profit (loss) or to income and expenses resulting from the operation and if Vattenfall can use its control to affect the returns from the partnership. The agreements are unique and sometimes difficult to assess.

Assumptions related to impairment testing

When shares in subsidiaries and joint operations are tested for impairment, assumptions need to be made regarding, for example, future cash flows. For more information regarding accounting principles and assumptions refer to Note 6 Impairment losses and reversed impairment losses.

The following list includes the significant subsidiaries and the share that Vattenfall NV holds in these entities.

Shares and participations owned by Vattenfall NV

	Registered office	Participation in % 2025	Participation in % 2024
Netherlands			
Vattenfall Customers & Solutions Netherlands N.V. ¹	Amsterdam	100	100
Vattenfall Duurzame Energie N.V. ¹	Amsterdam	100	100
Vattenfall Energy Sourcing Netherlands N.V. ¹	Amsterdam	100	100
Vattenfall Energy Trading Netherlands N.V. ¹	Amsterdam	100	100
Vattenfall Hollandse Kust Zuid 1&2 C.V.	Amsterdam	50.5	50.5
Vattenfall Hollandse Kust Zuid 3&4 C.V.	Amsterdam	50.5	50.5
Vattenfall Klantenservice N.V. ¹	Amsterdam	100	100
Vattenfall Power Generation Netherlands B.V. ¹	Amsterdam	100	100
Vattenfall Power Solutions Netherlands B.V. ¹	Amsterdam	100	100
Vattenfall Renewable Initiatives Netherlands B.V.	Amsterdam	100	100
Vattenfall Sales Nederland N.V. ¹	Amsterdam	100	100
Vattenfall Samen in Zon B.V.	Amsterdam	100	100
Vattenfall Storage Epe B.V.	Amsterdam	100	100
Vattenfall Warmte N.V. ¹	Amsterdam	100	100
Vattenfall Wind Development Netherlands B.V. ¹	Amsterdam	100	100
Vattenfall Windpark Wieringermeer B.V. ¹	Amsterdam	100	100
DELTA Energie B.V. ¹	Middelburg	100	100
Feenstra N.V. ¹	Amsterdam	100	100
Feenstra Veiligheid B.V. ¹	Amsterdam	100	100
Feenstra Verwarming B.V. ¹	Lelystad	100	100
Nuon Epe Gas Service B.V. ¹	Amsterdam	100	100
powerpeers B.V. ¹	Amsterdam	100	100
Warmtebedrijf Holding B.V.	Rotterdam	100	100
Windpark Slufterdam West B.V. ¹	Amsterdam	100	100
Zuidlob Wind B.V. ¹	Amsterdam	100	100
V.O.F. Omgevingsvergunning Windpark Slufterdam	Rotterdam	50	50
Germany			
Nuon Epe Gasspeicher GmbH	Heinsberg	100	100

¹ Vattenfall NV has issued a declaration of liability for these subsidiaries.

A complete list of subsidiaries, associated companies and joint ventures, as required by sections 379 and 414 of Book 2 Title 9 of the Dutch Civil Code, is filed with the Chamber of Commerce in Amsterdam.

Note 15 Participations in associated companies and joint ventures

Accounting policy

Associated companies

Associated companies are companies in which Vattenfall NV has a significant influence over their operational and financial management, usually through shareholdings corresponding to between 20% and 50% of the votes. From the point at which the significant influence is acquired, participations in associated companies are reported in the consolidated accounts in accordance with the equity method.

Joint ventures

Joint ventures are companies in which the Group has joint control with one or several other external parties. A joint venture entails that the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint ventures are reported in accordance with the equity method.

Key accounting estimates and judgements

Consolidation method for partnerships

For judgements regarding whether a joint arrangement is a joint venture or a joint operation refer to Note 14 Shares and participations owned by Vattenfall NV and other Group companies.

Assumptions related to impairment testing

When participations in associated companies and joint ventures are tested for impairment, assumptions need to be made regarding, for example, future cash flows. For more information regarding accounting principles and assumptions refer to Note 6 Impairment losses and reversed impairment losses.

Shares and participations in associated companies and joint ventures

Significant associated companies and joint ventures owned by Vattenfall NV or other group companies	Registered office	Participation 2025 in %	Participation 2024 in %	Carrying amount 2025 in million EUR	Carrying amount 2024 in million EUR
Netherlands					
Zeevonk Electrolyser C.V. ¹	Amsterdam	50	50	12	3
Zeevonk Phase 1 C.V. ¹	Amsterdam	50	50	53	16
Zeevonk Phase 2 C.V. ¹	Amsterdam	50	–	–	–
Molenrak B.V. ¹	Amsterdam	58	58	-1	34
Westpoort Warmte B.V. ¹	Amsterdam	50	50	47	41
Other associated companies and joint ventures				1	–
Total				112	94

Financial information

Amounts in EUR million	2025	2024
Balance brought forward	94	56
New share issues and shareholders' contributions	45	34
Withdrawals/Repaid shareholders' contributions	-35	–
Profit participations and dividends	8	4
Balance carried forward	112	94

The activities of the joint ventures and associated companies mainly relate to the construction and operation of wind farms and heat grids. The joint ventures and associated companies have no other significant contingent liabilities or commitments as of 31 December 2025 and 2024, except for those disclosed in Note 32.

Vattenfall NV has issued a series of loans to Westpoort Warmte B.V. and Molenrak B.V., totalling EUR 56 million (2024: EUR 330 million) against an average interest rate of 4.5% (2024: 4.42%). The loan to Molenrak B.V. was fully repaid during the year.

1. Joint venture

Share of profit in associated companies and joint ventures

Amounts in EUR million	2025	2024
Netherlands		
Zeevonk Phase 1 C.V.	–	-1
Westpoort Warmte B.V. ¹	7	5
Other associated companies and joint ventures	1	–
Total	8	4

These joint ventures cannot distribute their profits without the consent of the other investors in the relevant joint venture.

Note 16 Inventories

Accounting policy

Inventories (except for inventories held for trading) are valued at the lower of their cost and net realisable value. Net realisable value is the estimated sales price in operating activities, less estimated costs for completion and to bring about a sale. The cost of inventories is calculated, depending on the type of inventory, either

through application of the first-in, first-out (FIFO) method or through the application of a method based on average prices. Both methods include costs that arose on acquisition of the inventory assets.

Inventories held for trading are valued at fair value less costs to sell. For CO₂ emission allowances that are held for trading, fair value is based on quoted prices (Level 1). For other commodities fair value measurement is derived from an observable market price, which means a categorisation into Level 2 of the fair value hierarchy. See Note 2 to the consolidated accounts, Accounting policies.

Develop-to-sell assets pertain to the operations within business area Wind, where Vattenfall NV constructs and builds wind- and solar farms with the purpose of selling to an external party. These are valued at the lower of their cost and net realisable value. Inventory sold through develop-to-sell transactions are EUR 1 million (2024: EUR nil).

Financial information

Amounts in EUR million	2025	2024
Inventories held for own use		
Materials and spare parts	66	65
Other	8	6
Total	74	71
Develop-to-sell assets		
Develop-to-sell assets	234	237
Total	234	237
Inventories held for trading		
Fossil fuel	74	154
CO ₂ emission allowances/certificates	19	12
Biomass	8	5
Total	101	171
Total inventories	409	479

Note 17 Trade receivables and other receivables

Accounting policy

Refer to Note 28, Financial instruments for trade receivables accounting policy.

Credit risk

From its sales to customers, Vattenfall is exposed to credit risk in outstanding trade receivables. This risk is reduced as Vattenfall has trade receivables distributed among a large number of customers with a short payment term. Trade receivables and other receivables are measured, without discounting, at the amounts initially invoiced less allowances for expected losses. The allowance

for expected credit losses is based on the remaining term. A collective method is used where the receivables are grouped together per business line based on e.g., the number of days past due including any past-due receivables, and a credit loss percentage is calculated for the respective intervals, where in the model Vattenfall NV has based its calculations on experience from historic loss levels for receivables with similar credit risk characteristics while taking into account forward-looking macro-economic conditions that may affect expected cash flows. For individual significant receivables, an individual assessment may be made.

The allowance for expected credit losses of trade receivables is reported in cost of purchases. Vattenfall NV evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in all Dutch regions and, in case of businesses, operate in several industries in largely independent markets.

For virtual gas storage agreements, a receivable (valued at spot price) is recognised at the time of the first delivery of natural gas. The receivable is subsequently remeasured at the spot prices prevailing at the reporting date, as the claim to return the gas at the reporting date corresponds to the volume and the spot price at the reporting date. This link to the price of natural gas represents an embedded derivative that must be separated from the host contract and must be recognised at fair value. The fair value of the embedded derivative corresponds to the difference between the fair values of the future injections and withdrawals (based on an optimisation model) and the extrinsic value, and the receivable measured at the spot price at the relevant reporting date. The value of the receivable will fluctuate with changes in the price of natural gas.

Financial information

Amounts in EUR million	2025	2024
Accounts receivable - trade	645	784
Receivables from related companies	1,472	1,214
Other receivables	16	33
Total	2,133	2,031

Receivables from related companies

Receivables from related companies include the transfer of financial resources and ongoing clearing of transactions settled with or on behalf of group companies with Vattenfall AB and transactions related to trading activities with Vattenfall Energy Trading GmbH. No provision for expected credit losses has been formed regarding receivables from group companies. Interest-bearing amounts receivable from Vattenfall AB group companies are charged with an interest rate based on the Euro short-term rate (€STR) - 0.1% (with a floor of 0.0%).

Age analysis

The collection period is normally between 10 and 30 days.

Amounts in EUR million	Receivables, gross 2025	Impaired receivables 2025	Receivables, net 2025	Expected credit loss 2025	Receivables, gross 2024	Impaired receivables 2024	Receivables, net 2024	Expected credit loss 2024
Accounts receivable - trade								
Not due	539	3	536	1%	667	–	667	0%
Past due 1-30 days	65	2	63	3%	56	1	55	2%
Past due 31-90 days	21	1	20	5%	22	2	20	9%
Past due >90 days	53	27	26	51%	70	28	42	40%
Total	678	33	645	5%	815	31	784	4%

Loss allowance accounts receivable - trade

Amounts in EUR million	2025	2024
Balance brought forward	31	26
Provision for loss allowance	18	25
Receivables written off	-15	-14
Unused amounts reversed	-1	-6
Balance carried forward	33	31

Note 18 Advance payments paid

Amounts in EUR million	2025	2024
Margin calls paid, energy trading	1	2
Total	1	2

A margin call paid is a marginal security (collateral) that Vattenfall NV pays its counterparty as the holder of a derivative position to cover the counterparty's credit risk, either bilaterally via OTC or through an exchange. In Vattenfall NV's business activities, margin calls occur in energy trading and in the financing operations.

Note 19 Prepaid expenses and accrued income

Accounting policy

Prepaid expenses and accrued income are initially recognised at nominal value and are recognised through the income statement, based on the terms and conditions in the related contracts.

Amounts in EUR million	2025	2024
Accrued income, energy related	190	223
Prepaid expenses, other	66	90
Accrued income, other	46	52
Total	302	365

Note 20 Assets held for sale

Accounting policy

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. To be classified as held for sale a number of criteria must be met, see the heading "Important estimations and assessments". Assets held for sale are valued at the lower of their carrying amount and fair value less costs to sell and are not subject to amortisation

or depreciation. Assets (and liabilities) held for sale are classified as current assets (current liabilities) when the sale transaction is expected to be settled within twelve months after the balance sheet date.

Important estimations and assessments

Certain criteria must be fulfilled to classify an asset as held for sale. The asset must be available for immediate sale in its present condition subject to usual and customary terms. Further, the sale must be highly probable within one year from the date of classification. The last-mentioned criterion means that a plan for the disposal must have been prepared and approved at the appropriate level of management, an active programme for the disposal must have been initiated, and the asset must be marketed for sale at a price that is reasonable in relation to its current fair value. In the event shareholder approval is required before a sale can be carried out, Vattenfall is of the opinion that a transaction cannot be regarded as likely until shareholder approval has been obtained.

Financial information

Assets held for sale as per 31 December 2025 refer to the powerplants in Velsen within BA Heat which have been sold in the first quarter of 2026 to Tata Steel Nederland. As per 31 December 2024 there were no assets held for sale.

Amounts in EUR million	2025	2024
Property, plant and equipment	72	–
Other current assets	1	–
Total assets held for sale	73	–
Other interest-bearing provisions	2	–
Trade payables and other liabilities	1	–
Total liabilities associated with assets held for sale	3	–

Note 21 Cash

Accounting policy

Cash and cash equivalents comprise bank balances and deposits with maturities of less than twelve months. Cash and cash equivalents are carried at their nominal amounts.

Amounts in EUR million	2025	2024
Cash and bank balances	150	165
Total	150	165

All liquid assets are freely available.

Note 22 Interest-bearing liabilities

Reported values for interest-bearing liabilities are specified as follows:

Amounts in EUR million	Current portion 2025	Current portion 2024	Non-current portion maturity 1-5 years 2025	Non-current portion maturity 1-5 years 2024	Non-current portion maturity >5 years 2025	Non-current portion maturity >5 years 2024	Total 2025	Total 2024
Liabilities to associated companies	5	–	–	–	–	–	5	–
Loan from the Parent Company	–	–	470	470	–	–	470	470
Other liabilities	54	44	90	87	116	131	260	262
Total interest-bearing liabilities	59	44	560	557	116	131	735	732

In June 2023, the Company obtained a loan from the Parent Company of EUR 470 million to finance the construction of the Hollandse Kust Zuid project. The loan is repayable on June 30, 2028 and has an interest rate of 3.87% per year.

Leasing liabilities are part of the other liabilities. The non-current portion amounts to EUR 190 million (2024: EUR 196 million) and the current portion amounts to EUR 46 million (2024: EUR 38 million). Further reference is made to Note 11 to the consolidated accounts, Leasing.

Note 23 Pension

Accounting policy

Vattenfall NV's pension obligations are defined contribution plans.

Defined contribution pension plans

Defined contribution pension plans are post-employment benefit plans according to which fixed fees are paid to a separate legal entity. There is no legal or constructive obligation to pay additional fees if the legal entity does not have sufficient assets to pay all benefits to the employees. Fees for defined contribution pension plans are reported as an expense in the income statement in the period they apply to.

Dutch pension plans

Vattenfall NV has various pension and similar plans for its current and former employees. The majority of the pension obligations has been transferred to the ABP pension fund and the 'Metaal en Techniek' pension fund. In addition to these two main pension plans, Vattenfall NV has a small number of defined benefit plans that are in aggregate not material. The ABP and 'Metaal en Techniek' plans are classified and reported as defined contribution plans. The coverage ratio of the ABP pension fund amounts to 123.5% (2024: 111.9%) and the pension premium for 2025 amounts to 27.0% (2024: 27.0%). The coverage ratio of the 'Metaal en Techniek' pension fund amounts to 122.6% (2024: 108.6%) and the pension premium for 2025 amounts to 28.0% (2024: 28.0%).

Note 24 Provisions

Accounting policy

A provision is reported on the balance sheet when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of financial resources will be required to regulate the obligation and a reliable estimate of the amount can be made. Where the effect of the time when payment is made is material, provisions are estimated by discounting the anticipated future cash flow at an interest rate before tax that reflects market estimates of time value of money. The discount rate does not reflect such risks that are taken into consideration in the estimated future cash flow.

Changes in discounted provisions for dismantling, restoration or similar measures, which at the time of acquisition have also been reported as Property, Plant and Equipment, are reported as follows: In cases where the change is due to a change in the estimated outflow of resources or a change in the discount rate, the cost of Property, Plant and Equipment is changed in an amount corresponding to the provision. The periodic change of the present value is recognised as a financial expense.

A provision for onerous contracts is recognised when the expected economic benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on any assets associated with that contract.

Important estimations and assessments

For provisions for future commitments for gas and wind operations and other environmental measures/undertakings, and for personnel-related provisions for non-pension purposes, or other provisions, the following discount rates are used, when discount effect is material:

- Personnel-related provisions for non-pension purposes: 2.50% (2024: 2.50%).
- Decommissioning provisions for new (since 2020) gas and wind operations: 1.75% (2024: 1.75%)
- Decommissioning provisions for existing (in operation before 2020) gas and wind operations: 1.75% (2024: 1.25%)

Provisions for future commitments for heat and wind operations and other environmental measures/undertakings

Provisions are made in the Netherlands for the dismantling and removal of assets and restoration of sites where the Company conducts gas operations. Provisions are also made for restoration of sites where Vattenfall NV conducts wind operations and for environmental measures/undertakings within other activities carried out by the Company.

The discount rates for wind and gas decommissioning provisions in The Netherlands are based on historical averages of market rates for Dutch government bonds, whereas the duration of the bond shall match the duration of the provision. Hence, for new windfarms, where the decommissioning will take place in approximately 20 years or longer, the company uses government bond rates with 20 years duration. For the “existing” gas and wind assets, which are much closer to decommissioning, a 10-year bond rate is applied.

Personnel-related provisions for non-pension purposes

Provisions are made for future costs pertaining to:

- Long-term sickness. This covers the obligation to continue paying all or part of an employee’s salary during the first two years of sick leave.

- Jubilee payments. This covers the jubilee benefits paid to employees for every 10 years of service and after retiring upon reaching the retirement age. This arrangement is no longer part of the Collective Labour Agreement, and only the first upcoming anniversary will be paid and is accrued for.
- Severance payments related to restructuring measures. This covers payments and/or supplements to benefits granted to employees whose employment contract has been terminated. These benefits and supplements are based on the Social Plan operated by Vattenfall NV and individual arrangements.
- Other costs for giving notice to personnel.

The discount rates for short-term personnel-related provisions for non-pension purposes are based on the Bloomberg AA credit yield curve BS165, whereas the duration of this yield curve shall match the duration of the provision. The discount rates for long-term personnel-related provisions for non-pension purposes are based on the Mercer discount rates, whereas the applied duration shall match with the duration of the provision.

Provision for onerous contracts

The provision for onerous contracts of EUR 12 million (2024: EUR 19 million) was created following the acquisition of Warmtebedrijf Rotterdam and is related to heat purchasing obligations.

Other provisions

Other provisions include, among others, guarantee commitments.

Financial information

Amounts in EUR million	Non-current portion 2025	Non-current portion 2024	Current portion 2025	Current portion 2024	Total 2025	Total 2024
Provisions for future commitments of gas and wind operations and other environmental measures/undertakings	331	329	–	–	331	329
Personnel-related provisions for non-pension purposes	16	15	12	7	28	22
Provision for onerous contracts	6	12	6	7	12	19
Other provisions	9	9	2	3	11	12
Total	362	365	20	17	382	382

Movement schedule provisions

Amounts in EUR million	Provisions for gas, wind and other environmental measures	Personnel-related provisions for non-pension purposes	Provision for onerous contracts	Other provisions
Balance brought forward	329	22	19	12
Interest effects	5	1	–	–
Additions	–	11	–	4
Provisions used	-1	-5	–	-1
Provisions reversed	–	-1	-7	-4
Assets held for sale	-2	–	–	–
Balance carried forward	331	28	12	11

Future commitments of non-current provisions

With the current assumptions, provisions are expected to result in outgoing payments as shown below:

2025 - Amounts in EUR million	Provision for gas and wind operations	Personnel-related provision	Provision for onerous contracts	Other provisions	Total
2-5 years	2	11	6	9	28
6-10 years	8	3	–	–	11
11-20 years	17	2	–	–	19
Beyond 20 years	304	–	–	–	304
Total	331	16	6	9	362

Note 25 Trade payables and other liabilities

Accounting policy

Refer to note 28, Financial instruments for accounting principles.

Amounts in EUR million	2025	2024
Accounts payable - trade	164	151
Liabilities to related companies	733	1,210
Energy price cap arrangement ¹	–	33
Other liabilities	532	503
Total	1,429	1,897

1. Energy price ceiling to be paid to the government. See Note 2 - Accounting policies.

The decrease in the liabilities to related companies mainly relates to lower trading positions with Vattenfall Energy Trading GmbH.

Note 26 Advance payments received

Amounts in EUR million	2025	2024
Other advance payments	3	2
Total	3	2

Note 27 Accrued expenses and deferred income

Accounting policy

Accrued expenses are recognized for costs that have been incurred but not yet paid by the end of the reporting period.

Deferred income represents payments received in advance for services to be rendered in future periods. This liability is recognized on the balance sheet and transferred to revenue as the services are performed.

Amounts in EUR million	2025	2024
Accrued personnel-related costs	57	65
Accrued expenses, CO ₂ emission allowances	121	115
Other accrued expenses	214	242
Deferred income, energy related	143	137
Accrued expenses, energy related	–	3
Other deferred income	35	9
Total	570	571

All accrued expenses and deferred income are expected to fall due in less than one year. The fair value of the accrued expenses and deferred income approximates the carrying amount.

Note 28 Financial instruments by measurement category, offsetting of financial assets and liabilities, and financial instruments' effects on income

Accounting policy

Classification and measurement

Financial assets

Financial assets are classified in various categories based in part on the objective (the business model) of holding the financial asset, and in part on the financial instrument's contractual cash flows, in the event they consist only of principal amounts and interest. The classification is determined at the original point of acquisition. Settlement day accounting is applied for spot purchases and spot sales of financial assets.

Amortised cost

Financial assets (debt instruments) are classified in this category if they are held in a business model whose objective is to hold financial assets in order to collect their contractual cash flows, and if the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These instruments are measured at amortised cost, where the reported gross value is adjusted for expected credit losses. For Vattenfall NV this category includes Other non-current receivables, Trade receivables and other receivables, Advance payments paid, and Cash and bank balances.

Fair value through profit or loss

This category includes all of Vattenfall NV's financial assets (debt instruments) that are not measured at amortised cost. This includes assets held for trading, which entails that the objective is that they will be sold in the near term, and assets that Vattenfall NV is monitoring and measuring based on fair value. Debt instruments are also classified in this category if the contractual terms do not consist solely of payments of principal and interest. This category also includes cash equivalents with terms shorter than three months, which Vattenfall monitors and measures based on their fair value. The category also includes certain short-term investments with original terms in excess of three months.

Derivative assets are measured at fair value through profit or loss, except for derivative instruments designated as hedging instruments in an effective hedge, where the principles for hedge accounting are used. The assets in this category are remeasured on a regular basis to fair value with changes in value reported in profit or loss. Vattenfall classifies holdings of equity instruments at fair value through profit or loss. Vattenfall does not apply the irrevocable option to measure equity instruments that are not held for trading at fair value through other comprehensive income. The assets in this category are remeasured on a regular basis to fair value with changes in value reported in profit or loss.

Financial liabilities

Financial liabilities at fair value through profit or loss

Derivative liabilities are always classified in this category. These financial liabilities are measured at fair value with changes in value recognised in profit or loss.

Other financial liabilities

In this category, interest-bearing and noninterest-bearing financial liabilities that are not held for trading purposes are reported. Other financial liabilities are measured at amortised cost. Trade liabilities have a short, anticipated term and are therefore valued at a nominal amount without discounting.

Impairment

Impairment of financial assets is based on models for expected credit losses. For trade receivables that do not

include a significant financing component, a simplified method is used, where calculation of the loss reserve is based on expected credit losses for the remaining term. A collective method is used where the receivables are grouped together per business line based on e.g., the number of days past due including any past-due receivables, and a credit loss percentage is calculated for the respective intervals, where in the model Vattenfall NV has based its calculations on experience from historic loss levels for receivables with similar credit risk characteristics while taking into account forward-looking macro-economic conditions that may affect expected cash flows. For individual, significant receivables, an individual assessment may be made. The allowance for expected credit losses of trade receivables is reported in cost of purchases. Vattenfall NV evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in all Dutch regions and, in case of businesses, operate in several industries in largely independent markets.

For other financial assets where the policies for impairment are applied, a loss reserve is reported that corresponds to 12 months' expected credit losses at initial recognition. If the credit risk increases significantly since initial recognition, a reserve corresponding to expected credit losses during the entire term is reported. Vattenfall NV presumes that the credit risk has not increased significantly if the instrument has a low credit risk on the balance sheet date, such as instruments with an investment grade rating. The credit risk is considered to have increased significantly if the counterparty's rating has been lowered to a lower rating than investment grade or, alternatively, if the counterparty already had a lower credit rating than investment grade at initial recognition and this rating was significantly lowered further. Expected credit losses are calculated by assessing the probability of the loss in the event of and the exposure to default.

Financial information

Risks arising from financial instruments are described in Note 29 of the consolidated accounts, Financial risks.

Financial instruments by measurement category

Presented below are assets and liabilities where the carrying amount differs from the fair value.

Amounts in EUR million	Carrying amount 2025	Fair value 2025	Carrying amount 2024	Fair value 2024
Financial assets at amortised cost				
Other non-current receivables	67	72	60	64
Financial liabilities at amortised cost				
Other non-current interest-bearing liabilities	676	677	688	690

Presented below the derivative financial assets and liabilities as presented on the balance sheet.

Assets 31 December 2025

Amounts in EUR million	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off on the balance sheet	Net amounts of financial assets presented on the balance sheet	Related amounts not set off on the balance sheet: Financial liabilities, not intended to be settled net ¹	Related amounts not set off on the balance sheet: Cash collateral received	Net amount
Derivatives, commodity contracts	333	317	16	–	–	16
Total	333	317	16	–	–	16
Derivatives, not subject to offsetting	2	–	2	–	–	2
Total derivative assets	335	317	18			18

Assets 31 December 2024

Amounts in EUR million	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off on the balance sheet	Net amounts of financial assets presented on the balance sheet	Related amounts not set off on the balance sheet: Financial liabilities, not intended to be settled net ¹	Related amounts not set off on the balance sheet: Cash collateral received	Net amount
Derivatives, commodity contracts	819	667	152	–	–	152
Total	819	667	152	–	–	152
Derivatives, not subject to offsetting	–	–	–	–	–	–
Total derivative assets	819	667	152			152

Net amounts of financial assets presented on the balance sheet with related parties amount to EUR 15 million (2024: EUR 152 million) as of 31 December 2025.

Liabilities 31 December 2025

Amounts in EUR million	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set off on the balance sheet	Net amounts of financial liabilities presented on the balance sheet	Related amounts not set off on the balance sheet: Financial assets, not intended to be settled net ¹	Related amounts not set off on the balance sheet: Cash collateral pledged	Net amount
Derivatives, commodity contracts	571	317	254	–	–	254
Total	571	317	254	–	–	254
Derivatives, not subject to offsetting	1	–	1	–	–	1
Total derivative liabilities	572	317	255			255

Liabilities 31 December 2024

Amounts in EUR million	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set off on the balance sheet	Net amounts of financial liabilities presented on the balance sheet	Related amounts not set off on the balance sheet: Financial assets, not intended to be settled net ¹	Related amounts not set off on the balance sheet: Cash collateral pledged	Net amount
Derivatives, commodity contracts	716	667	49	–	–	49
Total	716	667	49	–	–	49
Derivatives, not subject to offsetting	1	–	1	–	–	1
Total derivative liabilities	717	667	50			50

Net amounts of financial liabilities presented on the balance sheet with related parties amount to EUR 254 million (2024: EUR 49 million) as of 31 December 2025.

1. These items cannot be settled net as each transaction has a unique due date and they were not entered into with the purpose to be settled net. Settlement can be entailed only in case of default and only and when it is intended to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Calculation of Fair Value

Vattenfall has financial instruments that are valued at fair value. These financial instruments are classified based on the extent to which market data has been used in the calculation of fair value. Level 1 valuation refers to quoted prices in an active market for identical assets or liabilities. Level 2 valuation refers to market-based prices that are observable for the asset or liability either directly or indirectly, derived from prices. Level 3 valuation is based on unobservable data. The financial instruments in Level 3 refer to financial liabilities related to contingent considerations. The valuation has been made considering probability-weighted averages of several possible scenarios and the time value of money.

Financial assets and liabilities that are measured at fair value on the balance sheet on 31 December 2025

Amounts in EUR million	Level 1	Level 2	Level 3	Total
Assets				
Derivative assets	–	2	–	2
Virtual gas storage carried at FVTPL as receivable	–	67	–	67
Total assets	–	69	–	69
Liabilities				
Derivative liabilities	–	1	–	1
Total liabilities	–	1	–	1

Financial assets and liabilities that are measured at fair value on the balance sheet on 31 December 2024

Amounts in EUR million	Level 1	Level 2	Level 3	Total
Assets				
Derivative assets	–	152	–	152
Virtual gas storage carried at FVTPL as receivable	–	115	–	115
Total assets	–	267	–	267
Liabilities				
Derivative liabilities	–	50	–	50
Total liabilities	–	50	–	50

Derivative assets

Amounts in EUR million	Non-current portion, maturity 1-5 years 2025	Non-current portion, maturity 1-5 years 2024	Non-current portion, maturity >5 years 2025	Non-current portion, maturity >5 years 2024	Total non-current portion 2025	Total non-current portion 2024	Current portion 2025	Current portion 2024	Total 2025	Total 2024
Commodity and commodity-related contracts	8	31	–	–	8	31	10	121	18	152
Total	8	31	–	–	8	31	10	121	18	152

Derivative liabilities

Amounts in EUR million	Non-current portion, maturity 1-5 years 2025	Non-current portion, maturity 1-5 years 2024	Non-current portion, maturity >5 years 2025	Non-current portion, maturity >5 years 2024	Total non-current portion 2025	Total non-current portion 2024	Current portion 2025	Current portion 2024	Total 2025	Total 2024
Commodity and commodity-related contracts	80	22	–	1	80	23	175	27	255	50
Total	80	22	–	1	80	23	175	27	255	50

Changes in liabilities arising from financing activities

2025, Amounts in EUR million

	1 January	Cash flows	New leases	Other	31 December
Non-current interest-bearing liabilities	688	–	13	-25	676
Current interest-bearing liabilities	44	-36	4	47	59
Total liabilities from financing activities	732	-36	17	22	735

2024, Amounts in EUR million

	1 January	Cash flows	New leases	Other	31 December
Non-current interest-bearing liabilities	676	–	25	-13	688
Current interest-bearing liabilities	37	-35	3	39	44
Total liabilities from financing activities	713	-35	28	26	732

Note 29 Financial risks

Vattenfall AB manages risks from an overall group perspective. Individual positions entered into the market for Vattenfall NV by Vattenfall Energy Trading GmbH are mirrored and passed on to Vattenfall NV and presented as such in these financial statements. Vattenfall Germany is managing physical trade of electricity to and from the trading platforms on behalf of several business areas within Vattenfall group and Vattenfall NV. Vattenfall Energy Trading GmbH is also responsible for executing Vattenfall's group hedging strategy and managing financial risks by entering into commodity derivatives on behalf of another business area within Vattenfall group. Vattenfall Energy Trading GmbH offers access to the physical and financial trading markets to larger clients as well as managing ancillary trading.

Qualitative disclosure on Vattenfall AB's risk management process as set out below applies to Vattenfall NV as we follow the same risk management process, quantitative disclosure only relates to the legal positions between Vattenfall NV and AB and other trading partners.

The following risks can be identified with respect to financial instruments: market risk, credit risk and liquidity risk. These risks are managed on a Vattenfall AB level. Vattenfall AB's risk management to the extent to which it is relevant for Vattenfall NV is summarised below.

Market risk - commodities including electricity

Market risk for electricity and commodities refers to the risk of Vattenfall failing to achieve its financial targets as a result of an adverse change in commodity prices and is monitored daily. Market risk includes the risk of a change in volumes, especially in the Nordic market where hydro power production is highly dependent on precipitation. Vattenfall AB's price hedging strategy is focused on the Nordic generation assets although in the last couple of years the strategy has extended to also hedging thermal asset production. Vattenfall NV does not apply hedge accounting for new transactions in its consolidated account, since 2017.

Risk management activities

Through our asset ownership and sales activities, we are exposed to electricity, fuel, and CO₂ emission allowance prices, which are affected by several fundamental factors, such as the global macro-economic situation, local supply, demand, and political decisions. We are active in the wholesale trading market to hedge our electricity position and fuel requirements through physical and financial forward contracts and long-term customer contracts. These contracts pertain to time horizons in which there is no possibility to hedge prices in the liquid part of the futures market and stretch as far as 2030. Most volumes are hedged at the beginning of this time horizon, with falling volumes towards the end. The Vattenfall Risk Committee (VRC) decides how much generation is to be hedged within the mandates issued by the Board of Directors. To measure electricity price risk, we use methods such as Value at Risk (VaR) and Gross Margin at Risk along with various stress tests.

Portfolio structure

With the current portfolio structure, the dominant risk exposure is now coupled to Nordic nuclear and hydro power baseload generation. In addition, Vattenfall's continuing operations generate a higher share of regulated revenue from distribution, heat and tendered wind power, which diversifies the risk exposure on the Continent (Germany, the Netherlands as well as the UK). Vattenfall continues to have some price exposure between electricity and used fuel/emissions on the Continent. Such an exposure has a lower risk profile than the outright power exposure in the Nordic countries. The market price risk of Vattenfall's production assets and hedges for electricity, fuel prices and emissions as well as the ancillary trading market price risks are monitored daily.

Continental markets

Similar to the Nordic market, Vattenfall uses derivative instruments to manage the market price risk of the continental electricity production. This portfolio mainly

consists of spread production (including power, gas, coal and emissions positions), price-indexed district heating contracts as well as outright wind power production and pumped storage hydro.

VaR levels

VaR calculation quantifies potential changes in the value of commodity positions as a result of market price movements. The inputs to the VaR calculation are positions (open volumes), current market prices and the variability of prices (volatilities and correlations), all of which are updated daily. The risk limits are designed to prevent maximum loss to exceed EUR 300 million, which can be compared to a VaR of EUR 31.6 million (2024: EUR 26 million), with a 99% confidence level and a 1-day holding period. Thus, the VaR measures the marked-to-market movement arising from a 1-day change in market prices, under normal market conditions, which should only be exceeded 1% of the time. The VaR levels for Vattenfall NV amount to EUR 0.6 million (2024: EUR 0.6 million).

Volume risk

Volume risk pertains to the risk for deviations between anticipated and actual delivered volume.

Risk management activities

District heating volumes are managed by improving and developing forecasts for heat consumption. There is a correlation between electricity prices and generated electricity volume. Volume risk also arises in the sales activities as deviations in the anticipated volumes against actual volumes delivered to customers. Here, too, improved monitoring and forecasting capabilities are the most efficient risk management instruments.

Liquidity risk

Liquidity risk refers to the risk of Vattenfall not being able to finance its capital needs and arises if asset values at maturity do not match those of liabilities and other derivatives.

Risk management activities

Access to capital and flexible financing solutions are ensured through several types of debt issuance programmes and credit facilities on the level of Vattenfall AB.

Short-term financing

Vattenfall AB has a defined target for its short-term accessibility to capital. Vattenfall's policy is to maintain liquidity sources to cover the higher of 10% of annual turnover or 90-days stressed liquidity needs. As per 31 December 2025, available liquid assets and/or committed credit facilities amounted to 35.7% (2024: 43%) of consolidated net sales.

Long-term financing

Vattenfall is committed to maintaining financial stability, which is reflected in the company's long-term targets for capital structure. On 6 July 2021, Moody's affirmed Vattenfall's long-term A3 and short-term P-2 ratings, and its Baa2 rating for hybrid bonds. At the same time, the rating outlook was revised from negative to stable. On 15 December 2023, Standard & Poor's affirmed Vattenfall's long-term BBB+ rating and short-term A-2 rating as well as its BB+ rating for hybrid bonds. The rating outlook was changed from positive to stable. Vattenfall has a strong liquidity reserve but given our large future investments we aim to take advantage of the favourable market conditions for refinancing. Vattenfall has decided to use green financing in its funding activities. Investors should expect all future long-term financing to be made under Vattenfall's Green Bond framework.

Contractual cash flows

Vattenfall NV is financed via internal loans and credit facilities. To provide insight into the liquidity risk, the following table shows the contractual terms of the financial obligations (translated at the reporting date rate), including interest payments. The contractual cash flows of non-current assets as well as current assets combined with the internal loans and credit facilities available at Vattenfall AB cover the need for liquidity as included in the table. The total facilities available at Vattenfall AB amount to EUR 500 million, of which none was utilised.

Amounts in EUR million	Non-current portion maturity 1-5 years 2025	Non-current portion maturity 1-5 years 2024	Non-current portion maturity > 5 years 2025	Non-current portion maturity > 5 years 2024	Total non-current portion 2025	Total non-current portion 2024	Current portion 2025	Current portion 2024	Total 2025	Total 2024
Interest-bearing liabilities	582	604	146	150	728	754	68	63	796	817
Derivatives	561	401	6	2	567	403	1,127	1,307	1,694	1,710
Trade payables and other financial liabilities	–	–	–	–	–	–	1,429	1,897	1,429	1,897
Total	1,143	1,005	152	152	1,295	1,157	2,624	3,267	3,919	4,424

Interest rate risk

Interest rate risk refers to the negative impact of changed interest rates on Vattenfall's income statement and cash flow.

Risk management activities

We quantify interest rate risk in our debt portfolio in terms of duration, which describes the average term of fixed interest. The duration of Vattenfall AB's debt portfolio at year-end was 3.81 years (2024: 4.49 years) including Hybrid Capital.

Sensitivity analysis in relation to cash flows for variable interest assets and liabilities

Vattenfall NV is not exposed to interest rate risk on its interest-bearing liabilities, see Note 22, since only fixed interest rates are applicable.

Currency risk

Currency risk refers to the negative impact of changed exchange rates on Vattenfall's income statement and balance sheet.

Risk management activities

Vattenfall AB is exposed to currency risk through exchange rate movements attributable to future cash flows (transaction exposure). Currency exposure in borrowing is limited by using currency exchange rate swaps. We strive for an even maturity structure for derivatives. Derivative assets and derivative liabilities are reported in Note 28 to the consolidated accounts, Financial instruments. We have limited transaction exposure, since most generation, distribution and sales of electricity take place in the local market. Sensitivity to currency movements is therefore low. All transaction exposure that exceeds a nominal value equivalent to SEK 10 million is to be hedged immediately when it arises. The target for hedging translation exposure is to, over time, match the currency composition in the debt portfolio with the currency composition of Vattenfall AB's funds from operations (FFO).

Sensitivity analysis in relation to currency risk

Vattenfall NV's exposure to significant currency risks based on nominal values amount to EUR 2.1 million (2024: EUR 0.4 million). This exposure is reduced by derivatives concluded to hedge the currency risk for an amount of EUR 0 million (2024: EUR 0 million). The pre-tax effect that a possible increase by 10% in the value of foreign currencies relative to the euro would have, assuming all other circumstances remain unchanged, on Vattenfall NV's financial income and expenses and equity, taking into account the derivatives, amount to EUR -0.19 million (2024: EUR 0 million).

Credit risk

Credit risk is the risk that a counterparty cannot or will not meet its obligations to Vattenfall and the risk exists across all activities.

Risk management activities

We have a strict framework for governing and reporting credit risks to ensure that risks are monitored, measured and minimised so that the total credit exposure is kept within Vattenfall AB's risk appetite. The company's credit risk management involves the analysis of its counterparties, reporting of credit risk exposures, contract negotiations and proposals for risk mitigation measures (e.g., obtaining collateral).

Note 30 Specifications of the cash flow statement

Other investments in non-current assets

Amounts in EUR million	2025	2024
Investments in intangible assets: non-current, including advance payments	-30	-25
Investments in property, plant and equipment, including advance payments	-181	-265
Total	-211	-290

Note 31 Specifications of equity

Authorised, issued and paid-up share capital

The authorised share capital of Vattenfall NV amounts to EUR 1,500,000,000 consisting of 300,000,000 shares, with a nominal value of EUR 5 per share. The total number of issued and paid-up shares amounts to 136,794,964 shares totalling a paid-up capital of EUR 683,974,820. All shares are held by Vattenfall AB.

Share premium

Share premium consists of the additional paid-up or contributed value to Vattenfall NV.

Retained earnings including result for the year

Retained earnings including result for the year include results of Vattenfall NV and its subsidiaries, associated companies and joint ventures.

Attributable to non-controlling interests

The sale of the minority share in the Hollandse Kust Zuid project to BASF in 2021, followed by the partial sale of their interest to Allianz, the subsequent contributions of these partners in the project and their share in the result in combination with minority shareholders in other projects has resulted in a non-controlling interest of EUR 1,178 million.

Dividend policy

Vattenfall NV's dividend policy stipulates the following:

- The maximum dividend distribution shall be the net profit, adjusted for significant non-cash fair value movements on financial instruments.
- As a result of the dividend distribution the debt/equity ratio will not exceed 60/40.
- The dividend distribution can only be done to the extent that adequate liquidity lines are available to Vattenfall NV, and a sufficiently sustainable cash position is maintained over the next 12 months as proven by the long-term cash forecast of Vattenfall NV.

Note 32 Contingent liabilities

As per 31 December 2025 contingent liabilities amounted to EUR 3,340 million (2024: EUR 4,322 million). The contingent liabilities mainly consist of capital expenditure commitments regarding property, plant and equipment. The outstanding capital expenditure commitments relate mainly to construction in progress, and other purchasing commitments. Most of these commitments are covered by guarantees provided by the Parent Company or various banks.

In 2024 Vattenfall, together with its partner Copenhagen Infrastructure Partners, won the bid, on a 50%-50% basis, for plot Beta of the IJmuiden Ver wind area and committed itself to the realization of the Zeevonk wind farm and the Zeevonk Electrolyser installation by the end of 2029. Vattenfall has issued a bank guarantee amounting to EUR 100 million on behalf of the Dutch Government for the realisation of the wind farm and electrolyser. This amount has been included in the aforementioned contingent liabilities of the Company.

As a result of the revised permit for the construction of the wind farm and the electrolyser, joint venture Zeevonk Phase 2 CV has entered into an obligation to make annual payments to the government starting in 2033 and ending in 2064 for a total remaining amount of EUR 360 million. Vattenfall's share in the fair value of this obligation is one of the components of the equity value of Zeevonk Phase 2 CV which is presented in Note 15, Participations in associated companies and joint ventures.

Sales and purchase commitments

Vattenfall NV has concluded a number of long-term purchase contracts with terms varying from 2026 to 2057. In addition, Vattenfall NV has concluded long-term sales contracts on varying terms and conditions. Vattenfall NV enters into energy commodity contracts for the sale and purchase of electricity, gas, biomass and emission allowances. The energy commodity contracts that are held for trading purposes and the energy commodity

contracts that are designated as hedging instruments are recognised on the balance sheet at fair value. These contracts are not generally settled by means of physical delivery but by concluding opposite transactions in which only the net cash flows are settled.

Please refer to Note 29 Financial risks for the liquidity overview, which shows the contractual terms of all financial obligations recognised.

Legal proceedings and other contingencies

At the reporting date, Vattenfall NV (including its subsidiaries, associated companies and joint ventures) was involved in a number of legal proceedings and investigations by tax and other authorities. Provisions have been made as far as deemed necessary in accordance with management's estimate and the accounting principles. Vattenfall NV believes that the ultimate resolution of these claims and proceedings will not, in the aggregate, have a material adverse effect on the Company's financial position, consolidated income or cash flows.

Stichting Nuon claim

On 30th March 2022, Stichting Nuon claim started a class action against Vattenfall Sales NL, VET NL and Vattenfall NV claiming that (allegedly) 5,000 business customers were misled and suffered damage because they were charged a 'kilowatt-charge' (kW-charge) from 2002 onward. In our view the kW-charge is not misleading, but one of the components of the electricity price. The electricity price is not related to costs of the grid operator for the transport of energy as is being claimed. In its 9th October 2024 judgement the court dismissed all claims of Stichting Nuon claim. The Stichting has appealed against this judgement. The procedure is currently ongoing.

Vattenfall Sales - General terms and conditions for consumers

In February 2023 and 25th March 2025, the court of Amsterdam (in first instance and on appeal) ruled that the clause to change the tariffs, incorporated in the GT&Cs since 2017 in variable price contracts and used by all Dutch energy suppliers in the market, was considered unfair. Vattenfall has appealed to the Hoge Raad, the highest Court in the Netherlands. Meanwhile 3 mass claim organizations have started a court case against several Dutch energy suppliers. Management notes the existence of mass claim litigation in the Netherlands and its potential implications for Vattenfall NV and the wider Dutch energy sector. Based on the information currently available, these proceedings do not give rise to a present obligation. Management continues to monitor developments closely and will update its assessment should new information become available.

Vattenfall NV has provided several parent guarantees for its subsidiaries, joint ventures or associated companies, part of which are uncapped. On 31 December 2025, these parent guarantees amounted to EUR 1 million (2024: EUR 1 million).

Vattenfall NV has issued declarations of joint and several liability pursuant to article 403, Part 9, Book 2 of the Dutch Civil code for a number of its subsidiaries. The significant group companies for which such a declaration has been issued are included in the list of subsidiaries presented in Note 14 Shares and participations owned by Vattenfall NV and other group companies. As partners in a number of general and limited partnerships, subsidiaries

of Vattenfall NV are liable for the obligations of these partnerships. The exposure under these obligations is not considered to be significant.

Vattenfall NV and most of its subsidiaries form a fiscal unity for both corporate income tax and VAT purposes. Consequently, every legal entity forming part of the fiscal unity is jointly and severally liable for the tax liabilities of the legal entities forming part of the fiscal unity.

Licences

Vattenfall NV has a licence for the supply of electricity, gas and heat and holds licences for constructing certain power and heat facilities.

Note 33 Number of employees and personnel expenses

Number of employees on 31 December, full-time equivalents:

	Men 2025	Women 2025	Total	Men 2024	Women 2024	Total
Netherlands	2,985	1,136	4,121	2,972	1,133	4,105
Germany	21	3	24	22	3	25
Total	3,006	1,139	4,145	2,994	1,136	4,130

Average number of employees during the year, full-time equivalents:

	Men 2025	Women 2025	Total	Men 2024	Women 2024	Total
Netherlands	2,993	1,143	4,136	2,931	1,108	4,039
Germany	21	3	24	21	2	23
Total	3,014	1,146	4,160	2,952	1,110	4,062

Personnel costs:

Amounts in EUR million	2025	2024
Salaries and other remuneration	337	307
Social security costs	63	54
Pension costs	42	40
Total	442	401

Benefits for Management and Supervisory Board members of Vattenfall NV

Amounts in EUR thousands	Directors' fees and base salary including vacation pay 2025	Other remuneration and benefits 2025	Pension and severance costs 2025	Directors' fees and base salary including vacation pay 2024	Other remuneration and benefits 2024	Pension and severance costs 2024
Management Board	2,000	193	268	2,022	49	267
Supervisory Board	22	–	–	22	–	–
Total	2,022	193	268	2,044	49	267

Note 34 Related party disclosures

As of 1 July 2015, 100% of Vattenfall NV's shares are owned by Vattenfall AB. Vattenfall AB has a casting vote in the Supervisory Board and qualifies as a related party. Vattenfall NV also conducts transactions with subsidiaries of Vattenfall AB. Furthermore, Vattenfall NV and its subsidiaries have interests in various associated companies and joint ventures over which it exercises significant influence, but no control or only joint control of the operations and financial policy. Transactions with the parties classified as related parties are conducted at market conditions and prices that are not more favourable than the conditions and prices offered to independent third parties.

Disclosures of transactions with key persons in executive positions in the Company are shown in Note 33 to the Consolidated accounts, Number of employees and personnel expenses.

The following transactions have taken place with related parties with regard to sales and purchases of goods and services, including leases.

Related parties transactions

Amounts in EUR million	2025	2024
Sales of goods and services to Vattenfall AB and its subsidiaries	5,683	6,122
Sales of goods and services to associated companies and joint ventures	52	47
Costs charged by Vattenfall AB and its subsidiaries	-7,959	-9,272
Costs charged by associated companies and joint ventures	-1	-1

Various goods and services are bought or provided on normal commercial terms and conditions within Vattenfall AB. A cost-sharing program is in place, which entails that certain costs within the group are recharged to the users within Vattenfall AB based on actual usage. Vattenfall NV, in the ordinary course of business, trades commodities with and via Vattenfall Energy Trading Germany (VET Germany). Since VET Germany is not an end-user, transactions with this party are treated as if VET Germany is an external party. Trade transactions with VET Germany are netted and presented as part of Cost of sales in the Consolidated income statement.

In the ordinary course of business, Vattenfall NV has outstanding payables and receivables with Vattenfall AB and its subsidiaries (refer to Note 17 and Note 25) as well as with its associated companies and joint ventures (Note 15). Vattenfall NV has also granted a limited number of loans to related parties. Where relevant, this has been disclosed in these consolidated accounts.

The members of the management board and supervisory board of Vattenfall NV have been identified as individuals who qualify as related parties. The employee benefits related to these individuals have been disclosed in Note 33.

Note 35 Events after the balance sheet date

Sale of the Velsen Powerplants

Before the balance sheet date, an agreement was concluded with Tata Steel Nederland regarding the sale of the power plants in Velsen (Business Area Heat). In accordance with this agreement, the transaction took place on 1 January 2026.

Since the transfer of the activities took place after the balance sheet date, BA Heat's assets and liabilities are therefore still fully recognised in the balance sheet as of 31 December 2025. The financial effects of the sale will be recognised in the 2026 financial year.

No other events have occurred after the balance sheet date that are expected to have a significant impact on the financial statements.

Company accounts

Company balance sheet

Amounts in EUR million, before appropriation of result	Note	31 December 2025	31 December 2024
Assets			
Fixed assets			
Property, plant and equipment	2	36	37
Investments in subsidiaries	3	3,615	3,761
Receivables from group companies and other Vattenfall companies	4	59	-
Other non-current receivables from group companies	5	56	48
Deferred tax assets	6	93	153
Total fixed assets		3,859	3,999
Current assets			
Receivables from group companies	7	8,174	7,126
Other receivables, external	8	4	310
Cash	9	50	75
Total current assets		8,228	7,511
Total assets		12,087	11,510
Equity and Liabilities			
Equity			
Share capital		684	684
Share premium		2,211	2,211
Legal reserve participating interests		112	94
Legal reserve revaluation of assets		13	113
Other reserves		- 65	- 991
Unappropriated result for the year		30	844
Total equity attributable to Vattenfall NV shareholder	10	2,985	2,955
Provisions	11	21	20
Long-term liabilities			
Interest-bearing liabilities	12	489	493
Long-term liabilities		489	493
Current liabilities			
Interest bearing liabilities	12	16	8
Payables to group companies and other Vattenfall companies	13	8,324	7,827
Trade payables and other liabilities		252	207
Total current liabilities		8,592	8,042
Total equity and liabilities		12,087	11,510

Company income statement

Amounts in EUR million, 1 January - 31 December	Note	2025	2024
Result after taxation from subsidiaries		44	885
Other income less expenses after taxation	15	- 14	- 41
Result after taxation		30	844

Company statement of changes in equity

Amounts in EUR thousands, for the year 1 January - 31 December 2025	Share capital	Share premium	Legal reserve participating interests	Legal reserve revaluation of assets	Other reserves	Unappropriated result for the year	Total
Balance brought forward 2025	684	2.211	94	113	-991	844	2.955
New share issues and net shareholders' contributions	–	–	10	–	-10	–	–
Result for the year	–	–	–	–	–	30	30
Appropriation of last year's result	–	–	8	-100	936	-844	–
Balance carried forward 2025	684	2.211	112	13	-65	30	2.985

Amounts in EUR thousands, for the year 1 January - 31 December 2024	Share capital	Share premium	Legal reserve participating interests	Legal reserve revaluation of assets	Other reserves	Unappropriated result for the year	Total
Balance brought forward 2024	684	2.211	56	113	-1.534	581	2.111
New share issues and net shareholders' contributions	–	–	34	–	-34	–	–
Result for the year	–	–	–	–	–	844	844
Appropriation of last year's result	–	–	4	–	577	-581	–
Balance carried forward 2024	684	2.211	94	113	-991	844	2.955

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Note 1 Accounting policies

The company accounts have been prepared in accordance with the provisions of Part 9, Book 2 of the Dutch Civil Code. In the company accounts, Vattenfall NV uses the option provided for in Part 9, Book 2 of the Dutch Civil Code to prepare the company accounts in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as adopted by the European Union that are used in the preparation of the consolidated accounts. The company income statement is presented in abridged form, as allowed by section 402, Part 9, Book 2 of the Dutch Civil Code. In addition to the accounting policies for the consolidated accounts, specific accounting policies for the company accounts are presented below.

In accordance with sub 8 of article 362, Book 2 of the Dutch Civil Code, the company's financial statements are prepared based on the accounting principles of recognition, measurement and determination of profit, as applied in the consolidated financial statements. These principles also include the classification and presentation

of financial instruments, being equity instruments or financial liabilities.

Vattenfall NV applies the exemption provided for by section 382a, Part 9, book 2 of the Dutch Civil Code, that the audit fee does not need to be disclosed. The financial figures of Vattenfall NV are consolidated in the annual report of Vattenfall. In the Vattenfall annual report the total audit fee of Vattenfall, including Vattenfall NV, is disclosed.

Investments in subsidiaries

Investments in subsidiaries are valued at net asset value, which is determined on the basis of IFRS Accounting Standards as used in the consolidated accounts.

Receivables from group companies

Loans and receivables from subsidiaries are stated at amortised cost. No provision for expected credit losses is calculated for the receivables from group companies. The company makes use of the option to eliminate intercompany expected credit losses against the investments in subsidiaries.

Note 2 Property, plant and equipment

Amounts in EUR million, 2025	Land and buildings	Equipment, tools and fixtures and fittings	Construction in progress	Total
Cost				
Cost brought forward at 01-01-2025	76	71	1	148
Investments	4	4	3	11
Transfer from construction in progress	1	3	-4	-
Divestments/disposals	-1	-1	-	-2
Accumulated cost carried forward at 31-12-2025	80	77	-	157
Accumulated depreciation				
Depreciation brought forward at 01-01-2025	-51	-60	-	-111
Depreciation for the year	-7	-5	-	-12
Divestments/disposals	1	1	-	2
Accumulated depreciation carried forward at 31-12-2025	-57	-64	-	-121
Carrying amount carried forward at 31-12-2025	23	13	-	36
Amounts in EUR million, 2024				
Cost				
Cost brought forward at 01-01-2024	76	72	-	148
Investments	1	4	4	9
Transfer from construction in progress	-	3	-3	-
Divestments/disposals	-1	-8	-	-9
Accumulated cost carried forward at 31-12-2024	76	71	1	148
Accumulated depreciation				
Depreciation brought forward at 01-01-2024	-45	-63	-	-108
Depreciation for the year	-7	-4	-	-11
Divestments/disposals	1	7	-	8
Accumulated depreciation carried forward at 31-12-2024	-51	-60	-	-111
Carrying amount carried forward at 31-12-2024	25	11	1	37

During the period of construction or installation of an asset, costs are recorded as assets under construction. When an asset is ready for commercial operation, these costs are transferred to Assets in Operation.

An asset is ready for commercial operations when an approved final inspection has taken place or when the asset is to a considerable extent possible to take into operation.

For further disclosure, reference is made to Note 13 to the consolidated accounts, Property, plant and equipment.

Note 3 Investments in subsidiaries

Amounts in EUR million	2025	2024
Balance brought forward	3.761	3.376
Withdrawals/Repaid shareholders' contributions	-50	-500
Dividends received	-140	-
Share in result	44	885
Balance carried forward	3.615	3.761

In 2025 the company received a capital repayment of EUR 50 million from its subsidiary Vattenfall Energy Sourcing Netherlands N.V. and a dividend of EUR 140 million from its subsidiary Vattenfall Customers & Solutions Netherlands N.V.

The result of investments includes the share of the company in the results of these investments. Results on transactions in which transfer of assets and liabilities has taken place between the company and its investments and between investments have been eliminated to the extent that they can be regarded as unrealised.

The decrease in the share in result can mainly be attributed to results within BA markets.

The Company participates (indirectly) as a partner in multiple general partnerships ('VOF') or limited partnerships ('CV'). For two of the limited partnerships the Company is jointly and severally liable:

- Vattenfall Hollandse Kust Zuid 1&2 C.V.
- Vattenfall Hollandse Kust Zuid 3&4 C.V.

A list of directly and indirectly held participations in subsidiaries is included in Note 13, Shares and participations to the consolidated accounts

Note 4 Receivables from group companies

Accounting policy

Refer to Note 1, Accounting policies for the applicable policy on receivables from group companies.

Amounts in EUR million	2025	2024
Balance brought forward	-	70
Additions and loans received	59	-
Loans repaid	-	-12
Loans transferred to short-term	-	-59
Balance carried forward	59	-

The company makes use of the option to eliminate intercompany expected credit losses against the investments in subsidiaries.

Reference is made to Note 34 to the consolidated accounts, Related party disclosures.

In 2022 the company issued a 3-year loan of EUR 70 million against an annual interest rate of 4.25% to group company Nuon Epe Gasspeicher GmbH as part of the financial restructuring of this entity. Last year, the remainder of this loan amounting to EUR 58.5 million had been transferred to short-term receivables. This year, it was decided to prolong aforementioned loan of EUR 58.5 million for another 3 years against an annual interest rate of 2.55%.

The effective interest rate on the non-current receivables from group companies during the year was 2.55% (2024: 4.25%).

Note 5 Other non-current receivables from group companies

Accounting policy

Loans granted are recognised at fair value and subsequently measured at amortised cost. No provision for expected credit losses is calculated for the non-current receivables from group companies.

Amounts in EUR million	2025	2024
Balance brought forward	48	228
Loans granted	-279	107
Loans and interest repaid	-	-48
Loans transferred to short-term	287	-239
Balance carried forward	56	48

Other non-current receivables consist of loans granted (including incremental costs) to related parties.

In November 2024, the Company issued a loan to Westpoort Warmte B.V. of EUR 48 million. The loan is repayable on November 29, 2029 and has an interest rate of 4.42% per year. This year, the Company issued an additional loan of EUR 8 million to Westpoort Warmte B.V. The loan is repayable on November 28, 2029 and has an interest rate of 4.75% per year.

Note 6 Deferred tax assets

Amounts in EUR million	2025	2024
Balance brought forward	153	108
Temporary differences charged to profit or loss	-60	45
Balance carried forward	93	153

The 2025 temporary differences charged to profit & loss relate mainly to the 2025 offset of tax losses of previous years of the fiscal unity Vattenfall NV.

An amount of EUR 39 million of the deferred tax assets can be settled within one year.

Reference is made to Note 10 to the consolidated accounts, Income tax.

Note 7 Receivables from group companies and other Vattenfall companies

Accounting policy

Refer to Note 1, Accounting policies for the applicable policy on receivables from group companies.

Amounts in EUR million	31 December 2025	31 December 2024
Receivables from group companies	8.174	7.126
Total other receivables	8.174	7.126

Receivables from group companies include the transfer of financial resources and ongoing clearing of transactions settled with or on behalf of these group companies.

Interest-bearing amounts receivable from the Company's subsidiaries are charged with an interest rate based on the Euro short-term rate (€STR) + 0.085% (with a floor of 0.45%).

Interest-bearing amounts receivable from Vattenfall AB are charged with an interest rate based on €STR - 0.1% (with a floor of 0.0%).

The company makes use of the option to eliminate intercompany expected credit losses against the investments in subsidiaries. All receivables fall due within one year

Reference is made to Note 34 to the consolidated accounts, Related party disclosures.

Note 8 Other receivables, external

Accounting policy

Other receivables are recognised at fair value and subsequently measured at amortised cost, less impairment, if any.

Amounts in EUR million	31 December 2025	31 December 2024
Interest bearing receivables from associated companies	–	282
Income tax receivable	–	25
Prepaid expenses	4	3
Total other receivables	4	310

The short-term part of a loan of EUR 282 million in relation with the construction of Windpark IJsselmeer to Molenrak B.V. has been repaid during the year.

All receivables fall due within one year.

Note 9 Cash

There is no restricted cash at the end of 2025 and 2024.

Note 10 Total equity attributable to Vattenfall NV shareholder

The authorised share capital of Vattenfall NV amounts to EUR 1,500,000,000 consisting of 300,000,000 ordinary shares, with a nominal value of EUR 5 per share. The total number of issued and paid-up shares amounts to 136,794,964 shares totalling a paid-up capital of EUR 683,974,820. All shares are held by Vattenfall AB.

The Consolidated statement of changes in equity and disclosures to that statement are included in the Consolidated accounts. Reference is made to Note 31 to the consolidated accounts, Specifications of equity.

In addition to the Consolidated statement of changes in equity, a non-distributable legal reserve, in the form of a revaluation reserve (net of taxes), is recognised for unrealised fair value gains on financial instruments that are recognised in income, and for which no frequent market quotations are available (Level 2 financial instruments). With regard to Vattenfall NV, this relates to energy commodity contracts for gas, electricity, biomass and emission allowances that are not traded through recognised exchanges (e.g. Amsterdam Power Exchange, Exend), known as over-the-counter or OTC contracts. A legal reserve of EUR 13 million in total is held for the unrealised fair value movements of these contracts (2024: EUR 113 million).

In addition, a legal reserve participations of EUR 112 million (2024: EUR 94 million) is recognised. The legal reserve participations includes the increases in net asset value of joint ventures and associates since their first inclusion, less any amount that can be distributed without legal restrictions.

Changes in the other reserves occurred following an addition from the legal reserves (EUR 82 million) and the addition of last year's result (EUR 844 million).

The legal reserves are not freely distributable.

Note 11 Provisions

Amounts in EUR million	2025	2024
Balance brought forward	20	18
Reversed provisions	-1	-3
Provisions for the period	9	8
Transfer	-4	–
Provisions used	-3	-3
Balance carried forward	21	20

Amounts in EUR million	31 December 2025	31 December 2024
Current portion	9	6
Non-current portion	12	14

Above provisions are personnel-related provisions for non-pension purposes. These provisions are made for future costs pertaining to:

- Long-term sickness. This covers the obligation to continue paying all or part of an employee's salary during the first two years of sick leave.
- Jubilee payments. This covers the jubilee benefits paid to employees for every 10 years of service and after retiring upon reaching the retirement age.
- Severance payments related to restructuring measures. This covers payments and/or supplements to benefits granted to employees whose employment contract has been terminated. These benefits and supplements are based on the Social Plan operated by Vattenfall NV and individual arrangements.
- Other costs for giving notice to personnel.

Future commitments of non-current provisions

With the current assumptions, provisions are expected to result in outgoing payments as shown below:

2025 Amounts in EUR million	Personnel-related provision
2-5 years	8
6-10 years	2
11-20 years	2
Total	12

Further reference is made to Note 24 to the consolidated accounts, Provisions.

Note 12 Interest-bearing liabilities

The maturity of interest-bearing liabilities can be specified as follows:

Amounts in EUR million	Short-term part 31-dec 2025	Short-term part 31-dec 2024	Long-term part 31-dec 2025	Long-term part 31-dec 2024
Loan from parent company	–	–	470	470
Leasing liabilities	16	8	19	23
Total	16	8	489	493

In June 2023, the Company obtained a loan from the Parent Company of EUR 470 million to finance the construction of the Hollandse Kust Zuid project. The loan is repayable on June 30, 2028 and has an interest rate of 3.87% per year. The fair value of the loan from the parent company approximates the carrying amount.

The movement in long term liabilities can be specified as follows:

Amounts in EUR million	2025	2024
Balance brought forward	493	497
New loans	8	5
Loans repaid	-9	-9
Transferred to short term interest bearing liabilities	-3	–
Balance carried forward	489	493

The contractual cash flows regarding the leasing liabilities are as follows:

Maturity analysis - contractual cash flows

Amounts in EUR million	31-dec 2025	31-dec 2024
< 1 year	16	8
1 - 5 years	19	23
> 5 years	–	–
Total contractual cash flows leasing	35	31

The entity is not the legal owner of the leased assets. Further reference is made to Note 11 to the consolidated accounts, Leasing.

Note 13 Payables to group companies and other Vattenfall companies

Payables to group companies include the transfer of financial resources and ongoing clearing of transactions settled with or on behalf of these group companies.

Interest-bearing amounts due to the Company's subsidiaries are charged with an interest rate based on €STR - 0.1% (with a floor of 0.0%).

Interest-bearing amounts due to Vattenfall AB are charged with an interest rate based on €STR + 0.085% (with a floor of 0.45%).

All current liabilities fall due in less than one year. The fair value of the payables to group companies approximates the carrying amount.

Note 14 Contingent liabilities

Vattenfall NV and the majority of its subsidiaries form a fiscal unity for both corporate income tax and VAT purposes. Consequently, every legal entity forming part of the fiscal unity is jointly and severally liable for the tax liabilities of the legal entities forming part of the fiscal unity.

Further reference is made to Note 32 to the consolidated accounts, Contingent liabilities.

Note 15 Other income less expenses after taxation

Other income less expenses after taxation was EUR 14 million negative (2024: EUR 41 million negative) and consists mainly of income and expenses of company-wide activities at holding company level.

Note 16 Number of employees

The average number of employees in 2025 was 574 FTE based on a 38-hour working week (2024: 527 FTE) of which working in foreign countries 0 FTE (2024: 0 FTE).

Distribution of average number of employees by department

	2025	2024
CEO & CFO Functions	134.2	128.6
Communications	21.3	18.8
Legal and Corporate Security & Resilience	34.3	31.1
People & Culture	89.8	85.8
IT and Strategic Development	294.6	262.4
Total	574.2	526.7

The employee benefits related to the members of the Management Board have been disclosed in Note 33 to the consolidated accounts, Number of employees and personnel expenses.

Note 17 Events after the balance sheet date

For subsequent events, see Note 35 to the consolidated accounts, Events after the balance sheet date.

Note 18 Proposed result appropriation

In accordance with the Articles of Association and the dividend policy, the Management Board, after consulting the Supervisory Board, proposes to distribute EUR 321 million to the shareholder and to subtract EUR 291 million from other reserves.

Amounts in EUR million	2025
Dividend	
Dividend Vattenfall AB	321
Total dividend to be distributed	321
Result after taxation	30
Dividend proposal: Dividend to be distributed	-321
Amount to be subtracted from other reserves	-291

Amsterdam, 28 May 2026

Supervisory Board

Anna Borg
Jonas Bengtsson
Jan Haars

Management Board

Cindy Kroon
Alexander van Ofwegen

Other Information

The articles of Association regarding the statutory profit appropriation

Article 36. Profits and Distributions.

36.1 The authority to decide over the allocation of profits determined by the adoption of the annual accounts and to make distributions is vested in the General Meeting, with due observance of the limitations prescribed by law.

36.2 Distributions may be made only up to an amount which does not exceed the amount of the Distributable Equity and, if it concerns an interim distribution, the compliance with this requirement is evidenced by an interim statement of assets and liabilities as referred to in Section 2:105, subsection 4, of the Dutch Civil Code. The Company must deposit the statement of assets and liabilities at the office of the Commercial Register within eight days after the day on which the resolution to make the distribution is published.

36.3 The General Meeting may resolve to make interim distributions and/or to make distributions at the expense of any reserve of the Company.

36.4 A claim of a Shareholder for payment of a distribution shall be barred after five years have elapsed.

Independent auditor's report

To: the general meeting and the supervisory board of Vattenfall N.V.

Report on the audit of the financial statements 2025 Our opinion

In our opinion:

- the consolidated financial statements of Vattenfall N.V. together with its subsidiaries ('the Group') give a true and fair view of the financial position of the Group as at 31 December 2025 and of its result and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union ('EU') and with Part 9 of Book 2 of the Dutch Civil Code;
- the company financial statements of Vattenfall N.V. ('the Company') give a true and fair view of the financial position of the Company as at 31 December 2025 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2025 of Vattenfall N.V., Amsterdam. The financial statements comprise the consolidated financial statements of the Group and the company financial statements.

The consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2025;
- the following statements for 2025: the consolidated statements of comprehensive income, cash flows and changes in equity; and
- the notes to the financial statements, including material accounting policy information and other explanatory information.

The company financial statements comprise:

- the company balance sheet as at 31 December 2025;
- the company income statement for the year then ended; and
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is IFRS Accounting Standards as adopted by the EU and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the company financial statements.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

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

Independence

We are independent of Vattenfall N.V. in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Information in support of our opinion

We designed our audit procedures with respect to fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. Therefore, we do not provide separate opinions or conclusions on information in support of our opinion, such as our findings and observations related to the audit approach to address fraud risk and going concern.

Audit approach fraud risks

We identified and assessed the risks of material misstatements in the financial statements due to fraud. During our audit we obtained an understanding of Vattenfall N.V. and its environment and the components of the internal control system. This included the management board's risk assessment process, the management board's process for responding to the risks of fraud and monitoring the internal control system and how the supervisory board exercised oversight, as well as the outcomes. We refer to section 'Main risks and mitigation' of the management board report for management's fraud risk assessment.

We evaluated the design and implementation of relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud and in particular the fraud risk assessment, as well as the code of conduct, whistleblower procedures, incident registration and the internal semi-annual integrity, fraud and other incident reporting addressed to the management board and supervisory board, amongst other things. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls designed to mitigate fraud risks.

We performed inquiries with the members of the management board, the members of the supervisory board, the head of the internal audit department, the general counsel, and the finance managers of the business areas to evaluate their fraud awareness, the internal control environment in relation to fraud, the 'tone at the top' and entity-level controls.

We asked the members of the management board, the members of the supervisory board, the head of the internal audit department, the general counsel, and the finance managers of the business areas whether they were aware of any actual or suspected fraud. This did not result in signals of actual or suspected fraud that may lead to a material misstatement.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Identified fraud risks

The risk of management override of controls

The management board is in a unique position to perpetrate fraud because of the management board's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. That is why, in all our audits, we pay attention to the risk of management override of controls in:

- the appropriateness of journal entries and other adjustments made in the preparation of the financial statements;
- estimates;
- significant transactions, if any, outside the normal course of business for the entity.

We pay particular attention to tendencies due to possible bias of the management board.

Our audit work and observations

We evaluated the design and implementation of the internal control system in the processes of generating and processing journal entries and other adjustments and making estimates. We also paid specific attention to the access safeguards in the IT system and the possibility that this will lead to violations of the segregation of duties.

We performed our audit procedures primarily substantive based.

We selected journal entries based on risk criteria, including unexpected users and unusual account combinations in revenue and expenses, and conducted specific audit procedures for these entries. These procedures include, amongst others, inspection of the entries to source documentation. We also paid particular attention to consolidation and elimination entries, focusing on testing entries that affect revenue and results in the relevant fiscal year.

We did not identify any significant transactions outside the normal course of business.

We also performed specific audit procedures related to important estimates of the management board including:

- the valuation of the derivatives and derivatives-related positions and transactions;
- the accuracy, existence/occurrence, and valuation of the unbilled revenue;
- the valuation of the allowance for expected credit loss on accounts receivable;
- the valuation of the deferred tax asset; and

We specifically paid attention to the inherent risk of bias of the management board in judgmental areas and estimates.

Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to management override of controls.

Identified fraud risks**The risk of fraudulent financial reporting due to overstating the revenue - sales of electricity, gas, and heat to end-users (consumers and businesses), excluding grid-connection fees and back-delivery fees**

As part of our risk assessment and based on a presumption that there are risks of fraud in revenue recognition, we evaluated which types of revenue give rise to risk of material misstatement due to fraud.

The management board has been given specific targets for growth in revenue. This could lead to pressure on the management board to overstate revenue by recognising fictitious revenue. This risk is related to the assertion existence/ occurrence.

Our audit work and observations

We evaluated the design and implementation of the internal control system and assessed the effectiveness of relevant controls in the processes related to revenue reporting.

We performed our audit procedures in a combination of controls and substantive procedures.

We tested the effectiveness of automated and IT dependent manual controls regarding:

- accuracy of sales prices in the financial administration;
- accuracy and completeness of the registration of meter readings; and
- information on EAN codes (which are unique codes per connection/ customer) to ensure that all applicable EAN codes are included in the billing system.

We performed substantive analytics on prices and volumes, using amongst others external market data, data obtained from the Vattenfall trading department in Germany, such as actual prices and volumes, forecasts, and budgets.

We tested, on a sample basis, the accuracy of sales prices in the billing system based on prices, which are authorised by the Vattenfall Pricing Board.

We performed data analyses to identify potential notable revenue entries in the fiscal year and performed specific substantive audit procedures on these entries.

Finally, we performed look-back procedures on the revenue in December 2025, since this month's revenue is largely based on estimated volumes. We compared these estimated volumes with the actual volumes, which became available in January 2026, to mitigate the existence/occurrence risk.

Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to the existence/occurrence of the revenue reporting.

The risk of fraudulent financial reporting due to overstating the revenue - sales of wind-generated power to businesses

As part of our risk assessment and based on a presumption that there are risks of fraud in revenue recognition, we evaluated which types of revenue give rise to risk of material misstatement due to fraud.

The management board has been given specific targets for growth in revenue. This could lead to pressure on the management board to overstate revenue by recognising fictitious revenue. This risk is related to the assertion existence/ occurrence.

We evaluated the design and implementation of the internal control system and assessed the effectiveness of relevant controls in the processes related to revenue reporting.

We performed our audit procedures in a combination of controls and substantive procedures.

We tested, on a sample basis, the sales prices based on external trading platforms for power. In addition, we tested, on a sample basis, the reconciliation of the quantity component of revenue with metering data from an external certified metering company.

We performed data analyses to identify potential notable revenue entries in the fiscal year and performed specific substantive audit procedures on these entries.

Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to the existence/occurrence of the revenue reporting.

We incorporated an element of unpredictability in our audit. Besides, we reviewed lawyer's letters and correspondence with regulators. During the audit, we remained alert to indications of fraud.

Furthermore, we considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance with laws and regulations.

Audit approach going concern

As disclosed in section 'Going concern' on page 33 of the financial statements, the management board performed its assessment of the Company's ability to continue as a going concern for at least 12 months from the date of preparation of the financial statements and has not identified events or conditions that may cast significant doubt on the Company's ability to continue as a going concern (hereafter: going-concern risks).

Our procedures to evaluate the management board's going-concern assessment included, amongst others:

- considering whether the management board's going-concern assessment included all relevant information of which we were aware as a result of our audit and inquiring with the management board regarding the management board's most important assumptions underlying its going-concern assessment;
- evaluating the management board's current budget including cash flows for at least 12 months from the date of preparation of the financial statements taking into account market developments, developments in the macroeconomic environment, future pricing curves for power and gas,
- climate-related developments, investment projects and all relevant information of which we were aware as a result of our audit;
- analysing the financial position as at balance sheet date, considering the existing credit facilities provided by the parent company Vattenfall AB, in relation to the financial position per prior year's balance sheet date to assess whether events or circumstances exist that may lead to a going-concern risk, and liquidity management as disclosed in note 29 of the consolidated financial statements;
- performing inquiries of the management board as to its knowledge of going-concern risks beyond the period of the management board's assessment.

Based on our procedures performed and evidence obtained, we concluded that the management board's use of the going-concern basis of accounting is appropriate, and that no material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern.

Compliance with the requirements of the Regulatory Technical Standard of SBR, including the XBRL mark up, not audited

The audit includes the verification that the prepared financial statements comply with the legal provisions in Part 9 of Book 2 of the Dutch Civil Code. Our audit opinion is issued on the prepared financial statements and will be included in the digitally filed annual report.

The compliance with all requirements of the Regulatory Technical Standard of the SBR domain Trade Register, including the applied eXtensible Business Reporting Language (XBRL) mark ups, was not subject to our audit.

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The management board is responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Responsibilities for the financial statements and the audit

Responsibilities of the management board and the supervisory board for the financial statements

The management board is responsible for:

- the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as adopted by the EU and Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the management board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management board is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the management board should prepare the financial statements using the going-concern basis of accounting unless the management

board either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The management board should disclose in the financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

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

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, amongst other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that

are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management board.
- Concluding on the appropriateness of the management board's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the supervisory board regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Utrecht, 28 May 2026 PricewaterhouseCoopers Accountants N.V.

Original has been signed by: K. Hofstede RA

Declaration of Compliance with the Code of Conduct for Suppliers and Metering companies operating under their responsibility

(hereafter: Code of Conduct for energy suppliers and metering companies)

regarding data available through small-scale consumption metering devices which are read remotely.

Name legal entity: Vattenfall Sales Nederland N.V.
Statutory place of business: Amsterdam
Period: 1 January 2025 - 31 December 2025

Vattenfall Sales Nederland N.V. in Amsterdam uses data obtained from small-scale consumption metering devices which are read remotely with the purpose to provide a good performance of its services. In addition to the General Data Protection Legislation ("GDPR"), suppliers and metering companies operating under their responsibility in the Dutch energy sector, set up a Code of Conduct on the use, the capturing, the sharing and the storing of data obtained from small scale consumption measuring devices which are read remotely.

We hereby confirm that Vattenfall Sales Nederland N.V. in Amsterdam has fully complied with the rules and obligations as set out in the Code of Conduct for energy suppliers and metering companies during 2025.

Name legal entity: Powerpeers B.V.
Statutory place of business: Amsterdam
Period: 1 January 2025 - 31 December 2025

Powerpeers B.V. in Amsterdam uses data obtained from small-scale consumption metering devices which are read remotely with the purpose to provide a good performance of its services.

In addition to the General Data Protection Legislation ("GDPR"), suppliers and metering companies operating under their responsibility in the Dutch energy sector, set up a Code of Conduct on the use, the capturing, the sharing and the storing of data obtained from small scale consumption measuring devices which are read remotely.

We hereby confirm that Powerpeers B.V. in Amsterdam has fully complied with the rules and obligations as set out in the Code of Conduct for energy suppliers and metering companies during 2025.

Name legal entity: DELTA Energie B.V.
Statutory place of business: Middelburg
Period: 1 January 2025 - 31 December 2025

DELTA Energie B.V. in Middelburg uses data obtained from small-scale consumption metering devices which are read remotely with the purpose to provide a good performance of its services. In addition to the General Data Protection Legislation ("GDPR"), suppliers and metering companies operating under their responsibility in the Dutch energy sector, set up a Code of Conduct on the use, the capturing, the sharing and the storing of data obtained from small scale consumption measuring devices which are read remotely.

We hereby confirm that DELTA Energie B.V. in Middelburg has fully complied with the rules and obligations as set out in the Code of Conduct for energy suppliers and metering companies during 2025.

Amsterdam, 28 May 2026

Signed by
Cindy Kroon

Annual Statement 2025 in the framework of the Heat Act

Introduction

Heat supply company Vattenfall Warmte N.V. (VF Warmte) is part of the energy production and supply company Vattenfall NV.

Shareholders as at 31 December 2025

The shares of VF Warmte are fully owned by Vattenfall Energy Sourcing Netherlands N.V., a 100% subsidiary of Vattenfall NV. From 1 July 2015 the Swedish state-owned Vattenfall AB owns 100% of the shares of Vattenfall NV.

Supply areas

VF Warmte manages and operates large-scale heat networks in the provinces of Gelderland, Flevoland, Noord-Holland, and Zuid-Holland.

License

Based on the Heat Act, heat suppliers are required to register heating networks with the Authority Consumer & Market (ACM) and apply for a permit for the supply of heat at the ACM. On 8 March 2016, the permit has been granted by the ACM.

Tasks

The tasks of VF Warmte, which are based on the Warmtewet 2014 (Heat Act) and underlying ministerial regulations and decisions, have a regulated character and include: The distribution and delivery of heat to consumers with a connected load of up to 100kW at a legally established maximum price; ensuring the safety and reliability of the networks and connections. In 2020, the Warmtewet 2014 is updated. As a result, collective heat contracts that connect multiple houses with one heat connection with a combined capacity above 100 kW are now also in scope of the Heat Act.

Financial information for 2025

The tables below represent the financial information for 2025, as far as it concerns the regulated supply of heat (heat to consumers with a connected load of up to 100kW).

Income statement heat-supply

Amounts in EUR million, 1 January - 31 December	2025	2024
Heating revenue	221.0	231.4
Power revenue	0.5	0.0
Amortization construction contributions	11.8	11.0
Other net sales	0.0	62.7
Net sales	233.3	305.1
Heating cost of purchases	-98.1	-128.7
Other cost of purchases	-1.4	-48.5
Other external expenses	-44.5	-56.4
Personnel expenses	-34.4	-42.2
Other operating incomes and expenses, net	-1.8	-2.9
Operating profit before depreciation, amortization and impairment losses (EBITDA)	53.1	26.4
Depreciation	-43.0	-40.2
Operating profit (EBIT)	10.1	-13.8

Annual statement

This annual statement has been prepared based on the Heat Act and the underlying ministerial regulations and decisions, which require to prepare separate financial information for each heat supply company as per 1 January 2014. Furthermore, these regulations require heat supply companies to publish an annual statement of their financial information. With this annual statement, VF Warmte endorses this obligation.

The accounting policies and principles used in the annual statement are in accordance with the 2025 financial statements of Vattenfall NV and only includes the financial information of the operation of VF Warmte to which the regulation of the Heat Act applies, as VF Warmte also supplies non-regulated heat (supply of heat to consumers with a connected load capacity above 100kW). VF Warmte uses allocation keys to allocate the total costs of VF Warmte to the regulated and non-regulated supply of heat. All costs are primarily linked to one of the five RAR activities. Indirect costs (overhead, support) functions, etc.) are allocated based on the number of connections with a GV correction factor of 3. Directly allocable costs are directly allocated to regulated or unregulated. Costs relating to the secondary network (from the control room) all fall under the regulated domain. Costs relating to HWKO all fall under the regulated domain. Costs relating to HWCs all fall under the regulated domain. Remaining costs are allocated according to the allocation key per activity. For some cost items, the 2025 figures are based on different allocation keys compared to 2024.

The financial position and performance of VF Warmte have been included in the consolidated financial statements of Vattenfall, NV. PwC has issued an audit opinion on the consolidated financial statements of Vattenfall NV (see page 71). Based on Article 2 403 BW VF Warmte is exempted from publishing independent financial statements. In relation to this, a liability statement as referred to in Article 2: 403 BW, is filed at the Dutch Chamber of Commerce.

Balance sheet information heat-supply

Amounts in EUR million	31-dec-25	31-dec-24
Property, plant and equipment	704.5	593.8
Construction contributions	-266.2	-251.8
Return On Investment (ROI)	2,5%	-4,1%

Explanation to the income statement

Amounts in EUR million, 1 January - 31 December	2025	2024
Breakdown of heating revenue	221.0	231.4
a1. Heat consumption	128.3	136.9
a2. Hot water consumption	7.1	6.9
b1. Fixed fee heat supply and metering services	69.2	70.8
b2. Delivery kit	16.4	16.8
Breakdown of cost of purchases	-98.1	-128.7
Variable heat purchase costs	-55.2	-78.5
Fixed heat purchase costs	-39.6	-46.7
Cold water purchase costs	-0.9	-0.9
Electricity purchase costs	-2.4	-2.6
Supplies		
Amount of heating supplied in GJs	3,767,122	3,731,588
Number of connections (<100 kW)	140,170	139,144
Amount of hot water supplied in m ³	678,321	830,497
Purchase		
Purchased heat in GJ	5,076,345	5,668,607
Purchased cold water in m ³	678,321	830,497
Purchase contracts according to Heat Act article 8	17	17
Vattenfall Power Generation B.V.	Production and transport of heat	Production and transport of heat
Vattenfall Warmte N.V. department Generation Operations	Production of Heat	Production of heat
Vattenfall Duurzame Energie N.V.	Production of heat	Production of heat
AVR Afvalverwerking B.V.	Production of heat	Production of heat
Eneco Warmte en Koude Leveringsbedrijf B.V.	Production and transport of heat	Production and transport of heat
Veolia Industriediensten B.V.	Production of heat	Production of heat
ARN B.V.	Production of heat	Production of heat
Indigo B.V.	Transport of heat	Transport of heat
Bio-Energie de Vallei B.V.	Production of heat	Production of heat
Bio-Warmte de Vallei B.V.	Transport of heat	Transport of heat
Primco BMC Lelystad B.V.	Production of heat	Production of heat
Warmtebedrijf Infra N.V. (Rotterdam - Hoogvliet)	Production and transport of heat	Production and transport of heat
Uniper Benelux N.V.	Production of heat	Production of heat
Warmtebedrijf Exploitatie N.V. (Leiden)	Production of heat	Production of heat
Bio-Energie Almere B.V.	Production and transport of heat	Production and transport of heat
Westpoort Warmte	Supply and transport of heat	Supply and transport of heat
Westpoort Warmte (Zeeburgereiland - Amsterdam)	Supply of heat by Vattenfall	Supply of heat by Vattenfall











VF Warmte conducts transactions with subsidiaries of Vattenfall NV for the purchase of heat. Transactions with the parties classified as related parties are conducted at market conditions and prices that are not more favorable than the conditions and prices offered by independent external third parties. The transaction price for the purchase of heat from related parties is determined semi-annually in advance, based on forecasted commodity prices and related plant utilization. The list with purchase contracts includes the significant subsidiaries VF Warmte has transactions

with. In addition VF Warmte receives internal charges for services delivered by related parties within the Vattenfall group.

VF Warmte performs construction activities and exploitation services for third parties. Revenues and costs related to these activities are part of the presented income statement as 'Other net sales' and 'Other cost of purchases'. The margin resulting from the work for third parties is part of the regulatory activities and contributes to the coverage of overhead expenses.

District heating label 2025

Energy sources by area

	 Heat from power plant (gas)	 Heat from waste incineration	 Bio-mass	 Industrial waste heat	 Gas-fired boilers (peak and backup/temporary)	 Gas engines (CHP)	 Sun	 Cooling from surface water	 Electricity from the public grid	 E-boiler (testrun)
Amsterdam Noord and West	-	62.4%	37.3%	-	0.3%	-	-	-	-	-
Amsterdam Zuid and Oost	82.2%	4.0%	-	-	9.3%	3.2%	-	-	-	1.3%
Koudeketten Amsterdam	-	-	-	-	-	-	-	86.7%	13.3%	-
Almere	87.8%	-	4.7%	-	5.9%	-	0.4%	-	-	1.2%
Arnhem, Duiven and Westervoort	-	93.6%	3.3%	-	3.2%	-	-	-	-	-
Nijmegen Waalsprong	-	93.3%	-	-	6.7%	-	-	-	-	-
Leidse regio	59.2%	-	-	-	40.8%	-	-	-	-	-
Rotterdam	-	74.7%	-	22.3%	3.0%	-	-	-	-	-
Lelystad	-	-	80.8%	-	19.2%	-	-	-	-	-
Ede	-	-	81.1%	-	18.9%	-	-	-	-	-



Environmental impact per area

	Amsterdam Noord and West	Amsterdam Zuid and Oost	Koudeketten Amsterdam	Almere	Arnhem, Duiven and Westervoort	Nijmegen Waalsprong	Leidse regio	Rotterdam	Lelystad	Ede
Renewable share	70%	6%	87%	9%	82%	64%	-	38%	78%	77%
Share of residual heat	19%	14%	-	39%	-	10%	23%	21%	-	-
CO ₂ reduction compared to HR gas boiler/compression cooling	83.6%	56.2%	57%	61%	75%	64%	29%	24%	66%	70%
CO ₂ emissions kg / GJ delivery	9.6	25.8	8.0	22.5	14.8	20.9	42.0	44.7	20.0	17.4
Heat loss	26%	22%	-	38%	34%	37%	25%	27%	41%	30%
Primary energy factor (fp _{de,l}) according to NTAS800	0.13	0.51	0.15	0.44	0.21	0.31	0.83	0.58	0.39	0.34
Renewable energy factor (fp _{ren}) according to NTAS800	0.89	0.19	0.87	0.49	0.82	0.74	0.23	0.60	0.78	0.77

Calculation method according to "Reporting format Sustainability Reporting for suppliers within the framework of the Heat Act"