

Together we are
electrifying Sweden

ELLEVIO

Ellevio AB
Annual and Sustainability Report 2024



01 About Ellevio AB and 2024

Ellevio in brief.....	3
Significant events.....	5
CEO's statement.....	7

02 Ellevio AB Annual Report 2024

About the Report	10
Directors' Report	11
Activity Report.....	12
Corporate Governance Report.....	17
Sustainability Statement.....	22
– General information.....	23
– Environmental information.....	38
– Social information.....	55
– Governance information.....	72
Financial statements	77
Appendix and index	99
Approval of the Board and CEO	118
Auditor's report and opinions	119
Contact and more information	122

ELLEVIO'S ANNUAL AND SUSTAINABILITY REPORT

This Annual and Sustainability Report refers to Ellevio AB (publ). The Annual Report consists of the Directors' Report, the Financial Statements and the Approval of the Board and CEO, and can be found on pages 11–116 and 118. Ellevio's statutory Sustainability Report is inspired by the Corporate Sustainability Reporting Directive and forms part of the Directors' Report under the heading "Sustainability Statement". The Auditor's Report and auditor's opinions can be found on pages 119–122.

On [Ellevio.se](https://www.ellevio.se), you can find Ellevio's 2024 Annual Statement, which provides an overview of the entire Group's operations and market conditions.

This report has been translated from Swedish. In the event of discrepancies, the Swedish version shall prevail.

Ellevio AB in brief

Ellevio AB is one of Sweden's largest electricity network companies and plays a key role in the journey towards an electrified, fossil-free society. Our electricity network stretches from coast to coast in Mid-Sweden, ensuring a secure and stable electricity supply to households and businesses. By investing heavily in the energy system, we help industry and the transport sector to make the transition and contribute to the emergence of a sustainable society. Ellevio AB is part of the Ellevio Group and has almost one million customers. The company is owned by the AMF, Folksam, Omers Infrastructure pension funds and the Third National Pension Fund.

This is our formal annual and sustainability report.

In the Ellevio Group's Annual Statement for 2024, you can read about our market conditions, trends in the energy market, the Group's employees and other operational areas, besides much else.

To meet the requirements for legal separation of the regulated electricity network operations and other operations, all employees were transferred to the internal service company Ellevio Sverige AB in 2024. Thus, Ellevio AB has no employees.



Read the Ellevio Group's Annual Statement for 2024

ELLEVIO IN 2024

Net sales

SEK 8,331 million

Operating result

SEK 2,509 million

Investments in electricity network

SEK 4,238 million

Distributed electricity

24.3 TWh

Network reliability

99.99%

Total no. employed

4,000

Employees, contractors and agency staff

Customers

966,000 customers

of which 86% households and 14% businesses

Enabling the climate transition

100%

of Ellevio's operations contribute to the climate transition¹⁾

Heading for net zero

7%

reduction in emissions in 2024²⁾

¹⁾ According to the EU taxonomy

²⁾ Scope 1 and 2 using 2023 as base year

Our electricity networks, customers and owners

Modern, robust and well-developed electricity grids are crucial to the functioning of society, the development of new solutions and innovations and Sweden's ability to achieve its climate targets. Moreover, electricity demand is expected to more than double in the next 20 years.

Ellevio ensures a reliable electricity supply around the clock by owning and operating regional and local networks in six areas in Mid-Sweden. Our electricity network is 81,400 kilometres long in total.

We employ several thousand people when taking into account the employees of our sister company Ellevio Sverige AB and our contractors, who operate across all our geographic areas.

Our customers number almost one million – 86 percent are households and 14 percent businesses, and our most important task is to provide them with an reliable supply of electricity. That means today, tomorrow and in 50 years. By offering support with energy consumption and the transition, we also serve as their partner in the energy transition.

Electricity networks are capital-intensive and long-term operations. For this reason, Ellevio is owned by pension funds which contribute capital in exchange for a reasonable, long-term and stable return. Our owners are MERS Infrastructure (50 percent), the Third National Pension Fund (20 percent), Folksam (17.5 percent) and AMF (12.5 percent).



Our network areas – from coast to coast in Mid-Sweden

Dalarna: 36,000 customers

Gävleborg (Hälsingland and Gästrikland): 74,000 customers

Skaraborg-Närke: 27,000 customers

Stockholm (City of Stockholm, Ekerö, Lidingö, Täby, Nynäshamn and Vallentuna): 593,000 customers

Värmland: 104,000 customers

West Coast (Halland and Bohuslän): 132,000 customers

The Group also owns two networks with a handful of customers in the Markbygden wind farm cluster outside Piteå.

966,000

Customers

86%

Household customers

14%

Corporate customers

Significant events

SEK 4.2 billion in investments for a fossil-free future

In 2024, Ellevio invested over SEK 4.2 billion in upgrading, securing and expanding the critical electricity system. This is a historically high figure, and one which is expected to increase even further in the coming years.

The reasons behind the considerable need for investment include the electrification of industries and transport, increasingly renewable, weather-dependent electricity production and extensive modernisation needs. Within the next 20 years, Sweden's electricity demand is also expected to double.

Major investment in the regional network in eastern Hälsingland

During the year, a major reconstruction of the regional network in eastern Hälsingland was launched. In total, 160 kilometres of power lines will be affected. New stations will also be built, including a new national network station in Njutånger. The project will run until 2032 and forms part of Svenska kraftnät's NordSyd programme.

Power subscriptions relieve the electricity network

On 1 January 2025, Ellevio introduced new power subscriptions for customers in detached homes. These are intended to help even out electricity consumption and reduce the load on the grid during peak hours of the day. All network companies must implement this by 1 January 2027.



Circular battery systems and fossil-free graphite won Startup 4 Climate 2024

This year's winners of Ellevio and GodEl's innovation competition, Startup 4 Climate, were announced in November. Start-ups Rebaba and Nordic Bio-Graphite, which develop circular battery systems and fossil-free graphite respectively, won SEK 1 million each along with coaching from the jury.



Ellevio uses contractors to carry out investment and maintenance projects in the field. They are therefore among Ellevio's most important partners, and in 2024 they worked millions of hours for us.



Sustainable projects gaining ground

Several projects involving extra sustainability efforts were implemented in 2024, including in Gullspång and on Södermalm. In addition to electric machinery, we are testing climate-optimised asphalt and cables, recycling of masses and adapted waste management.

New contractual requirements for the climate

To achieve the target of electrically powered contracts by 2030, Ellevio is intensifying its demands on contractors. New contractual requirements that also include financial incentives totaling up to SEK 60 million have been drawn up.

Strong interest in Ellevio's green bonds

In 2024, Ellevio issued green bonds to a total value of SEK 7,000 million and EUR 500 million. Interest was strong and Ellevio's sustainability profile, stable operations and strong financial position in particular were highlighted by investors.

Project to ensure fewer outages on Ekerö and the West Coast

Major local network projects got underway during the year on Ekerö outside Stockholm and on the West Coast. In order to reduce outages, modernisation is taking place by activities such as burying cables, replacing selected substations, preparing for voltage increases, demolishing overhead lines and clearing power line corridors.



Ellevio Group stands out as an attractive employer

The Ellevio Group received several awards as an attractive employer in 2024 and top results once again in the Institute of Human Resource Indicators' ranking of working conditions. Susanne Bragée, SVP, People, Culture & Sustainability, was also named HR Manager of the Year by the company Karriärföretagen, while Johan Lindehag was named CEO of the Year by Universum.



New emissions target moves Ellevio towards net zero

Ellevio set a new climate target in 2024: We will reduce greenhouse gas emissions (in scope 1 and 2) by 42 percent by 2030. "We want to drive the energy transition as well as reduce our own footprint," notes Head of Sustainability Karolina Viksten.

Construction begins at Volvo in Mariestad

After a record-breaking fast permit process, construction of the substation next to Volvo's planned battery factory in Mariestad was able to start in May 2024.

Northward expansion continued

The Ellevio Group continues to support the green economy in Norrbotten. Markbygden Net Väst was acquired in 2024, which is part of Markbygden 1101, one of Europe's largest wind farms.



Major wins for the Ellevio Group: Susanne Bragée was named HR Manager of the Year and Johan Lindehag CEO of the Year for 2024.

Electricity network regulation: new important decisions from the Authority

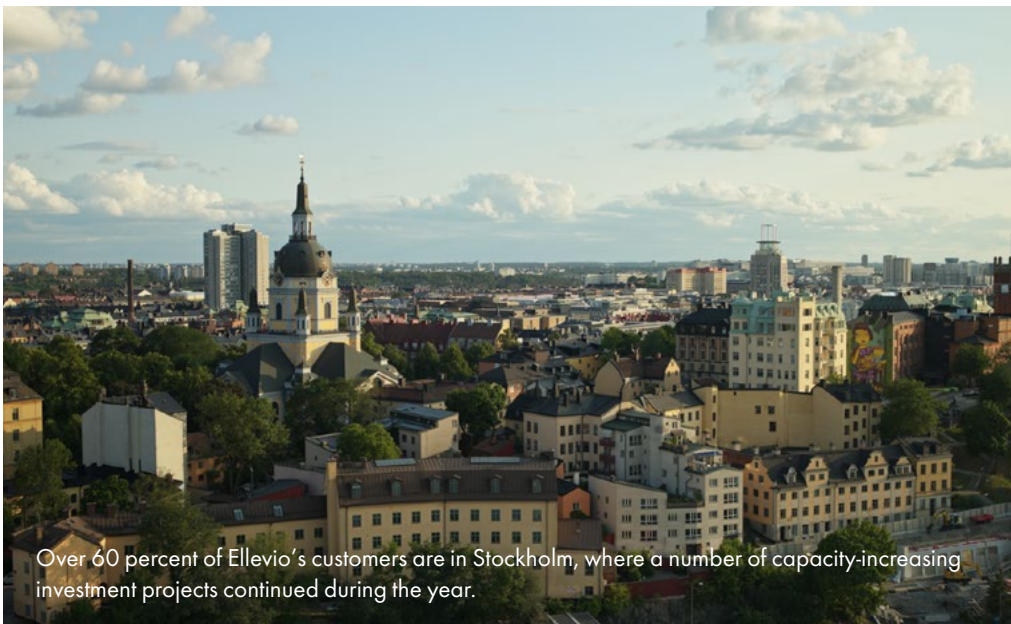
During the year, decisions were made by the Swedish Energy Markets Inspectorate (Ei) on the regulatory periods 2024–2027 and 2020–2023. The same framework is used for both periods and compensation for capital costs was set at 4.53 percent for 2024–2027 and 3.39 percent for 2020–2023.

87 percent happy with our customer service

Ellevio's customer service received top marks when we asked what customers think – 87 percent were satisfied. The year also saw the launch of a new app and an energy advice service to meet the demand for advice and support.

Ellevio's first network development plan launched

Ellevio published its first network development plan during the year. It covers the period 2025–2034 and describes how the electricity network will be developed to meet society's growing needs for capacity and security of supply. Read it on ellevio.se.



Over 60 percent of Ellevio's customers are in Stockholm, where a number of capacity-increasing investment projects continued during the year.

Stability and sustainability in turbulent times

Amidst a turbulent global environment, Ellevio stood for stability, commitment and confidence in 2024. We continued to deliver electricity of the highest reliability to our one million customers while increasing the pace of investment, strengthening relationships with contractors and suppliers and expanding our sustainability efforts.

The energy system is the key to the energy transition, and we at Ellevio have a huge responsibility. We will create the conditions for the electrification of varied sectors and transportation, connect new fossil-free electricity generation, replace ageing equipment and adapt to a changing world. Seeing the way in which all of my colleagues, together with our contractors, take on their tasks with commitment and drive every day – that is what makes me both proud and inspired.

Major and efficient investments in all network areas

In 2024, we invested more in our network than ever before – over SEK 4.2 billion. This historically high pace of investment is also set to increase further in the coming years, reaching around SEK 7 billion in 2027. Cost-effective investments will remain a priority.

The year's major projects include the reinforced connection to the transmission network in Högdalen, a new switchgear and seven kilometres of underground cabling in Gullspång, the start of construction on the connection to Volvo's planned battery factory in Mariestad and extensive local network projects in Ekerö and Kungsbacka. In total, we commissioned 263 local network stations,



”

The historically high pace of investment will increase further in the coming years. Cost-effective investments will remain a priority.

CEO's statement

connected 347 MW of wind power and continued our efforts to digitalise and automate the electricity networks. And that is to name just a few of the important activities conducted in 2024.

High security of supply and valued customer service

2024 was also a good year in terms of security of supply in electricity distribution. The average outage time per customer was 58 minutes, which matches the record from last year. Even measured as a reliability percentage, last year's high result was matched: 99.99 percent.

But we're not content to stop there. Every outage is one too many. We continue to invest in weather-proofing, preventive maintenance and digital monitoring. Today, 86 percent of our local networks are underground, reducing the risk of weather-related disruptions. Our operations centre, which is staffed around the clock and all year round, also ensures rapid and efficient management of any problems.

Our customer service also had a strong year, with 87 percent customer satisfaction. This is the result of intensive efforts to improve our services and strengthen communication with customers.

Financial trend

Ellevio's financial results developed positively, with net sales of SEK 8,331 million and an operating profit of SEK 2,509 million.

Building electricity networks is a capital-intensive business, and in 2024 we raised SEK 12,610 million in new long-term financing. As part of this, we issued green bonds to a total value of SEK 7,000 million and EUR 500 million. There was a great deal of interest, and it was further proof of the importance of our activities in creating the sustainable society of the future. The availability of capital will allow us to continue developing the electricity network at the pace required to meet the needs of electrification.

We work safely or not at all

The safety of those working on our projects in the field is an area we are constantly working on. In early 2024, we had a number of accidents that led to sick leave among our contractors. We reacted strongly to this and quickly established a task force to reverse the trend. This yielded results, with the number of accidents falling, and towards the end of the year the statistics improved significantly. Safety remains a top priority and we work closely with our contractors to ensure a safe working environment. For me, it is important that safety comes first – no work is so urgent that it has to be done at the expense of the health and safety of our staff.

Strengthening relationships with contractors and suppliers

Ellevio is a procurement organisation, and our contractors and suppliers are crucial to our success. This is particularly evident now that we will further increase the pace

of investment. During the year, we therefore strengthened our partnerships and actively sought out new ones to ensure access to the right skills and strategic materials and equipment. Through long-term partnerships and clear requirements governing sustainability and quality, we ensure that our operations can grow and develop as we have planned.

Heading for net zero

Climate initiatives are an integral part of Ellevio's business and 2024 was no exception. It is a matter both of how our core business is a prerequisite for the climate transition, and how we ourselves adapt and reduce our footprint. In 2024, we set a new emissions target for our own operations and introduced contractual requirements for electric machinery for our contractors. I want us to be a pioneer in the sector – both in terms of cost efficiency and sustainability.

Commitment that produces success

Ellevio creates jobs for around 4,000 people every year. Of these, just over 800 are employed by the Ellevio Group. Our attractiveness as an employer is strong. Many people want to work in a sector of importance for society, and Ellevio is known for good working conditions and a strong values-driven and inclusive corporate culture.

The fact that employees are engaged was reflected in our engagement index in 2024. This key performance indicator also matched last year's record, reaching 8.3. We will continue to build an inclusive culture where everyone is included and can develop. As we operate in an industry where women have long been underrepresented, gender equality is a key issue. After years of dedicated efforts, we reached 40 percent female employees in 2024 – Ellevio is now a gender-equal company.

Outlook for 2025

2025 is here and, looking back, I can see that the climate transition took a hit in 2024. In Sweden, we saw the economy slow down, major industrial investments postponed and higher emissions. At the same time, high costs and global shortages of key components created uncertainty. In parallel with these setbacks, 2024 turned out to be the hottest year on record. That is worrying. For me as CEO of Ellevio, however, the direction is clear. The energy transition must and will take place. It may take longer, but the direction is unchanged.

Sweden must therefore have a robust, flexible, modern and well-developed energy system. I feel that social acceptance of this has increased, but there are still many kinks to work out. These include faster permit processes and predictable regulatory conditions.

Geopolitical concerns remain, and we see no clear positive signals as 2025 gets underway. This makes our work even more important. Ellevio is responsible for critical infrastructure, and we will continue to strengthen our preparedness and security.

Finally, I would like to warmly thank all of you – colleagues, contractors, suppliers and partners – for joining me in building a bright and sustainable future.

Johan Lindehag

CEO, Ellevio

”

Sweden must have a robust, flexible, modern and well-developed energy system.

A woman with long dark hair, wearing a white and orange striped long-sleeved shirt and matching pants, is smiling and looking towards the right. She is holding a charging cable connected to a dark-colored electric car. In the background, a man in a light-colored shirt is walking. The scene is outdoors with green foliage and a building in the distance.

Ellevio AB Annual Report 2024

About the Report

Ellevio AB's ("Ellevio") formal annual report for 2024 can be found on pages 11–116 and 118 of this report and consists of the Directors' Report, Financial Statements and the Approval of the Board and CEO.

Commentary on the new EU CSRD Directive

The new EU Corporate Sustainability Reporting Directive (CSRD) sets new requirements concerning sustainability reporting by European companies. The aim of the directive is to increase comparability, quality of information, transparency of companies' environmental and social impact, and corporate governance information in relation to sustainability. The CSRD replaces the current EU Non-Financial Reporting Directive (NFRD) and has prompted updates to the sustainability reporting requirements of the Swedish Annual Accounts Act (ÅRL). To meet the requirements of the CSRD, a set of sustainability reporting standards – the European Sustainability Reporting Standards (ESRS) – has been adopted by the EU.

Ellevio is not covered by the directive for the 2024 financial year but may be affected in the future.

Ellevio has decided to expand its sustainability report early in 2024 to gradually adapt its reporting. The Sustainability Report – which, in accordance with the CSRD, is now entitled the Sustainability Statement and forms part of the Directors' Report – has therefore been prepared for 2024, taking inspiration from the CSRD and its standards.

This year, the Corporate Governance Report is also part of the Directors' Report.





Directors' Report

Ellevio AB's Directors' Report comprises three sections:

- Activity Report
- Corporate Governance Report
- Sustainability Statement

Activity Report

Information about our operations

Ellevio AB (publ) ("Ellevio"), with corporate identity number 556037-7326, is one of Sweden's largest electricity network companies. The company is part of the Ellevio Group, see also Note 32, Group composition.

Ellevio operates, develops, maintains and invests in the company's electricity network so that its 966,000 customers have secure access to electricity 24 hours a day, 365 days a year. By ensuring that Sweden has a sustainable electricity network over the long term, Ellevio ensures the supply of electricity to homes, workplaces, industries, transportation and societal functions – while simultaneously contributing to the energy transition and the emergence of an efficient and robust energy system.

The company conducts electricity network operations in concession areas on the West Coast (Halland and Bohuslän), in Värmland, Skaraborg-Närke, Dalarna, Gävleborg (Hälsingland and Gästrikland) and the Stockholm area (Stockholm City, Ekerö, Lidingö, Täby, Nynäshamn and Vallentuna).

Market conditions

Electricity grids are perhaps the most important infrastructure of a modern society. To ensure that all parties have access to the electricity they need when they need it, electricity grids must be robust, modern and sufficiently developed. The grids are also central to the transition to fossil-free energy and the electrification of the transportation and industrial sectors.

The Swedish electricity grid consists of a transmission grid, regional networks and local networks. The transmission grid, also known as the national grid, is owned by the state-owned Svenska kraftnät. The regional and local networks are owned by around 160 electricity network companies, of which Ellevio, E.ON and Vattenfall are the largest operators.

Since it is not economically viable to build parallel electricity grids, network companies act as natural monopolies and are subject to revenue regulation by the government. Electricity users

and producers are normally connected to the network in their residential or operational area and thus become customers of the local electricity network operator. For more information on electricity network regulation, see Other important conditions below.

Industry's energy transition, the electrification of the transport sector and the establishment of energy-intensive AI data centres will lead to a dramatic increase in electricity demand across the country. Within 20 years, demand is expected to more than double – a prediction confirmed by several forecasts, including in [Effektrapporten \(The Power Report\) 2025](#), produced by Sweco on behalf of Ellevio and which was published in the first quarter of 2025.

At the same time, the energy market is undergoing rapid change. The increasing share of renewable and non-plannable electricity production, such as wind and solar power, is placing new demands on the electricity system. Meeting the needs of the future requires a smarter, more flexible and higher-capacity electricity system. New technologies such as energy storage and smart grid solutions are becoming increasingly important, while old infrastructure needs to be replaced as it reaches the end of its lifespan.

As a result, network companies are facing the biggest investment in electricity networks in decades. The investments required to ensure a robust and cost-effective electricity system are substantial. The electricity network infrastructure in Sweden alone is estimated to need investment of around SEK 945 billion by 2045, according to the [2023 Electricity Network Report](#).

In Stockholm, the need for increased capacity is key, while investment projects in more sparsely populated areas are mainly a matter of upgrades and weather-proofing – as well as capacity reinforcement to enable more produced electricity to be connected. Customer-driven investments are mainly driven by industrial investments, expansion of charging infrastructure, connection of wind farms and solar panels.

Market trends in 2024

Ellevio operates solely in Sweden but is impacted by geopolitics and global economic and trade conditions, as these affect supply chains, price levels, financing costs and demands on the electricity system. In 2024, the geopolitical turmoil deepened with the ongoing wars in Ukraine and the Middle East, while Europe's competitiveness and innovative capacity in relation to China and the United States in particular were challenged and questioned. In Sweden, inflation and interest rates began to fall in the second half of the year, but high costs and component shortages continued to put pressure on supply chains.

The Swedish energy transition lost some momentum as several industrial investments ran into problems, partly due to fierce price competition from China. Financing challenges also led to several large offshore wind projects being put on hold, while new construction of nuclear plants is under investigation in line with instruction from the Swedish government. The direction of travel remains, however: Sweden needs to be electrified and the demand for fossil-free electricity will increase dramatically.

As Sweden becomes increasingly dependent on a reliable supply of electricity, the risk of energy supply disruptions also increases. The total defence bill presented in the autumn emphasised that the energy supply is vulnerable in times of crisis and war, and that both defence capability and society's preparedness depend on access to electricity.

Protective security, preparedness and cybersecurity efforts thus continued to grow in importance across the energy industry. Ellevio works continuously to strengthen its ability to resist antagonistic influences. Collaborations are under way with other operators in the energy sector and with public authorities. Ellevio's contingency plan, which describes how Ellevio will act in the event of disruptions, heightened preparedness and war, was drawn up in 2024, and Ellevio's cyber defence has been gradually reinforced to meet the increased threat. Ellevio also participated in Cyber Europe 2024, an exercise in which the EU

Activity Report

cybersecurity agency ENISA brought together more than 1,000 experts to test preparedness in the energy sector and strengthen cooperation between organisations and countries.

Strategic direction

Ellevio's strategy is to contribute to a sustainable future by building the energy system of tomorrow and developing climate-smart energy solutions. We will run efficient operations and have the best, most committed employees – all while working hard to reduce our own climate footprint.

We are laying the foundations for a growing society with its increasing demand for clean energy by building a smart energy infrastructure and developing new solutions and capabilities. Ellevio's electricity network must be able to meet customers' increasing demand for electricity while having a strong ability to withstand disruptions and unexpected events. We are driving the development of smart grids through increased digitalisation, auto-

mation and remote control. We are also making major investments to strengthen flexibility, modernise and increase capacity, and are working to increase the share of connected renewable electricity production and charging infrastructure.

Together with customers and strategic partners, we also develop and provide climate-smart solutions that support customers in their energy transition. In this way, we enable the energy transition and a fossil-free society by 2045.

Our strategic direction requires us to have an efficient organisation and digital business support that enables a high pace of development. To achieve this, we focus on continuous learning, digitalisation and the application of best practices across our operations.

Through active efforts in areas such as leadership, corporate culture, safe working environment and employer branding, we ensure that we can attract, develop and retain the skills needed to realise the strategy.

To fulfil that strategy and achieve our business goals, we focus on:

- Driving the trend towards an electrified and sustainable society.
- Serving as an energy system operator transforming the current electricity network into the sustainable, smart and flexible energy system of tomorrow.
- Increasing network investments to meet society's needs for an electrified and fossil-free future.
- Digitalising the electricity network and associated systems and processes to improve operations, maintenance, troubleshooting and customer experience.
- Together with customers and strategic partners, supporting customers in their energy transition and improving customer satisfaction, including through effective communication.
- Making continuous improvements, digitalising and applying best practices across the organisation to ensure operational and cost efficiency.
- Integrating sustainability throughout the organisation to reduce our environmental footprint and minimise risks.
- Maintaining and promoting an engaging, safe, inclusive and sustainable work environment and company culture that attracts the right skills and ensures continuous growth.
- Ensuring a fair, stable and long-term network regulation.
- Continuously improving efficiency and maximising value from operations.

Investments

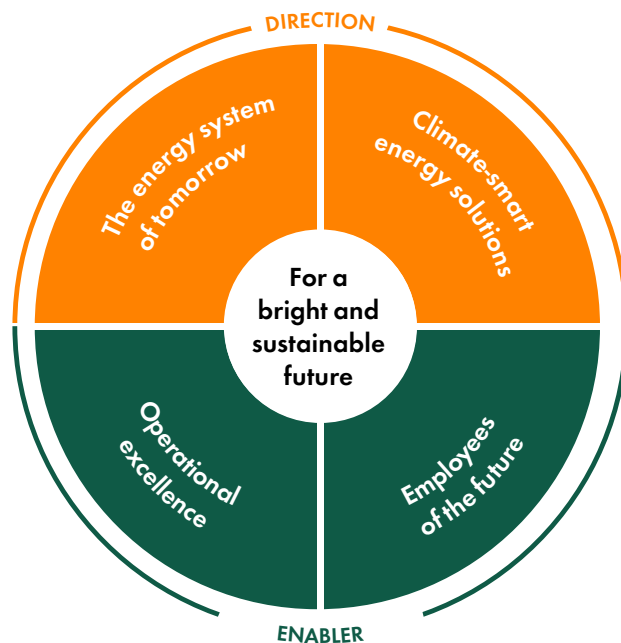
A significant part of Ellevio's operations is about making the necessary investments in the electricity network – to ensure that customers have an uninterrupted supply of electricity both today and in the future. This applies to Ellevio as well as other Swedish network companies. Investment projects range from modernising and replacing old equipment to digitalising, weather-proofing, increasing flexibility and connecting both consumers and producers.

Since its foundation in 2015, Ellevio has more than tripled investments to meet the expectations of customers and enable increased electrification. Over the past five years, Ellevio has invested a total of more than SEK 18 billion, and in the coming years such investment will increase even further. In 2024, investments amounted to a record SEK 4,238 million (3,663).

Some of the significant investment projects under way in 2024 included:

- Renewal of the Värtan substation in Stockholm, which will increase capacity by more than 80 percent and is expected to be completed in 2027.
- The Skanstull project, which increases capacity and creates a new link between the transmission network and regional and local networks in Stockholm.
- Burying of cables and clearing of power lane corridors to increase security of supply in Ekerö outside Stockholm.
- Work to improve grid capacity in Stockholm by replacing an old overhead line with underground cables in the Royal National City Park.
- Investments in the local network in Kungsbacka on the West Coast to reduce power outages.
- The construction of a new substation enabling the electrification of industries and the connection of renewable energy and charging infrastructure in Gullspång in Västra Götaland. The project was completed in the third quarter.
- The first phase of a new reinforced 400 kV connection in Högdalen for increased capacity in Stockholm was completed during the year.
- Construction of a substation for AB Volvo's planned battery factory in Mariestad.

ELLEVIO'S STRATEGIC MODEL



Activity Report

A prerequisite for these investments is the ability to attract capital, and this requires an electricity network regulation that is long-term, stable and predictable.

Other important conditions

As a natural monopoly, electricity distribution is a regulated activity. Ellevio thus operates under a regulatory framework and is monitored and reviewed by a public authority – the Swedish Energy Markets Inspectorate (Ei). Ei decides the amount that network companies, such as Ellevio, may charge their customers in the form of a revenue framework. The level of permitted revenue is decided in advance for periods of four years. The permitted revenue must cover reasonable costs of running the operations and provide a reasonable return. According to the Swedish Electricity Act, the network prices that customers pay should be fair, objective and non-discriminatory.

In 2024, Ei decided on the permitted revenue for the regulatory period 2024–2027. The same regulatory framework used for the period 2020–2023 will be applied and the weighted average cost of capital (WACC) was set at 4.53 percent. The risk-free interest rate is calculated on the basis of an average for a forward-looking period of nine years.

Decisions concerning the period 2020–2023 were also made in 2024, as these had previously been appealed by around 120 Swedish network companies. The WACC was set at 3.39 percent.

The established revenue frameworks enable Ellevio to make the necessary investments in the electricity networks as planned.

In 2024, Ei was working on developing a new method for the network companies' revenue frameworks. Ei aims for a regulation that contributes to the energy transition and meets the increased demand for electricity network capacity, without imposing unreasonably high costs on customers. The changes are proposed to apply for the regulatory period 2028–2031.

The EU Clean Energy Package (CEP) directive, which aims to make the EU a leader in clean energy and to adapt the electricity market to more renewable electricity production, entails a partially new role for Ellevio – from grid operator to system operator. The new requirements include development plans for all electricity networks, significantly stricter connection requirements and use of flexibility services, as well as new requirements for legal

separation of the regulated network operations. In 2024, Ellevio published network development plans and implemented the final adaptations of its operations to the new directive. To meet the requirements for legal separation of the regulated electricity network operations and other operations, all employees were transferred to the internal service company Ellevio Sverige AB in 2024.

Permitted revenue

The permitted revenue comprises four parts:

- Compensation for capital costs – compensation for the electricity network assets, including systems for operation and metering electricity consumption, and investments in these systems. The compensation is based on the company's electricity network assets and a reference interest rate that is meant to cover interest on loans and returns to shareholders.
- Non-controllable costs – compensation for overhead networks, network losses and public authority fees, among others.
- Controllable costs – reimbursement of operational overheads, such as operational monitoring, outage troubleshooting, maintenance, measuring, customer service, operational monitoring, staff costs, etc.
- Quality parameter – this means that network companies can receive deductions or surcharges from permitted revenues depending on the quality of their operations.

Net sales and results

In 2024, net sales amounted to SEK 8,331 million (8,231). This increase is mainly due to higher connection revenue and revenue from the relocation of network facilities. The total volume of electricity distributed across the local and regional network amounted to 13.7 TWh (13.6) and 10.6 TWh (10.6) respectively. Higher volumes at the beginning of the year due to cold weather and more normal consumption patterns compared to 2023 (when high electricity prices led to reduced consumption) were partly offset by lower volumes at the end of the year due to milder weather.

Due to a reorganisation within the Ellevio Group, all employees of Ellevio AB were transferred to the separate service company Ellevio Sverige AB on 1 May 2024. As a result of this change, both personnel costs and capitalised own work decreased compared to the previous year, while other operating expenses increased due to the purchase of services from Ellevio Sverige AB.

EBITDA amounted to SEK 4,535 million (4,625). The distribution margin was higher than in the previous year, mainly due to lower network loss costs resulting from lower electricity prices. Other operating expenses were higher, which can be attributed to the increase in staffing levels as a result of the higher investment volumes – for both 2024 and future years – as well as to increased costs for the demolition of decommissioned network facilities.

Depreciation and amortisation amounted to SEK 2,026 million (1,931). This year-on-year increase is due to the investments made in the electricity network. Operating profit amounted to SEK 2,509 million (2,694).

Interest income and similar items amounted to SEK 650 million (498), of which SEK 575 million (440) referred to intra-group interest income, where the increase is mainly explained by internal interest from Ellevio Holding 1 AB related to an intra-group receivable. External interest income amounted to SEK 75 million (58).

Interest expense and similar items amounted to SEK –3,083 million (–2,714), of which SEK –1,446 million (–1,462) was intra-group interest expense and SEK –1,637 million (–1,252) external interest expense and similar items. The external interest expense for 2024 included changes in the fair value of financial instruments of SEK –13 million (18). Profit after financial items amounted to SEK 75 million (478).

The loss for the year amounted to SEK –293 million (225).

Cash flow

Cash flow from operating activities in 2024 increased by SEK 41 million to SEK 5,268 million (5,228), mainly due to a higher contribution from changes in working capital of SEK 116 million, partly offset by a lower EBITDA of SEK –91 million. Changes in working capital contributed SEK 32 million (–84).

Activity Report

Paid investments increased by SEK 367 million to SEK -4,212 million (-3,845). Investments in 2023 included, in addition to the regular investment programme, the acquisition of assets from Svenska kraftnät (SEK 19 million), Rödbergsfjället Nät AB (SEK 23 million) and a property in Stockholm (SEK 27 million).

Free cash flow amounted to SEK 1,057 million (1,383) and cash flow before financing activities to SEK 1,327 million (1,137).

Interest paid amounted to SEK -3,043 million (-2,182), of which SEK -1,444 million (-1,000) related to intra-group interest on subordinated shareholder loans. Dividends paid amounted to SEK -500 million (-). External interest paid amounted to SEK -1,597 million (-1,182), an increase explained by higher interest rates and rising indebtedness.

Financing

External financing

In 2024, Ellevio raised SEK 12,610 million in new long-term financing and increased and extended bank facilities of SEK 11,000 million. The purpose of these transactions was to finance investments in Ellevio's electricity network, refinance maturing loans and ensure access to liquidity.

In January, Ellevio issued SEK 3,000 million in green bonds (class A) to Swedish investors, and in March Ellevio issued EUR 500 million in green bonds (class A) to European investors. The bonds mature in January 2032 and March 2034 respectively. The revenue from the issues have been allocated to eligible green investment projects in Ellevio's electricity network.

In October, Ellevio increased and extended its bank facilities under the Initial Authorised Credit Facility Agreement (IACFA) and liquidity facilities. The IACFA is a syndicated revolving credit facility that can be used to finance maturing debt, electricity network investments and working capital. The 2019 IACFA of SEK 7,500 million was increased to SEK 8,500 million and extended until October 2029. The liquidity facilities were increased from SEK 1,515 million to SEK 2,500 million and extended until October 2029. These can only be used to manage liquidity shortfalls linked to Ellevio's Class A and Class B liabilities.

In November, Ellevio issued SEK 4,000 million in green bonds (class B), while SEK 3,054 million of existing bonds (class B) maturing in February 2025 were repurchased and cancelled.

The new bonds will mature in November 2028 and 2031 and the proceeds will be allocated to eligible green investment projects in Ellevio's electricity network.

Ellevio's external net debt increased by SEK 3,088 million during the year, amounting to SEK 43,685 million (40,597) at year-end. Senior secured net debt (Class A) amounted to SEK 38,738 million (36,592) and subordinated debt (Class B) to SEK 4,947 million (4,005). The average maturity of total external debt was 6.0 years (5.0).

The average interest rate on Ellevio's external interest-bearing debt, including interest rate hedging instruments, amounted to 3.7 percent (3.0) at the end of 2024 with an average fixed interest period of 4.5 years (5.0).

In connection with the refinancing of the IACFA and LF facilities in October 2024 and the issuance of Class B debt in

November 2024, Standard & Poor's affirmed the 'BBB' rating for Ellevio's Class A debt and 'BB+' for Class B debt.

Financing via shareholder loans

Ellevio's shareholders have granted long-term financing to Ellevio through shareholder loans. The loans are subordinated and unsecured, which means that they are structurally subordinate to all external financing in Ellevio AB.

The original shareholder loans amounted to SEK 17,115 million, carry a fixed interest rate of 6 percent and mature in June 2040. The loans include a deferral mechanism that allows for flexible interest payment, whereby unpaid interest is capitalised and added to the loan amount at the end of each year.

In early 2024, shareholder loans amounted to SEK 25,078 million, including capitalised unpaid interest. In 2024, SEK 556

Multi-year overview

SEK m	2024	2023	2022	2021	2020
Net sales	8,331	8,231	7,535	7,153	6,674
EBITDA	4,535	4,625	3,918	3,700	3,614
Comparable EBITDA	4,637	4,677	3,958	3,728	3,659
Operating result	2,509	2,694	2,085	1,973	1,781
Profit/loss after financial items	75	478	-440	-452	-568
Profit/loss for the year	-293	225	-363	-297	-776
Cash flow from operating activities	5,268	5,228	4,798	4,784	4,100
Free cash flow	1,057	1,383	1,549	1,194	651
Investments in tangible and intangible assets	4,238	3,663	3,345	3,590	3,415
Total assets	101,711	98,977	95,659	92,972	89,253
Total own capital	9,512	10,304	10,080	9,086	8,069
Equity ratio (%)	9.6%	10.8%	11.0%	10.6%	10.2%
Net external debt	43,685	40,597	39,100	39,654	39,342
Volume delivered (TWh)	24.3	24.2	25.0	27.5	26.1
No. of customers (thousands)	966	969	971	968	966

Ellevio presents alternative key figures in the annual report that are not defined according to IFRS or the Swedish Annual Accounts Act, but which the company believes provide valuable supplementary information. Definitions of how the alternative key figures are calculated can be found on pages 97-98.

Activity Report

million of previously capitalised interest was paid, which was amortised on the debt amount. As a result, shareholder loans amounted to SEK 24,522 million at year-end.

Future developments

Ellevio works actively to develop the Swedish energy market, with a focus on electricity grids and energy solutions. The company seeks to influence key policy and regulatory issues through active participation in collaborative industry bodies, work with public authorities and cooperation with other stakeholders, both nationally and internationally.

Ellevio works for long-term and stable conditions to enable the investments needed to meet our customers' and society's requirements for reliability and continued growth and to achieve Sweden's climate targets. The transition to fossil-free energy and the electrification of the transport sector and industry require well-developed and digitalised electricity grids to ensure increased flexibility, capacity and efficiency. The time horizon for investments in our sector is long, often more than 40–50 years, which requires a long-term approach to enable access to capital, skills and materials in competition on the global market. The importance of long-term predictable and stable regulation should not be underestimated.

Ellevio will continue to work to ensure that market operators have a common understanding of the important role of the electricity grid and energy solutions in building a climate-friendly society and a common view of what is needed to achieve the climate targets. We will sustain our active efforts to enable a close and transparent dialogue with decision-makers to achieve long-term and stable rules for cost-effective development of the electricity grids with the necessary investment incentives, shorter permit processes and alternative solutions to connect customers when the grids cannot be expanded in time. It is also important for Ellevio how the electricity network customers' costs can be limited given that a large part of the electricity invoice consists of VAT and energy tax on electricity. A large proportion of these costs have nothing to do with electricity network supply and should therefore be moved away from the electricity network invoice or reduced to ensure understanding and commitment to the development of the electricity system and the transition.

Risks and uncertainties

Risk management is an integral part of planning, managing and monitoring operations. Business risks are assessed through the strategy and planning work of the management team and Board of Directors and are documented in a business plan approved by the Board. Risk management for operational, financial and legal compliance risks is carried out within the framework of policies adopted by the company with established principles, frameworks and responsibilities, and aims to limit the company's risk exposure. The policies are reviewed annually and submitted for reapproval. Operational risks are identified, assessed and mitigated in an integrated manner as operations are conducted. The company has a company-wide risk process in which the main risks are identified, classified and assessed and risk management measures are prioritised and implemented.

Strategic risks are mainly risks that change the conditions for electricity network operations. As a regulated business, political decisions and changes in the regulatory framework can have a significant direct impact on operations.

The management team and the Board continuously monitor the evolution of customer and societal expectations, both regarding the energy system in general and electricity distribution specifically, in order to identify risks and opportunities resulting from changing market conditions. Based on this analysis, the company works proactively to both influence energy market developments and adapt its own operations to meet new demands and expectations.

Sustainability risks are managed as part of operational and strategic risks, see also the Sustainability Statement on page 31.

The ownership and operation of electricity distribution facilities entails operational risks, mainly in the form of operational disruptions that result in outages in the supply of electricity to customers. These risks are mainly managed through the company's reinvestment and maintenance programme, focusing on reducing sensitivity to weather-related disruptions and generally improving the reliability of the electricity network through replacements of outdated equipment and increased redundancy. The company also has a developed major disruption organisation and troubleshooting process that is continuously being refined to ensure that customers get their power back as quickly as possible in the event of an outage.

In recent years, the geopolitical situation has deteriorated as a result of Russia's attack on Ukraine and the conflict between Hamas and Israel, which has led to a higher level of risk, specifically in terms of protective security. As a result, Ellevio has implemented higher preparedness. Ellevio is actively working to enhance its ability to resist antagonistic influences in collaboration with other players in the energy industry and several public authorities.

Through its activities, the company is exposed to various types of financial risk, such as market, liquidity and credit risk. Market risks consist mainly of currency, electricity price and interest-rate risks. The company uses derivative instruments to reduce these risks. Read more about this in note 4.

Group contribution

In 2024, the company made group contributions of SEK 202,653,653 (4,607,731).

Proposed disposal of profits (SEK)

The following profits are at the disposal of the Annual General Meeting:

Retained earnings	9,758,374,751
Loss for the year	-292,679,940
	9,465,694,811
be carried forward to new balance sheet	9,465,694,811
	9,465,694,811

For other information on the company's results and position, see the following income statements, balance sheets, statements of changes in equity, cash flow statements and notes. All amounts are expressed in millions of Swedish kronor, unless otherwise stated. Due to rounding of amounts to the nearest million Swedish kronor, in some cases the total amount may not be exactly equal to the sum of all partial amounts.

Corporate Governance Report

Ellevio AB (publ), "Ellevio", is a public Swedish limited liability company with its head office in Stockholm.

At Ellevio, authority, management and governance are allocated among the shareholders, Board of Directors, Chief Executive Officer (CEO) and the management team. Ellevio's corporate governance aims to ensure proper risk and internal control, a defined delegation of responsibilities, a healthy corporate culture, effective decision-making procedures and sound relations with the company's stakeholders, and thus to contribute to long-term value creation for the company's shareholders.

The Board of Directors hereby submits its Corporate Governance Report for 2024. A statutory review of the Corporate Governance Report has been carried out by the company's auditors whose opinion is on page 121.

Principles of corporate governance

Corporate governance at Ellevio is based on applicable laws and ordinances, Articles of Association, shareholders' agreement, internal policies and instructions.

The external regulatory policies primarily comprise the Swedish Companies Act, Swedish Annual Accounts Act, as well as other relevant laws. As a natural monopoly, the business is regulated in accordance with the Electricity Act and supervised by the Swedish Energy Markets Inspectorate (Ei). Ellevio also adheres to regulations applicable to companies with interest-bearing instruments registered on the Irish Stock Exchange. Ellevio is not subject to the mandatory requirement for listed companies to comply with the Swedish Corporate Governance Code (the Code) since the company's shares are not listed on a regulated market in Sweden.

Ellevio's most significant internal governing document is the shareholders' agreement signed by the four shareholders of Ellevio Holding 1 AB. The shareholders' agreement stipulates how the Parent company and Group's subsidiaries shall be governed. Other key governance documents are the Articles of Association and the Board's rules of procedure and instructions for the CEO and on reporting to the Board. Additionally, Ellevio's Code of Conduct,

internal policies, and guidelines play a crucial role. Some of these, including the Code of Conduct and the Sustainability Policy, are reviewed and approved annually by the Board of Directors.

Owners and ownership structure

Ellevio AB (publ) is a wholly owned subsidiary of Ellevio Holding 4 AB. The Ellevio Group's Parent Company is Ellevio Holding 1 AB, which has the following ownership structure:

- OMERS Infrastructure, 50 percent
- The Third National Pension Fund, 20 percent
- Folksam, 17.5 percent
- AMF, 12.5 percent

The group structure is shown in note 32 Group structure.

Annual general meeting

The annual general meeting is Ellevio's highest decision-making body, through which Ellevio's shareholders are entitled to govern Ellevio's business. The annual general meeting elects the Board of Directors and the auditors, decides their fees, adopts the income statement and balance sheet, resolves on the allocation of the company's earnings, grants the Board and CEO discharge from liability, and resolves on other matters pursuant to the law, Articles of Association and shareholders' agreement.

The 2024 annual general meeting was held on 24 April at Ellevio's head office in Stockholm and through video and phone. All shareholders were represented and the auditors were present. No decisions were taken beyond the ordinary decisions at the annual general meeting. Given the limited number of owners, neither a notification of nor minutes for the annual general meeting were published on the company's website.

The 2025 annual general meeting will be held on 22 April 2025 in Stockholm.

Board of Directors and its work

The overall task of the Board of Directors is to bear responsibility for the organisation and management of operations as well as financial reporting and sustainability reporting. The Board is

also tasked with ensuring that Ellevio's organisation is designed in a manner that assures satisfactory control of accounting, asset management and financial conditions in general.

The Board is also responsible for establishing effective and appropriate systems for governance, internal control and risk management, as well as for establishing guidelines that aim to ensure long-term value creation. Furthermore, the Board should work to ensure that Ellevio acts as a role model for sustainable business practises in areas such as the environment, ethics, working conditions, human rights, equality and diversity.

The Board shall establish written rules of procedure governing its own work, and these should be revised and confirmed on an annual basis. These contains, among other things, instructions on the board's areas of responsibility and the demarcation against the board's committees and CEO. The board's rules of procedure state that a board member must inform the board if conflict of interest occurs. Such information is not disclosed to other parties.

The Chairman of the Board oversees the evaluation the work of the Board and reports to the owners. This is done on an annual basis and aims to provide an overview of the Directors' opinions on how work is progressing, as well as what changes could be made to enhance efficiency. The evaluation in 2024 did not cause any material changes in the Board's work but only minor changes in the practical work of the Board.

Composition of the Board

According to the Articles of Association, the Board is to comprise of no less than three and no more than ten members, and no more than ten deputies. The shareholders' agreement states that the shareholders nominate Directors based on the size of the ownership and that the Board shall consist of seven members, of which one is an independent chairman, and that the annual general meeting takes the final decision. As presented below, each owner has nominated certain members of the Board of Directors. All elected Board members are independent of the company and the company's management. One member is also independent in relation to the company's owners.

In 2024, the Board consisted of seven Directors and two employee representatives until the restructuring of the group 1 May 2024. Thereafter are the employee representatives appointed in another company within the group. The average ratio of women to men on the board was 36 percent women and 64 percent men.

In 2024, the Board had the following members, Fredrik Persson, Chairman (independent), Anna Belfrage (nominated by the Third AP Fund), Lars Clausen (nominated by OMERS Infrastructure), Göran Hägglund (nominated by AMF), Karin Jarl Månsson (nominated by OMERS Infrastructure), Michael McNicholas (nominated by OMERS Infrastructure), Sten Olsson (nominated by Folksam), Tomas Bergquist (employee representative) (until 30 April 2024) and Eyob Yehdego (employee representative) (until 30 April 2024). Deputies to the Board at the end of the year were Henrik Nordlander (nominated by the Third AP Fund), Fredrik Lundeborg (nominated by AMF), Severine Billy (nominated by OMERS Infrastructure) and Rebecka Elkert (nominated by Folksam). Up until 30 April 2024 were Morgan Holm and Fredrik Ullman alternate employee representatives.

The Board is presented on page 20.

Board meetings

According to the Board's rules of procedure, at least four ordinary meetings must be held each year. In addition to the ordinary meetings, the Board may meet whenever necessary. In 2024, 11 Board meetings were held at Ellevio, including the statutory meeting. Significant matters discussed included:

- Ellevio's strategic direction, business plan and goals (including sustainability targets).
- Updates on regulatory development.
- Refinancing.
- Power tariffs.
- The new EU directive Corporate Sustainability Reporting Directive (CSRD).
- Security and safety issues, above all concerning working environment and information security.
- Investment decisions regarding Tovåsen phase 2, AB Volvos battery plant phase 3, Sn Beckomberga, Project Salo, Project Njord, Markbygden Net Väst AB and Sn Bredäng.
- Board evaluation.

During the year, the following topics of a particularly significant nature were reported to the Board: regulatory issues, the security policy situation and sustainability.

Board Committees

Four Board committees have been established to enhance efficiency and opportunities for expanding the work of the Board: The Audit Committee, the Remuneration Committee, the Finance Committee and the Sustainability Committee. The committees serve in an advisory capacity and their work primarily involves preparing matters for decision by the Board. Meetings are minuted and committee chairs report on the progress of their work at every Board meeting. Representatives of Ellevio's executive management participate in committee meetings.

The Audit Committee is responsible for monitoring financial and sustainability reporting as well as the statutory audit. The Audit Committee monitors compliance with the relevant laws and the application of and compliance with corporate governance policies, including internal control and risk management. In 2024, the Audit Committee consisted of Anna Belfrage (Chair) and Sten Olsson (from 24 April 2024) and Michael McNicholas (from 1 January 2024 to 24 April 2024 and from 6 November 2024).

The Remuneration Committee is responsible for adopting policies for the appointment and dismissal of senior executives, establishing remuneration policies and terms of employment for senior executives, as well as reviewing the performance of senior executives in relation to set objectives. In 2024, the committee comprised Fredrik Persson as chairman, Michael McNicholas and Sten Olsson.

The Finance Committee is responsible for reviewing the company's financial strategy and the ongoing monitoring of the financial risk exposure. In 2024, the Finance Committee comprised Adam Friedrichsen (Chair), (until 6 November 2024), Severine Billy (Chair) (from 6 November 2024), Sten Olsson (until 6 November 2024), Rebecka Elkert (from 6 November 2024), Henrik Nordlander, Fredrik Lundeborg och Eyob Yehdego (employee representative) (until 30 April 2024).

The Sustainability Committee is responsible for assessing the strategy, monitoring performance in relation to set targets,

identifying key areas of improvement and contribute to greater awareness of the importance of the areas health, safety, environment, climate and safety. In 2024, the Sustainability Committee comprised Karin Jarl Månsson (Chair), Lars Clausen and Tomas Bergquist (employee representative) (until 30 April 2024).

Board fees

The shareholders have submitted a proposal for adoption by the annual general meeting concerning Board fees. The 2024 annual general meeting adopted a resolution on fees pursuant to the proposal submitted by shareholders.

Board members elected at the annual general meeting can in special cases be remunerated for services within their respective areas of competence, which do not constitute Board work. A market consultancy fee shall be paid for these services, which shall be approved by the Board. Information on Board fees for 2024 can be found in Note 10.

Auditor

The task of the auditor is to independently review the administration of the Board and CEO along with the company's annual report and bookkeeping. The annual general meeting is responsible for electing an external auditor. Auditors are elected for a term of one year, in accordance with the principal rule of the Swedish Companies Act. Pursuant to the Articles of Association, Ellevio must have one or two auditors. An auditing firm can be elected as Ellevio's auditor.

At Ellevio's annual general meeting on 24 April 2024, Ernst & Young AB was elected as the company's auditor for the period until the end of the 2025 annual general meeting. The principal auditor is authorised public accountant Henrik Jonzén. The auditor reported their year-end review for 2024 to the audit committee at the meeting on 11 February 2025 and to the Board at the Board meeting on 22 April, 2025.

CEO and management team

The Board of Directors appoints the CEO, who is responsible for the day-to-day management of Ellevio in accordance with the Board's instructions. The allocation of responsibilities between the Board and the CEO is specified in addition to the

Swedish companies act in instructions that are established by the Board each year.

The CEO's responsibility includes, but is not limited to, the operation of the business, human resources, finances and accounting, and maintaining regular contact with Ellevio's stakeholders, such as government agencies. The CEO is responsible for ensuring that the Board receives the information it requires to take decisions and delivers monthly reports to the Board regarding the financial circumstances, significant events and other important information.

The CEO has appointed a management team that oversees the day-to-day operations. The management team meets regularly to make decisions about and monitor the business, to discuss issues related to the organisation and human resources, as well as current projects and other matters. The management team, including the CEO, is presented on page 21.

Guidelines for the remuneration of senior executives

Ellevio's principles for the remuneration of senior executives state that the company is to offer market-based terms of employment that enables Ellevio to recruit, develop and retain senior executives. In this context, "senior executives" refers to the CEO and other members of Ellevio's management team. The total remuneration package consists of a combination of fixed monthly salary, variable remuneration, pensions and other benefits.

The Remuneration Committee handles remuneration matters for senior executives. The Remuneration Committee submit proposals for decisions regarding the CEO's remuneration and employment conditions, which are then decided by the Board of Directors. The Board evaluates the work of the CEO annually. For the other senior executives, proposals are proposed for decisions regarding remuneration and employment conditions by the CEO, based on the frameworks and directives resolved by the Remuneration Committee. The proposal is submitted to the Remuneration Committee for approval.

Remuneration to senior executives should normally consist of a fixed and a variable portion. The fixed salary for senior executives should be based on the market as well as their level of skill, responsibility, experience and performance. The variable por-

tion is divided up into two programmes: a bonus programme that applies to all employees and a long-term incentive programme that applies to the CEO and members of the management team. All variable remuneration should have an established maximum ceiling. The Remuneration Committee monitors and evaluates variable remuneration programmes at Ellevio.

Pensions and pension benefits should be offered via defined contribution schemes, which means that an established percentage of the individual's annual basic salary is paid into a pension premium. When determining the size of the premium, total remuneration should be taken into account. The retirement age for the CEO and senior executives is 65.

The period of notice for the CEO is six months both for resignation and when termination is initiated by the company. If the CEO's employment is terminated by Ellevio, compensation equivalent of up to 12 months' salary is payable in addition to the salary during the notice period. Any income from other employment and/or other proceeds from other activity during the period for which the CEO receives severance pay shall be deducted from the severance pay. No other remuneration is paid if the CEO resigns.

The employment terms of other senior executives are consistent with the market and there are no agreements providing for termination salary more than six months, nor any agreements on severance pay.

For more information regarding remuneration of the CEO and senior executives in 2024, refer to note 10.

Operational management and internal control

The Board and management team work in accordance with an annual cycle including a structured process for strategic business planning and operational monitoring. All Ellevio's activities are based on Ellevio's values, which are in turn based on the key words of reliability, commitment and development. Ellevio's business is operated in accordance with Ellevio's Code of Conduct.

Ellevio maintains policies, instructions and procedures that are intended to establish rules and responsibilities for specific areas and to define mandates and authority.

In addition to the policies adopted by the Board, there are also policies determined by the CEO, as well as instructions and

procedures determined by the head of each business function. In line with the operational management structure, the management has produced policies within several areas, including sustainability, financing, security, anti-corruption and whistleblowing.

These documents are available to all employees. They are revised on an annual basis or when necessary to ensure compliance with the prevailing laws and provisions and so forth. The organisation is continuously updated and given training in policies, instructions and procedures. Overall, this internal framework covers all relevant operational areas in an appropriate manner.

Risk management is an integrated element in the planning, governance and monitoring of operations. Business risks are assessed through the strategy and the planning activities of the Board and management, and the underlying premise is that risks are managed on a day-to-day basis in the operations in which they arise. For further information on risks and risk management see page 16 for Risks and uncertainty factors 31 for Sustainability risks and 41 for Climate related risks.

Ellevio conducts internal controls aimed at ensuring that operations are managed in a secure, appropriate and efficient manner. Internal control mechanisms for financial reporting aim to secure that Ellevio prepares reliable financial statements and reporting, and complies with applicable laws and regulations.

Ellevio has information and communication channels that aim to promote completeness and accuracy in its financial reporting. The Annual Report and Half-year Report specify which parts are formal financial reports, the regulations on which they are based and which parts have been audited by the company's auditor. Ellevio publishes the Half-year Report, Year-end Report and Annual Report on the company's website.

Ellevio's operations are subject to supervision by Ei and means that financial and operational reporting should be submitted annually. These reports can be found on Ei's website.

Sustainability

For information on sustainability governance and the role of the Board and management in Ellevio's sustainability efforts, see the Sustainability Statement, page 35.

Board of Directors



Fredrik Persson

Chairman
Year of birth: 1968
Member of the board since 2020



Anna Belfrage

Year of birth: 1962
Member of the board since 2019



Lars Clausen

Year of birth: 1959
Member of the board since 2018



Göran Hägglund

Year of birth: 1959
Member of the board since 2019



Michael McNicholas

Year of birth: 1961
Member of the board since 2019



Karin Jarl Månsson

Year of birth: 1964
Member of the board since 2018



Anna-Karin Stenberg

Year of birth: 1956
Member of the board since 2025

Tomas Bergquist

Employee representative
Year of birth: 1967
Member of the board since 2021

David Tegehall

Employee representative
Year of birth: 1987
Member of the board since 2024

Management Team



Johan Lindehag
Chief Executive Officer
Year of birth: 1972
Joined the business in 2000



David Bjurhall
SVP, Regulation
Year of birth: 1975
Joined the business in 2010



Susanne Bragée
SVP, People, Culture & Sustainability
Year of birth: 1963
Joined the business in 2019



Kristofer Fröjd
SVP Strategy & Business Development
Year of birth: 1980
Joined the business in 2016



Jörgen Hasselström
SVP, Asset Management & Operations
Year of birth: 1972
Joined the business in 2019



Anna-Karin Käck
SVP, Finance
Year of birth: 1976
Joined the business in 1999



Anna Lidberg
SVP, Brand & Communications
Year of birth: 1968
Joined the business in 2008



Elisabeth Stjernstoff
SVP, Business Solutions
Year of birth: 1969
Joined the business in 2021



Emma Thorsén
SVP, Customer & Market
Year of birth: 1973
Joined the business in 2019

Sustainability Statement 2024

The structure of the report has been developed to align with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

General information

Basis for the preparation.....	24
Strategy, business model and value chain.....	25
Ellevio's material sustainability matters.....	31
Sustainability management.....	35

Environmental information

EU taxonomy.....	39
E1 Climate change.....	40
E4 Biodiversity and ecosystems.....	49
E5 Resource use and circular economy.....	52

Social information

Comments on S1 Own workforce.....	56
S2 Workers in the value chain.....	56
S3 Affected communities.....	64
S4 Consumers and end-users.....	67

Governance information

G1 Business conduct.....	73
--------------------------	----

General information

Contents

Basis for preparation

About Ellevio's Sustainability Statement.....	24
-----------------------------------------------	----

Strategy, business model and value chain

Our strategy and business model.....	25
Value chain.....	26
Stakeholder interests and views.....	27

Ellevio's material sustainability matters

Materials impacts, risks and opportunities.....	31
Double materiality assessment process.....	33

Sustainability management

Role and responsibilities of the Board and management team.....	35
Sustainability in incentive schemes.....	36
Statement on due diligence.....	36
Risk management and internal controls over sustainability reporting.....	37

Basis for preparation

About Ellevio's Sustainability Statement

This Sustainability Statement presents Ellevio AB's (Ellevio) sustainability initiatives during the 2024 financial year. Sustainability initiatives contribute to Ellevio's ability to manage risks, exploit opportunities and manage the actual and potential impact of its operations on the environment, climate, people and communities.

The Sustainability Statement constitutes Ellevio's statutory sustainability report under the Annual Accounts Act and is published once a year. The Sustainability Statement consists of pages 22–76 and pages 99–116 of the appendix and index.

In their opinion on page 122, Ellevio's auditors confirm, in accordance with the requirements of the Annual Accounts Act, that a statutory sustainability report has been prepared.

Preparation for the CSRD

For the 2024 Sustainability Statement, Ellevio has begun reporting in accordance with the European Sustainability Reporting Standards (ESRS), in preparation for reporting in accordance with the Corporate Sustainability Reporting Directive (CSRD), which may come into effect for Ellevio within the next few years. The 2024 Sustainability Statement is inspired by the CSRD and, unlike previous sustainability reports, is not prepared in line with the voluntary GRI framework.

On 26 February 2025, the European Commission published several so-called Omnibus proposals aimed at easing the administrative burden related to sustainability reporting under the CSRD, CSDDD, and the EU Taxonomy. Among other things, the proposals suggest postponing the application of the CSRD for many companies. However, at the time this report was published, no final decisions had been made regarding what will apply to Ellevio in 2025.

The content of the Sustainability Statement is based on Ellevio's material sustainability matters according to the double

materiality assessment conducted in 2023/2024. The ambition of this year's Sustainability Statement is to provide the information required by ESRS, which Ellevio currently has in place, taking into account the phase-in requirements that can be applied under ESRS1, Appendix C.

The information in the Sustainability Statement has been prepared on an individual basis and includes Ellevio's upstream and downstream value chain, which includes the company's suppliers, own operations, customers and other business partners.

The taxonomy, TCFD and Global Compact

On page 100–104 you will find Ellevio's reporting in line with the EU Taxonomy for Green Investments ("EU Taxonomy") and on page 117 Ellevio's voluntary reporting in line with the Task Force on Climate Related Financial Disclosures (TCFD). Ellevio has signed the UN Global Compact (UNGC) and the Sustainability Statement lays out how we work in line with the ten principles in the areas of human rights, labour, environment and anti-corruption.

Information on how Ellevio contributes to Agenda 2030 can be found on the Ellevio website: ellevio.se/en/about-us/sustainability/.

Contact persons

For questions about Ellevio's sustainability initiatives and Sustainability Statement, please contact Karolina Viksten, Head of Sustainability, Pernilla Nilsson, Sustainability Controller or Sarah Östberg, Head of Financial and Sustainability Communication, via email: firstname.lastname@ellevio.se.

INSPIRED BY CSRD

The EU has introduced a new Sustainability Reporting Directive (CSRD), which tightens sustainability reporting requirements for large and listed companies. Ellevio is not covered by the directive for the 2024 financial year but may be affected in the future. Ellevio AB has chosen to take inspiration from the CSRD for its reporting in the 2024 financial year, and is thus leaving the voluntary GRI framework.

Strategy, business model and value chain

Our strategy and business model

Ellevio's business model is based on owning, operating, maintaining, building and developing the electricity network to transmit electricity to customers with a high level of security of supply. Revenue is generated through network charges paid by customers to use and connect to the electricity network. As an electricity network company, Ellevio has a natural monopoly and its activities are regulated by the state. The business model includes major investments in infrastructure to modernise the electricity network and meet the demands of the future, such as increased electrification and integration of renewable energy. Investments in digitalisation and smart solutions optimise operations and improve the customer experience.

Operations are conducted in Ellevio's concession areas: West Coast (Halland and Bohuslän), Värmland, Skaraborg-Närke, Dalarna, Gävleborg (Hälsingland and Gästrikland) and the Stockholm area (Stockholm City, Ekerö, Lidingö, Täby, Nynäshamn and Vallentuna).

Guaranteeing a reliable supply of electricity is one of society's most vital tasks. Modern, expanded electricity grids are also needed for the energy transition and to help ensure that the targets set by the Paris Agreement, Sweden and the EU can be achieved. As one of Sweden's largest electricity network companies with almost 1 million customers, Ellevio plays a key role in people's daily lives, in communities and in business. Sustainability is therefore an integrated part of Ellevio's operations, business model and strategy.

By building a smart energy infrastructure and developing new solutions in existing and new markets, Ellevio is laying the foundation for the growing society with its increasing demand for clean energy. We are an energy system operator that transforms the current electricity network into the sustainable energy system of the future, thus enabling our customers' energy transition.

Together with customers and strategic partners, we develop and provide climate-smart energy solutions and services that support customers in their energy transition. While enabling the energy transition and electrification through our core business, we are actively working to reduce our own footprint and increase electrification in our own value chain.

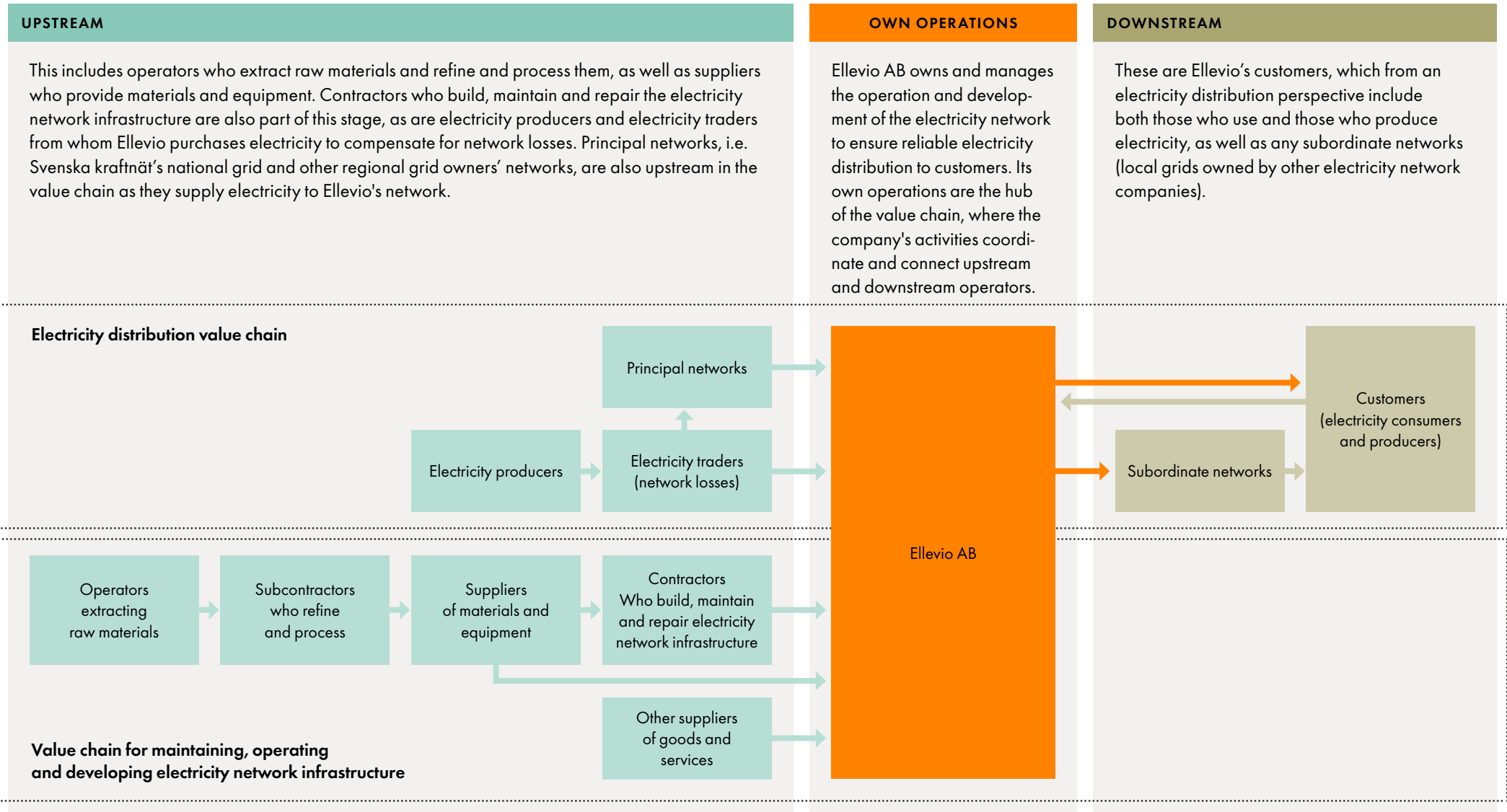
Our strategic enablers – operational excellence and the employees of the future – create the requisite conditions for Ellevio to achieve its operational goals.

Our ambitious strategic focus requires us to have an efficient core business with digital business support that enables a high rate of development. Continuous improvement, digitalisation and the application of best practices across the organisation are essential for organisational efficiency and development of new capabilities.

➔ For more information on Ellevio's strategy, business model, customer offerings and markets, see the Activity Report.

Value chain

For Ellevio, the value chain describes the operators and processes involved in maintaining, operating and developing the electricity network infrastructure and distributing electricity to customers. It is divided into three main parts – upstream, own operations and downstream.



General information

Description of operators in the value chain

Operators extracting raw materials

Companies that mine or produce raw materials, such as metals, minerals and other materials. These raw materials are processed and used as a base for producing components and materials necessary in the value chain to build electricity network infrastructure.

Subcontractors who refine and process

Companies that process raw materials to create refined materials or sub-components, which in turn are incorporated into finished components used in the electricity network. These refined products are sold on for use in final materials and equipment.

Suppliers of materials and equipment

Suppliers that provide Ellevio and our contractors with refined materials and finished equipment, such as cables, transformers, poles, meters and other network components.

Contractors who build, maintain and repair electricity network infrastructure

Companies that carry out work in the field on behalf of Ellevio to install, build, repair and maintain electricity network components.

Electricity producers and traders

Ellevio buys fossil-free electricity from electricity traders to compensate for network losses that occur when electricity is transported. The electricity traders in turn have purchased the electricity from the producers via the power exchange.

Principal networks

Svenska kraftnät's national grid and other regional grid owners' networks that supply network services that are a prerequisite for Ellevio's operations. Electricity from electricity traders is also distributed through these networks.

Other suppliers of goods and services

Companies supplying complementary goods and services, such as IT systems and equipment, office supplies, electricity and heating for offices and facilities, various types of office and support services, and indirect materials such as workwear and production vehicles.

Service providers also include the intra-group service company, Ellevio Sverige AB, which supplies staff to Ellevio AB.

Own operations (Ellevio AB)

Ellevio ensures reliable electricity distribution to its customers by owning, operating, maintaining and developing its network infrastructure.

Subordinate networks

When Ellevio owns the regional network in an area, the electricity is usually distributed via another grid owner's local network before it reaches the customer.

Customers

"Customers" refers to Ellevio's electricity customers – households, companies or other businesses that depend on a stable electricity supply – as well as other end users such as household members and citizens.

It also includes electricity producers, as they use our services and network to transmit electricity across the network.

Stakeholder interests and views

Continuous stakeholder dialogues are a prerequisite for Ellevio's ability to create value. Among other things, such dialogue strengthens our ability to:

- support customers and other stakeholders in their energy transition
- improve our own operations
- establish new services and capabilities

Stakeholder views also inform our due diligence processes and materiality assessment.

Ellevio's most important stakeholder groups are customers, employees of Ellevio Sverige AB, contractors and suppliers, public authorities, decision-makers, owners, lenders and local operators such as local authorities, landowners and local residents who are affected by or impact our operations. We also work with partners, sector organisations and initiatives to promote long-term and sustainable industry and community development at a local, national and international level. Potential future employees are also important to the company. We act responsibly by balancing and weighing the decisions and priorities of different stakeholders.

A significant part of Ellevio's stakeholder dialogue involves contact with directly affected stakeholders, i.e. groups such as local residents, landowners, businesses, schools and public transport companies, who are impacted by Ellevio's projects.

Information that emerges in stakeholder dialogues and that leads to a need for action is managed internally at Ellevio. If the need for a change in strategic focus arises, it is addressed by the sustainability committee and, where appropriate, by the Board.

Stakeholder dialogue

Stakeholders	How the stakeholder dialogue is organised	Purpose of the stakeholder dialogue	Examples of outcomes/activities as a result of the stakeholder dialogue
<p>Corporate customers (electricity users and producers)</p>	<ul style="list-style-type: none"> • First-line customer service via phone, email, chat and social media and advanced support via internal team of experts (second-line). • Outage information via SMS, email and website. • Customer surveys – twice a year for large companies, monthly for SMEs. • Account managers for major customers. • Dedicated resources for communication on electricity network projects. • Structured dialogues per network area to understand capacity needs. • Continuous development of skills and knowledge about the future needs of the electricity system and customers. • Events, seminars and webinars as well as face-to-face meetings, email and website. • Personalised communication with customised editorial content. 	<ul style="list-style-type: none"> • Good cooperation and business opportunities. • Creating long-term partnerships that benefit both parties. • Optimising energy consumption on the electricity network. • Managing and responding to changes in demand. • Ensuring transparency in areas such as investment, tariff changes and regulation. • Creating a positive customer experience. • Strengthening confidence in Ellevio and acceptance of our operations. • Supporting customers throughout the energy transition and electrification. 	<ul style="list-style-type: none"> • Identifying where capacity needs will arise to support future network planning and our role as DSO. • Analysis of customer needs. • Improved outage information providing customers with updates on ongoing actions and post-outage communication. • Improved communication about our electricity network projects through digital mailouts. • Events, seminars and webinars aimed at specific corporate customer target groups. • Sustainability information aimed at corporate customers on Ellevio.se. • Introduction of account managers for major corporate customers and segments. • Improved customer-oriented communication.
<p>Household customers</p>	<ul style="list-style-type: none"> • First-line customer service via phone, email, chat and social media and advanced support via internal team of experts (second-line). • Outage information via SMS, email and website. • Customer surveys – monthly. • Dedicated resources for communication on electricity network projects. • Media coverage, responses and editorial content in local and regional media. • Information on electricity networks, outages, planned projects and guidance via website, customer app, email, SMS, newsletter and social media. • Personalised communication with customised editorial content. 	<ul style="list-style-type: none"> • Ensuring accurate information during planned and unplanned power outages. • Responding to increased interest in electricity consumption and production and supporting customers' energy transition. • Ensuring transparency in areas such as investment, tariff changes and regulation. • Increasing awareness about Ellevio and knowledge of the electricity system. • Creating a positive customer experience. • Strengthening confidence in Ellevio and understanding of our operations. • Supporting customers throughout the energy transition and electrification. 	<ul style="list-style-type: none"> • Improved outage information providing customers with updates on ongoing actions and post-outage communication. • Improved communication about our electricity network projects through digital mailouts. • Increased accessibility through digital channels, automation and self-service. • Webinar with the opportunity to ask questions. • Increased information via local and regional media. • Web-based energy advice. • New improved app launched in 2024.
<p>Employees at Ellevio Sverige AB</p>	<ul style="list-style-type: none"> • Monthly surveys on engagement, well-being and work environment. • Annual employee appraisals between manager and employee. • Annual safety culture survey. • Digital broadcasts such as the annual Culture Week, regular information briefings (Learning Lunches and Deep Dives) and quarterly presentations from the management team. • Information and news via the intranet. • Weekly newsletter from the CEO. • Induction days for new employees. • Mandatory training on the Code of Conduct, safe workplace and collective intelligence. • Ellevio Council (Work Environment Committee and Co-Determination Council) and work environment representative group. • Whistleblowing function. 	<ul style="list-style-type: none"> • Achieving business goals and executing the strategy through high employee engagement that enables Ellevio to attract, retain and train employees with the right skills. • Ensuring that employees have access to the right information and resources to do their job effectively. • Creating the conditions for a safe and secure working environment for all. • Maintaining a good working environment that meets needs and expectations • Providing the possibility to report misconduct anonymously. • Implementing and following up the results of the materiality assessment for ESRS S1, in collaboration with the Ellevio Council. 	<ul style="list-style-type: none"> • Sustained high level of employee commitment. • Multiple awards as an attractive employer. • Possibility to work remotely up to two days a week, as long as it is feasible in line with duties. • Clear career paths. • Inclusive and positive corporate culture. • Well-established materiality assessment for ESRS S1 (with Ellevio Council).

General information

Stakeholders	How the stakeholder dialogue is organised	Purpose of the stakeholder dialogue	Examples of outcomes/activities as a result of the stakeholder dialogue
Contractors	<ul style="list-style-type: none"> • Continuous dialogue with contractors. • Specific EHS (Environment, Health and Safety) meetings. • Construction meetings, safety talks in the field, unannounced and announced flying audits and other audits. • Reporting of accidents, incidents, risk observations and environmental incidents in the ENIA incident management system. • Contractual requirements including Code of Conduct for suppliers and partners and evaluation model promoting good working environment and climate impact. • Annual Contractors' Day and annual Safety Day as well as a safe work-place webinar and newsletter. • Outreach activities to identify new contractors. • Specific web pages for contractors. 	<ul style="list-style-type: none"> • Achieving business objectives and executing the strategy by ensuring adequate tenders with the right capabilities and capacities. • Building long-term relationships and establishing new ones. • Strengthening confidence in Ellevio as a contractor. • Creating safe workplaces without serious accidents. • Improving cooperation and delivery. • Following up on requirements and strengthening work on the environment, climate, work environment and electrical safety. • Identifying development and improvement opportunities. • Calibrating the materiality assessment in terms of ESR S2 with selected contractors. 	<ul style="list-style-type: none"> • Clear procurement processes that promote health, safety and the environment. • Improvements in our role as client, developer and facility owner. • Good results on our Sustainability Index (KPI for health and safety in the field). • Safer working conditions and facilities. • Pilot project for electric vehicles and machinery. • New contractors and more tenderers. • Newly established Safety Day and newsletter in 2024. • Well-established materiality assessment for ESR S2, among other areas.
Suppliers	<ul style="list-style-type: none"> • Continuous dialogues with suppliers. • Follow-up activities such as audits. • Contractual requirements, including Code of Conduct for suppliers and partners. • Annual Contractors' Day, including strategic suppliers. • Active efforts to identify new contractors. 	<ul style="list-style-type: none"> • Improving cooperation and delivery. • Building long-term relationships and establishing new ones. • Becoming a more efficient and attractive client. • Developing and purchasing products with a lower impact on the climate, environment and people. • Calibrating the results of the materiality assessment with selected suppliers. • Meeting the need for strategic materials and equipment. 	<ul style="list-style-type: none"> • New suppliers of strategic materials. • Contributions to more environmentally and climate-friendly products, such as NKT's green cable, electrified and fossil-free deliveries, transformers with a lower carbon footprint, SF₆-free switchgears and circuit breakers. • Familiarising selected suppliers with the materiality assessment.
Public authorities	<ul style="list-style-type: none"> • Dialogue with and reporting to the Swedish Energy Markets Inspectorate (Ei). • Contacts with authorities in connection with licence and permit applications. • "12:6 consultations" under the Environmental Code. • Environmental and traffic cases. • Operational permit applications. • Cooperation on electric contracts with procuring authorities. • Collaboration in events and seminars and cooperation platforms for Sweden's electrification. 	<ul style="list-style-type: none"> • Compliance with legislation and related obligations. • Ability to implement necessary investment, operational and maintenance projects. • Dialogue on interpretations and practices. • Jointly reducing the climate impact of procurement. • Driving the development of Sweden's energy system. 	<ul style="list-style-type: none"> • Concessions and permits obtained. • Good progress in investment projects for electrically powered- contracts. • Guidance from the authorities. • Contributing to and influencing regulatory changes, for example to speed up permit processes. • Better common understanding of the needs and roles of future energy systems.
Decision-makers	<ul style="list-style-type: none"> • Direct dialogue with national, regional and local politicians. • Seminars, major meetings and events at national and regional level • Digital newsletters. • Sector reports. • Network development plans. • Regular discussions with decision-makers from different sectors on the development of the energy system. 	<ul style="list-style-type: none"> • Ensuring that the energy system meets future needs. • Assist with facts and decision-making. • Influencing the development of regulatory frameworks affecting Ellevio and promoting sustainable expansion of the electricity system. • Maximising knowledge exchange and building good relations between key operators in society. 	<ul style="list-style-type: none"> • Increased understanding of industry needs. • Better understanding of and engagement in the policy debate on the importance of electrification. • Confidence in Ellevio as an established and influential leader in ideas concerning the electricity network industry. • More decision-makers taking an active role in the area of energy and showing clearer leadership.

General information

Stakeholders	How the stakeholder dialogue is organised	Purpose of the stakeholder dialogue	Examples of outcomes/activities as a result of the stakeholder dialogue
Owners	<ul style="list-style-type: none"> • Board meetings. • Meetings of the Sustainability Committee and the Audit Committee. • Special sustainability meetings with owners on request. • Monthly operational and financial reporting. 	<ul style="list-style-type: none"> • Anchoring and approving the content of financial statements. • Increasing understanding of which sustainability targets and strategies are important to owners. • Ensuring relevant and transparent information to owners. • Anchoring the results of the materiality assessment in line with the CSRD/ESRS. 	<ul style="list-style-type: none"> • Reporting in accordance with the TCFD since 2022. • New climate target for scope 1 and 2 in 2024. • Reporting that meets owners' requirements in line with the SFDR. • Decision on the materiality assessment in line with the CSRD/ESRS.
Lenders	<ul style="list-style-type: none"> • Annual and Sustainability Report, full and half-yearly reports. • Annual report on green financing. • Webcast on full and half-year results. • Presentations and meetings on request. • Information on ellevio.se/en. • Financial press releases via RIS and Euronext Dublin. 	<ul style="list-style-type: none"> • Ensuring access to capital. • Meeting expectations on ESG communication. • Consolidating confidence in Ellevio's sustainable business model and financial performance. • Gaining input on material issues, sustainability targets and strategies that matter to lenders. • Providing transparent information. 	<ul style="list-style-type: none"> • Green framework and green bonds issued and fully subscribed. • Stable credit rating according to independent institutions. • Successful refinancing.
Local operators (such as local authorities, local traders, land owners and local residents)	<ul style="list-style-type: none"> • Information about projects via letters, emails, social media, local media, digital newsletters, ellevio.se signage and SMS. • Consultation meetings (open houses) with stakeholders on new regional grid power lanes. • Dialogues with stakeholders in local network projects, including briefings and meetings in the field. • Responses via customer service. • Dialogue with stakeholder organisations. • Network development plans. • Regional seminars and dialogue via regional cooperation platforms. 	<ul style="list-style-type: none"> • Understanding more perspectives on the development of the electricity system and establishing more contacts and dialogues. • Facilitating the implementation of projects and other activities while maintaining trust in Ellevio and improving understanding and acceptance of the projects. • Operating with as little negative impact as possible. 	<ul style="list-style-type: none"> • Fewer appeals and increased acceptance of investment projects. • Record-fast permits issued in Mariestad in 2024. • Choice of routes, timing of works and other aspects adapted to the needs of local operators. • More contacts and dialogues and raising awareness in society about the development of the electricity system.
Industry organisations, other parties and initiatives	<ul style="list-style-type: none"> • Membership of: Swedenergy and the EBR (electricity network sector) guidelines, Håll nollan ("Keep to Zero") (including implementation of the "safety push"), the UN Global Compact, regional chambers of commerce, Power Circle, International Chamber of Commerce (ICC), Svensk Vind, European Distribution System Operators Entity (DSO Entity), Företagarna, 2030 Secretariat, Centre for Business and Policy Studies (SNS). • Participation in industry forums and conferences organised by the Confederation of Swedish Enterprise, Almedalen, Dagens Industri, Folk och Försvar, Elnätsdagarna and others. • Active dialogue within the Electrification Pact, Energiforsk, Swedenergy's employer association AB (EFA), Fossilfritt Sverige (Fossil-free Sweden), Industrikraft, Stiftelse agenda energi, the 2030 Group, Arena Elkraft Gävleborg, REST, ACCEL, Elkraft Värmland and Effekt4Dalarna, among others. • Initiator and Chair of the EBR Sustainability Governance Working Group 	<ul style="list-style-type: none"> • Long-term sustainable sector development. • Giving Ellevio a voice in many contexts by active participation in collaboration platforms that have a direct or indirect impact on the electricity system. • Contribute to common guidelines on the environment and climate, work environment and electrical safety. • Common guidelines for dealing with customers and landowners. • Monitoring developments and helping ensure zero accidents in the construction industry, including the electricity network industry. 	<ul style="list-style-type: none"> • Continuous access to up-to-date sector-related information. • Greater opportunities to influence the development of future sustainable energy systems. • Improved electrical safety through EBR-ESA: the sector's joint electrical safety guidelines. • New EBR Sustainability Governance Working Group for common guidelines for scope 3 reporting. • Strong focus on safety in the sector.
Nature (silent stakeholder)	<ul style="list-style-type: none"> • Application of the general rules of the Environmental Code to take account of the interests of animals and nature. • Dialogue with municipalities and county administrative boards on environmental considerations under the Environmental Code, and other environment-related provisions, in permits, concessions and consultations. 	<ul style="list-style-type: none"> • Minimising damage or disturbance to nature and animals. 	<ul style="list-style-type: none"> • Systematic environmental work and continuous improvements.

Ellevio's material sustainability matters

Materials impacts, risks and opportunities

In the fall of 2023, Ellevio conducted a double materiality assessment in line with the European Sustainability Reporting Standards (ESRS). The analysis was refined in 2024.

The assessment covers the entire Ellevio value chain and has resulted in the sustainability matters below being deemed material for Ellevio.

In line with the ESRS, the assessment is based on two perspectives:

- Ellevio's positive and negative impact on its operating environment (natural environment, people and communities).
- The impact that sustainability matters can have on Ellevio's financial position (risks and opportunities).

➔ See page 13 for a description of Ellevio's strategic focus areas.

➔ For a more detailed description of Ellevio's impacts, risks and opportunities, see the chapter for each topical ESRS standard.

TOPICAL ESRS STANDARDS

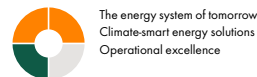
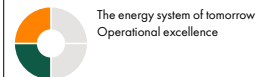
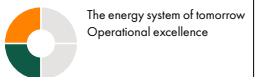
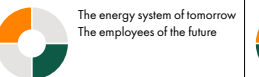
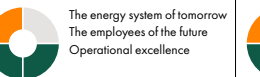
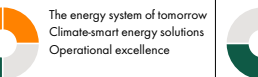
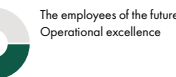
Climate change	Biodiversity and ecosystems	Resource use and circular economy	Own workforce ¹⁾	Workers in the value chain	Affected communities	Consumers and end users	Business conduct
<p>SUB-TOPICS ACCORDING TO ESRS</p> <ul style="list-style-type: none"> • Climate change mitigation • Climate change adaptation • Energy 	<ul style="list-style-type: none"> • Direct impact drivers of biodiversity loss • Impacts on the state of species 	<ul style="list-style-type: none"> • Resource inflows, including resource use 	<ul style="list-style-type: none"> • Working conditions • Equal treatment and opportunities for all 	<ul style="list-style-type: none"> • Working conditions 	<ul style="list-style-type: none"> • Communities' economic, and cultural rights social 	<ul style="list-style-type: none"> • Social inclusion of consumers and/or end-users 	<ul style="list-style-type: none"> • Corruption and bribery

GENERAL DESCRIPTION

<p>The climate transition and electrification of society present growth opportunities for Ellevio. At the same time, we need to continuously adapt our operations to effectively manage the risks that come with a changing climate. In addition, our own activities, in particular our investment projects, generate scope 1, 2 and 3 greenhouse gas emissions.</p>	<p>Our electricity network has an impact on surrounding ecosystems and biodiversity, mainly during the construction of new power lines. At the same time, the land under Ellevio's power lines can serve as important links in the ecological network and benefit endangered species, which can contribute to biodiversity.</p>	<p>The expansion of our network relies on resource-intensive materials such as copper and aluminium, with limited opportunities to use recycled materials in critical components. Challenges in securing the material and component supply pose risks to our investment programme and thus also to Ellevio's contribution to the energy transition. In addition, limited insight into our upstream supply chain, especially in terms of mineral extraction and raw material production, means that negative impacts on people and the environment may occur.</p>	<p>By positioning Ellevio as an attractive employer and promoting equality and inclusion in the workplace, we can build and maintain a flexible and competent organisation. This will be particularly important as the demand for expertise in the energy sector increases, and means that the ability to attract, recruit and retain the necessary skills is central to Ellevio.</p>	<p>Working with electricity and building infrastructure involves occupational health and safety risks for our contractors carrying out work in the field. In addition, there is a risk that our investment programme may be negatively affected due to limited entrepreneurial capacity and lack of resources with the right skills.</p>	<p>Ellevio's ability to ensure a reliable electricity supply and enable the energy transition is crucial for the competitiveness and prosperity of the communities in which we own the electricity network. However, the construction, development and maintenance of electricity networks can have negative impacts, such as land encroachment, impacts on the rights of local stakeholders and temporary access barriers.</p>	<p>Ensuring a reliable electricity supply is an important social responsibility. Ellevio plays a significant role in social inclusion by guaranteeing access to electricity. The reliability of the network and our security of supply are crucial for private individuals, companies and other businesses.</p>	<p>Good business ethics and anti-corruption practices are fundamental to our business, extend throughout our value chain and help ensure that corruption and bribery are prevented.</p>
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

¹⁾ Since May 2024, Ellevio AB has no employees of its own. Therefore, the own workforce is not included in this report. Find more information about this on page 63.

STRATEGIC FOCUS AREA

 <p>The energy system of tomorrow Climate-smart energy solutions Operational excellence</p>	 <p>The energy system of tomorrow Operational excellence</p>	 <p>The energy system of tomorrow Operational excellence</p>	 <p>The energy system of tomorrow The employees of the future</p>	 <p>The energy system of tomorrow The employees of the future Operational excellence</p>	 <p>The energy system of tomorrow Climate-smart energy solutions Operational excellence</p>	 <p>The energy system of tomorrow Climate-smart energy solutions Operational excellence</p>	 <p>The employees of the future Operational excellence</p>
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------

General information

General approach

Ellevio's sustainability initiatives aim to manage our impacts, risks and opportunities in a structured and systematic way, while developing our operations and implementing improvements that can benefit people, the environment and our own business.

To address both of these perspectives, we have identified six enablers, which form the basis of how we work strategically and operationally on sustainability matters. These enablers form the basis for how we implement our sustainability-related policies in action plans and measures. Concrete actions, often based on these six enablers, are presented in each topic-specific chapter.

A number of policies govern our work, see pages 107–109. At an overall level, we have our Risk Policy, Sustainability Policy and Code of Conduct. These policies have a bearing on virtually all impacts, risks and opportunities in Ellevio's sustainability work. Specific policies are described in the section for each material sustainability matter.

Ellevio conducts regular strategic risk analyses to ensure the resilience of the company's strategy and business model in addressing our material impacts, risks and opportunities. The importance of the regulatory model in terms of Ellevio's ability to realise its business plan and contribute to the energy transition is always an important issue in these analyses.

→ Read more about how we address our material impacts, risks and opportunities in the separate sections on each of our material sustainability matters.

→ Read more about our business model and strategic focus in the Activity Report.

ENABLER	WHAT WE DO	THE RESULTS
<p>Integrate sustainability into our processes and culture</p>	<p>We integrate sustainability-related impacts, risks and opportunities into our strategy, processes and operations. Through materiality assessment, stakeholder dialogues and experience feedback, we identify key issues and design guidelines and processes to ensure that sustainability and safety are an integral part of decision-making and day-to-day work. To ensure a systematic, process-oriented approach, we have a business-wide management system that addresses both core processes and support and governance processes. The environmental part of the management system is certified according to ISO 14001:2015.</p>	<ul style="list-style-type: none"> • A clear and consistent approach that also facilitates the scaling up of our investment programme. • Support processes and instructions that make it easy to take the right action.
<p>Partnerships with our contractors, suppliers and business partners</p>	<p>We work in close collaboration with our contractors to constantly strengthen our joint focus on safety and sustainability. As a committed client, we welcome valuable suggestions for improvement. To manage the risks of expanding our investment programme, especially when it comes to new, foreign or smaller contractors, we ensure thorough onboarding processes and monitoring procedures.</p>	<ul style="list-style-type: none"> • Opportunities to attract and retain contractors and suppliers who share our sustainability and safety ambitions. • Expansion of our contractor database while maintaining our high standards of safety and sustainability. • Improved control and management of risks in the value chain.
<p>Committed employees with the right knowledge and skills</p>	<p>Together with our contractors, we at Ellevio ensure that both our own staff and contractors' employees have the knowledge and skills required to plan and carry out safe work, in accordance with legal requirements and with minimal impact on people and the environment. Well-trained and committed staff also help drive innovation and promote the implementation of new technologies.</p>	<ul style="list-style-type: none"> • A stronger safety culture with fewer accidents. • A strong commitment to sustainability and safety, together with opportunities for employees to contribute and make a difference, will position Ellevio as an attractive employer and client.
<p>Systematic and proactive improvements driven by data, statistics and analysis</p>	<p>We apply a data-driven and structured approach to prioritise safety and sustainability efforts, both within Ellevio and in collaboration with our contractors. By carefully analysing accidents, incidents, risk observations and environmental incidents, we work with our contractors to identify root causes and take corrective and preventive actions. Regular audits help us to identify areas for improvement, both in our own operations and in those of our suppliers and partners.</p>	<ul style="list-style-type: none"> • Clear insights into our baseline and our progress allow for effective prioritisation of specific targets and actions. • Improvements to incident management enable Ellevio and our partners to make continuous progress towards accident-free workplaces.
<p>Apply and develop best practices</p>	<p>We apply best practices in our sustainability and safety work, ensuring structured and established working methods. Through active leadership and collaboration within the sector, we benchmark ourselves against others and contribute to the development and dissemination of best practices. As part of Swedenergy's EBR guidelines, we lead or participate in groups focusing on electrical safety (ESA), construction safety, CSRD/GHG data and environmental guidance.</p>	<ul style="list-style-type: none"> • Increased efficiency and quality of our operations, resulting in improved sustainability and safety performance. • Strengthening Ellevio's position as a leader in developing safety and sustainability in the sector – while helping to raise safety performance across the sector.
<p>Informative and transparent sustainability communication</p>	<p>We are clarifying and strengthening Ellevio's contribution to the energy transition by effectively communicate with both internal and external stakeholders. This includes an annual Sustainability Statement with verified, comparable data and transparent reporting on our sustainability strategy, targets and performance. Lessons learned, best practices and safety dialogues are a key part of our broad communication on health and safety, both internally and externally.</p>	<ul style="list-style-type: none"> • Both internal and external stakeholders gain a clearer understanding of Ellevio's role in the energy transition, strengthening our brand and improving our license to operate. • The sustainability reporting fulfills expectations concerning information and reporting requirements according to law and Ellevio's green framework. • Continuous and frequent dialogue on health and safety.

Double materiality assessment process

Ellevio's double materiality assessment includes Ellevio's own operations as well as operators upstream and downstream in the value chain; see information on Ellevio's value chain on page 26. The double materiality assessment was carried out in three steps, which are presented in this section.

During the process, Ellevio included a number of internal stakeholders and owners to create an accurate picture of the company's material sustainability matters, including the head of purchasing and contract purchasing, head of asset management, concession and permit specialist, HR and occupational health and safety specialist, general counsel, head of regulation, head of community relations, risk controller, senior technology specialist, sustainability coordinator and head of sustainability. In the analysis, Ellevio took into account the company's external key stakeholders by considering the input that continuously emerges in the company's stakeholder dialogues, see page 28. The material sustainability matters will continue to be assessed on an ongoing basis following discussions and input from our stakeholders.

Ellevio enlisted the help of external sustainability experts to conduct the materiality assessment. This helped to broaden the perspective and ensure that all types of impacts, risks and opportunities were included in the assessment. In addition to internal and external stakeholders, sector-specific studies and statistics were used to inform the assessment.

The results of the double materiality assessment, i.e. material impacts, risks and opportunities identified, have been integrated into the company's overall risk management process. As part of this effort, Ellevio decided during the year to carry out an annual review of the double materiality assessment as of 2024, in order to continuously review the identification and assessment of impacts, risks and opportunities. Impacts, risks and opportunities identified in Ellevio's double materiality assessment process are also integrated into the company's overall management system.

Ellevio's double materiality assessment process involves the following steps:



1 Mapping of sustainability matters

The first step included an initial analysis of the sustainability matters addressed in European Sustainability Reporting Standards 1 (ESRS 1). The analysis was based on Ellevio's own operations and sector, the company's business activities, market and value chain in order to identify the sustainability topics, sub-topics and sub-sub-topics where Ellevio can be considered to have an impact on people, the environment and society and/or financial risk or opportunity. Sustainability matters that are not covered by ESRS 1 but could be material to Ellevio, such as IT and cyber security, were also identified.

The mapping resulted in a list of sustainability matters that span Ellevio's entire value chain.

2 Analysis of impact materiality and financial materiality

In step two, a more in-depth analysis of all the sustainability matters identified in step 1 was carried out. Each sustainability matter was analysed based on its impact and financial materiality.

Materiality of impact includes the significant – actual or potential – positive or negative impacts of an undertaking on people or the environment in the short, medium and long term. Financial materiality refers to whether a sustainability matter has a material impact, on the company's performance, financial position, financial results, cash flows, access to finance or cost of capital in the short, medium or long term. See the description of each assessment process below.

Based on the materiality assessment, each sustainability matter was assigned a “materiality value” and classified as either low, medium or high impact materiality and/or financial materiality. The sustainability matters that were classified as medium or high impact materiality, financially material or both have been deemed material to Ellevio.

Impact materiality

The assessment of the materiality of the issues is based on the scale, scope, irremediability and likelihood of the issue.

Actual or potential negative impacts on humans or the environment have been analysed on the basis of severity (a combination of scale, extent and irremediability) and likelihood. Actual or potential positive impacts have been analysed based on scale,

General information

scope and likelihood. In the case of potential negative human rights impacts, the severity of the impact has been considered before its likelihood.

The assessment of the scale, scope and irremediability of the issue is based on a five-point scale, where one corresponds to minimal impact on humans and the environment, limited scope and a possibility to easily remediate negative impacts and where five corresponds to major and long-lasting impact on humans and the environment, a global scope and whose impact is impossible to remediate.

The assessment of the likelihood of the issue is based on a scale of 1–100 percent, where a 1 percent likelihood corresponds to once in 100 years or per lifetime, and a 100 percent likelihood means that the positive or negative impact is a fact. The impact materiality score is calculated by multiplying severity and likelihood.

Financial materiality

Ellevio manages and prioritises sustainability-related risks in the same way as other risks and with the same risk assessment tools. The analysis of financial materiality is based on the magnitude of the actual or potential financial impact and its likelihood of occurring.

The assessment of the magnitude of the financial impact is based on a five-point scale, where one represents minimal financial impact and five represents extreme financial impact. The criteria for assessing the magnitude of the financial impact are designed to align with Ellevio's risk policy.

The likelihood of the financial impact, like the impact materiality, is based on a scale between 1 percent and 100 percent, where a 1-percent probability corresponds to once in 100 years or per lifetime, while a 100-percent likelihood means that the financial impact is a fact.

Financial materiality score = the magnitude of the financial impact multiplied by the likelihood.

3 Validation

To validate the result of the double materiality assessment, several meetings were held from autumn 2023 to early 2025.

After a preliminary validation by the Head of Sustainability, Sustainability Controller and SVP, Finance, the results were reviewed first by Ellevio's management team and then by the Board's Sustainability and Audit Committees. The result was then validated by the Board. Furthermore, the analysis and description of impacts, risks and opportunities were further refined in a dialogue with internal experts – and reconciled with the Sustainability and Audit Committees.

In parallel with the internal process, the materiality assessment was also discussed and anchored with Ellevio's auditors.

The double materiality assessment was adopted by the Board of Directors in the context of finalising this Sustainability Statement in April 2025.

Sustainability management

Role and responsibilities of the Board and management team

The Board of Directors bears ultimate responsibility for Ellevio's sustainability initiatives. The Board is regularly involved in Ellevio's sustainability work and receives monthly reports on its progress. Sustainability-related targets, measures and metrics are also part of Ellevio's business plan, which is adopted annually by the Board.

All major sustainability matters, such as joint improvement targets, activities and monitoring are prepared by the Board's sustainability committee, which has an advisory function. Ellevio's Head of Sustainability is responsible for the committee's meetings, which are also attended by representatives from company management. The Chair of the committee reports on its work at each Board meeting. The rules of procedure of the sustainability committee state that the committee will:

- a) review and monitor Ellevio's sustainability and safety strategy, compliance and action plans
- b) act in an advisory capacity on sustainability and safety-related targets
- c) monitor Ellevio's work to achieve the targets and identify important areas for improvement
- d) ensure that sustainability management and monitoring is aligned with CSRD requirements
- e) encourage greater awareness of the significance of sustainability and safety and the importance of improving performance in that area.

The audit committee, appointed by the Board, monitors compliance with the statutory sustainability reporting requirements and makes recommendations and suggestions to ensure the reliability of the reporting. In addition, the committee is responsible for monitoring risk management, internal control and compliance. This is reflected in the description of the audit committee's rules of procedure.

The Head of Sustainability drives and develops Ellevio's sustainability initiatives. based on Ellevio's material impacts, risks and opportunities, and reports regularly to the Head of People, Culture & Sustainability, who is responsible for sustainability in the

management team. To support discussions and strategic decisions, the Head of Sustainability has a steering group consisting of four representatives from the management team, including the CEO. The Head of Sustainability also informs the entire management team about the initiatives at recurring management team meetings.

The Head of Sustainability is responsible for ensuring compliance with the sustainability policy and for driving and coordinating efforts to carry out the sustainability initiatives in line with the business plan. As sustainability matters and sustainability targets have a broad impact across Ellevio's operations, responsibility for individual sustainability matters lies with the relevant managers.

During the year, Ellevio continued to adapt the way in which material sustainability matters are identified, managed, measured and followed up in accordance with the EU's new sustainability directive – CSRD. Ellevio's management team and Board have also been involved in this work, which has resulted in new targets and key figures and partially new focus areas. As early as spring 2023, Ellevio's audit firm held a short training course on CSRD/ESRS for the Board. During the year, Ellevio's management, sustainability committee, audit committee and Board were informed about, provided input to, and ultimately approved the results of the company's double materiality assessment. The Board has thus addressed all of Ellevio's material impacts, risks and opportunities in 2024. As a result of new material sustainability matters being identified, a major revision of Ellevio's sustainability policy was carried out during the year and subsequently approved by Ellevio's Board.

Experience and skills

Both the Board and the management team have a high level of expertise regarding sustainability, which is in part due to the nature of the core business as an enabler of the energy transition. Many of the KPIs that are continuously monitored are related to sustainability, such as health and safety, climate and security of supply in electricity distribution.

The Board's sustainability committee consists of Karin Jarl Månsson and Lars Clausen, both of whom have relevant experience in this field. Karin Jarl Månsson has many years of experience as both a board professional and executive manager in the energy and infrastructure sector, with a strong focus on sustainability and safe workplaces. Lars Clausen also has extensive leadership experience in the energy and infrastructure sectors, focusing on strategy, governance, sustainability and investment advice to energy and infrastructure funds.

Ellevio's audit committee consists of Anna Belfrage and Michael McNicholas, both of whom have relevant experience in monitoring and making recommendations on the reliability of Ellevio's reporting. Anna Belfrage has many years of experience as a CFO and as a board professional and chair of several company audit committees dealing with CSRD. Michael McNicholas is also a board professional with extensive experience in asset management of infrastructure in the energy and water sectors.

The Board of Directors is regularly updated with information on regulatory and external issues relating to Ellevio's impacts, risks and opportunities, and which affect, or may affect, the business. This is because all of Ellevio's activities are strongly influenced by energy-, climate- and environment-related initiatives, decisions and legislation at local, national and EU level. Ellevio has experts in the regulatory department, the sustainability department and the permits and licencing department to support this continuous monitoring of the business environment and dissemination of knowledge. In some cases, staff with expertise and knowledge on specific issues also provide the information needed by Ellevio's Board and management to take positions, make evaluations and monitor impacts, risks and opportunities.

➔ For more information on the responsibilities, composition and diversity of the Board and management, see the Corporate Governance Report.

Sustainability in incentive schemes

Ellevio's bonus programme is designed to promote strong performance relating to the company's financial and other relevant non-financial targets on an annual basis. All permanent employees at Ellevio are covered by the bonus plan. The bonus programme covers sustainability-related issues as the goals are linked to the company's core business. For example, network upgrades and investment efficiency – as part of the financial targets – and security of supply to customers – as part of the non-financial targets – are measured. However, there are no direct climate-related targets in the incentive schemes.

➔ For information on the bonus programmes and remuneration of the Board of Directors and management team, see Note 10 and the Corporate Governance Report.

Statement on due diligence

For Ellevio, identifying, preventing and limiting actual and potential negative impacts we have on people and the environment is central. Actual and potential negative impacts in both own operations and the value chain are considered. Input to the identification and assessment of negative impacts comes from analyses,

(such as life-cycle assessments), sector-wide research and knowledge development, climate calculations according to the GHG protocol, statistics on accidents and incidents in the sector, audits of contractors' and suppliers' operations, developed work environment and environmental plans, and stakeholder dialogues.

Ellevio's due diligence process and reference for more information:

Key aspects of due diligence	Section in the Sustainability Statement	Page
a) Building due diligence into governance, strategy and the business model	<ul style="list-style-type: none"> • Role and responsibilities of the Board and management team (GOV-2) • Sustainability in incentive schemes (GOV-3) • Ellevio's material sustainability matters (SBM-3) 	<ul style="list-style-type: none"> • 35 • 36 • 31, 40, 49, 52, 56, 64, 67, 73
b) Engaging with relevant stakeholders in all key stages of due diligence	<ul style="list-style-type: none"> • Role and responsibilities of the Board and management team (GOV-2) • Stakeholder interests and views (SBM-2) • Double materiality assessment process (IRO-1) • Minimum Disclosure Requirements – Policies (MDR-P) • Topical ESRS – on stakeholder engagement 	<ul style="list-style-type: none"> • 35 • 27–28 • 33 • 107 • 27–28, 42, 50, 53, 58, 65, 68, 74
c) Identifying and analysing negative impacts	<ul style="list-style-type: none"> • Double materiality assessment process (IRO-1) • Ellevio's material sustainability matters (SBM-3) 	<ul style="list-style-type: none"> • 33 • 31, 40, 49, 52, 56, 64, 67, 73
d) Taking action to address these negative impacts	<ul style="list-style-type: none"> • Minimum Disclosure Requirements – Actions (MDR-A) • Topical ESRS – on measures 	<ul style="list-style-type: none"> • 42–45, 50–51, 53–54, 58–61, 65–66, 68–70, 74–75
e) Monitoring the effectiveness of these interventions and communicating it	<ul style="list-style-type: none"> • Minimum Disclosure Requirements – Metrics (MDR-M) • Minimum Disclosure Requirements – Targets (MDR-T) • Topical ESRS – on metrics and targets 	<ul style="list-style-type: none"> • 46–48, 51, 54, 62, 66, 71, 76

Risk management and internal controls for sustainability reporting

The risk assessment methodology for sustainability reporting follows Ellevio's operational risk policy. Each risk is assessed based on the likelihood of the event occurring and the magnitude of the negative consequence. Events with the highest risk value are prioritised and handled first. The risk assessment is updated at least annually and as needed.

To identify possible risks related to Ellevio's sustainability reporting, the different steps in the sustainability reporting process have been analysed. The main risks identified are:

- Incorrect collection of sustainability information for reporting (includes manual errors)
- Reporting of incomplete and unreliable data
- Incorrect analysis based on flawed data
- Sustainability reporting that does not meet stakeholder expectations
- Insufficient identification of new data or legal requirements for reporting

A significant risk mitigation measure is the implementation of an IT system specifically designed for sustainability reporting in accordance with CSRD/ESRS, which includes functions for data collection, storage of supplementary data, built-in control functions and reminders to rapporteurs. The platform also ensures that the reporting points are updated in accordance with the latest legislation.

As part of the implementation of the sustainability reporting system, internal reporting instructions and training materials for rapporteurs are defined. Work is also underway to further develop internal control of sustainability data, including formalisation of control activities that will be implemented in 2025. The SVP People, Culture and Sustainability is responsible for the internal control of sustainability reporting.

Environmental information

Contents

EU taxonomy	39
--------------------------	----

E1 – Climate change

Material impacts, risks and opportunities related to climate change.....	40
Our approach.....	41
Transition plan for climate change mitigation.....	41
Climate-related risks.....	41
How we manage material impacts, risks and opportunities.....	42
Our metrics and targets.....	46

E4 – Biodiversity and ecosystems

Material impacts, risks and opportunities related to biodiversity and ecosystems.....	49
Our approach.....	50
How we manage material impacts, risks and opportunities.....	50
Our metrics and targets.....	51

E5 – Resource use and circular economy

Material impacts, risks and opportunities related to resource use and circular economy.....	52
Our approach.....	53
How we manage material impacts, risks and opportunities.....	53
Our metrics and targets.....	54

The EU taxonomy

Electricity grids play a crucial role in mitigating climate change

The EU taxonomy for sustainable activities is a framework for classifying environmentally sustainable economic operations. The taxonomy is an important tool in achieving the EU’s climate targets and the objectives of the EU’s green growth strategy – the European Green Deal.

Electricity networks are classified as an enabling activity for climate change mitigation (objective 1) and Ellevio's activities are classified under chapter 4.9 of the taxonomy: Transmission and Distribution of Electricity.

Ellevio's reporting of economic activities shows that large parts of the activities are aligned with the climate targets of the taxonomy. For the financial year 2024, we determined that 100 percent (100) of Ellevio's sales, 99 percent (99) of its capital

expenditure and 95 percent (94) of its operating expenses are eligible and aligned with Chapter 4.9 of the Taxonomy climate regulation.

In practice, this means that Ellevio’s operations and investments can be deemed to be key to achieving the EU’s goal of mitigating climate change.

The taxonomy shows in concrete figures what we have long claimed: that Ellevio's operations and investments are an enabler of the climate transition. Moreover, the conclusions of the taxonomy analysis are very much in line with Ellevio’s assessments of material impacts, risks and opportunities under the CSRD/ESRS.

➔ See Ellevio’s full taxonomy reporting on pages 100–104.

EU taxonomy

Transmission and distribution of electricity	Percentage eligible, %	Percentage non-eligible, %	Percentage aligned with the taxonomy, %	Percentage aligned with the taxonomy, of percentage eligible, %
Net sales	100	0	100	100
Capital expenditure	99	1	99	100
Operating expenses	95	5	95	100

E1 Climate change

Ellevio's material impacts, risks and opportunities related to climate change

Climate change mitigation			Place in the value chain			Time horizon		
Material impact, risk and opportunity		Description	Upstream	Own operations	Downstream	Short-term	Medium-long term	Long-term
Opportunity	More business opportunities as a result of the climate and energy transition	The ongoing energy transition is leading to increased demand for electricity and network capacity, increasing the need for grid investments such as expansion, modernisation, digitalisation and weather-proofing. Demand comes from industry, the transport sector and producers of fossil-free electricity and leads to the growth of Ellevio's business.	●	●	●	●	●	●
Positive impact	Driving force in the energy transition	Ellevio is creating a well-developed, robust and digitalised electricity network and lobbies to promote the electrification of society. In this way, we enable fossil-free energy consumption and electrification of industries and transport, which in turn creates the conditions for the energy transition and contributes to the Swedish and the EU emission reduction targets.		●	●	●	●	●
Risk	Regulatory changes	Electricity network companies are strictly regulated and material changes in legislation, especially regarding the regulatory model, can have major consequences on Ellevio's business model, organisation and operations, as well as create an uncertain investment environment for Ellevio.		●			●	
Negative impact	Greenhouse gas emissions from own operations and their value chain (direct and indirect emissions scope 1, 2 and 3).	<p>Ellevio's operations give rise to direct emissions (scope 1), mainly attributable to diesel-powered back-up power generators, which are needed in the event of power outages, and leakage of sulphur hexafluoride (SF₆), an insulating gas used under certain conditions in equipment in Ellevio's network.</p> <p>Indirect emissions (scope 2) come from the purchase of district heating, district cooling and electricity for own use, as well as from energy losses (network losses) that occur in the grid when electricity is transmitted.</p> <p>Indirect emissions (scope 3) arise mainly in the supply chain as a result of Ellevio or procured contractors purchasing components and equipment consisting of CO₂-intensive materials, as well as carrying out transportation or using construction machineries.</p>	●	●		●	●	●
Climate change adaptation			Place in the value chain			Time horizon		
Risk	Increased frequency of extreme weather may lead to power outages and/or damage to electricity network infrastructure	Extreme weather events caused by climate change can lead to an increase in outages, which can result in loss of revenue, the need to compensate customers for loss of electricity supply, loss of confidence and higher costs for operation and repair.		●	●	●	●	●
Energy			Place in the value chain			Time horizon		
Risk	Capacity shortages within the national grid	Capacity shortages on the national grid can affect Ellevio's ability to meet the need for network capacity and new connections, which can have a negative impact in the form of lost revenue.	●	●		●	●	●
Risk	Cost of purchasing electricity compensating for network losses	Short-term increased costs of network losses due to high and volatile electricity prices in the future.	●	●		●		

Our approach

Ellevio is managing the climate issues from several perspectives. Our core business enables an electrified, fossil-free society and the climate-smart energy systems of tomorrow, and we limit our own footprint by gradually striving to reduce the negative climate impact of our operations both directly and indirectly.

We are taking an active role in enabling the energy transition and achieving a climate-neutral society in line with the Paris Agreement. This is done partly through new construction and expansion, digitalisation of the electricity network and in collaboration with customers and partners, and partly by participating in the public debate and creating good conditions for the electrification needed to implement the climate transition. Our investments contribute directly or indirectly to the climate transition and to meeting Sweden's climate targets. We must be highly aware of our important role in the climate transition, and at the same time we are working actively to reduce our own carbon and environmental footprint.

Our internal and external communication and lobbying efforts help us to implement our strategy and to take an active role in the development of society, thus enabling the important contribution of electrification to the climate transition. We participate in the public debate, engage with a wide range of stakeholders and contribute our expertise to the preparation of political and legislative decision-making when appropriate. The messages delivered in our communications are transparent, relevant and truthful. Our Code of Conduct governs our basic ethical guidelines and core values and how we behave towards our stakeholders – customers, society, owners, lenders, suppliers, partners and authorities – and towards each other.

Transition plan for climate change mitigation

During the year, Ellevio decided on a new climate target – to reduce greenhouse gas emissions in scope 1 and 2 by 42 percent by 2030, with a base year of 2023. The target was developed using the Science Based Targets calculation methodology, market-based method, and corresponds to the rate at which

Ellevio needs to reduce its emissions to be in line with the Paris Agreement. Our indirect emissions (scope 3) mainly comes from material production, machinery and transport needed to maintain, operate and build the electricity network.

In 2022, a scope 3 target was approved: All vehicles and machinery in our contracts will be electrically powered by 2030. Further scope 3 targets will be set in the future.

Ellevio's core business is an enabler of the climate transition. Our capital expenditure is 99 percent taxonomy-aligned. In addition, we want to transform our own operations into a low-carbon value chain. The expectations of lenders and owners, as well as internal willingness and strong employee commitment to the issue, are important drivers of this transition.

In scope 1, most of Ellevio's emissions come from leakage of the greenhouse gas SF₆ (sulphur hexafluoride), which is used as an insulating and breaking medium in some switchgears and circuit breakers. SF₆ has more than 23,000 times the climate impact of carbon dioxide. Ellevio has introduced measures to reduce leakage and will carry out further investigations into what can be done to prevent it in future. Its use in new equipment will be phased out in the EU, and Ellevio has started this phase-out by using SF₆-free technology in new investments in cases where technical alternatives are commercially available. However, at existing facilities, SF₆ gas will remain for the remaining lifespan of the plant, resulting in locked-in greenhouse gases with a continued risk of emissions for a long time to come.

In the event of a power outage on our local networks, we use diesel-powered back-up power generators. These account for a significant share of Ellevio's scope 1 emissions. We are working with the contractors managing the back-up power generators to identify how emissions can be reduced. A future solution could be emission-free technologies, but solutions for this are not yet available. To reduce emissions, we are now testing whether renewable diesel (HVO100) could replace fossil-based diesel.

Future regulatory frameworks may have a major impact on the possibility of transitioning to a low-carbon value chain. New and changing regulations and climate-related policies may affect the costs of CO₂-intensive materials, such as aluminium, which generates high emissions during production.

In addition to the agreed climate targets, Ellevio has set an ambition to reach net-zero emissions by 2045, but has not yet developed a transition plan.

Climate-related risks

Ellevio's operations are affected both by transition risks related to society's energy transition and physical risks linked to changes in the climate due to global warming. These climate-related risks are generally well managed in Ellevio's operations.

Of the climate-related risks that are material to us, the risk "Increased frequency of extreme weather events may lead to outages and/or damage to electricity network infrastructure" is deemed to be a climate-related physical risk, while the "Regulatory risks" and "Capacity shortages on the national grid" risks are deemed to be climate-related transition risks. See also the table on page 106.

We believe that Ellevio's business model and strategy are highly resilient to these climate-related risks. The transition risks we have identified are mainly linked to Ellevio's long-term ability to meet future demands on the electricity network, and these are well managed in Ellevio's business model and strategy. In terms of physical risks, strong winds, floods, heat waves resulting in forest fires, extreme temperatures and large-scale lightning strikes are the climate-related phenomena deemed to have the greatest impact on Ellevio's electricity network. Our risk management in this area is well established and takes place through continuous investment and maintenance, as well as through a well-tuned major disruption organisation to ensure reliability and capacity of the network. Ellevio's infrastructure is built to last today, tomorrow and in 50 years, and so must be able to withstand extreme weather events; read more on page 43 about how we work on this area.

Our analysis of the resilience of our operations to climate-related risks and opportunities is based on the Task Force on Climate-Related Financial Disclosures (TCFD) analysis conducted in 2021. This was based on our sector's research organisation Energiforsk's report on the impact of climate change on the energy system. Read more on pages 105–106.

How we manage material impacts, risks and opportunities

Climate change mitigation and adaptation policies

Ellevio's opportunities as a result of the climate transition and society's increased demand for electricity are addressed, among other things, in Ellevio's Network Policy, which establishes basic principles for how the electricity network should be built, maintained and operated, and that this should be done in accordance with Ellevio's strategy and business plan. The expansion of the electricity network must be based on long-term plans and forecasts based on the development of society. Emphasis will also be placed on obtaining redundant supply routes and introducing new technologies for increased security of supply, such as smart monitoring and control for rapid switching and trouble shooting.

Ellevio's sustainability policy states that we will work to reduce our negative climate and environmental impact by:

- reducing greenhouse gas emissions, both in terms of direct and indirect emissions in the value chain, with the ambition of net-zero greenhouse gas emissions by 2045
- working to ensure energy efficiency and a higher share of fossil-free energy in both own operations and in the development of the energy system
- setting climate and environmental requirements when purchasing materials and services, and working with our suppliers and partners to find new solutions to reduce climate and environmental impacts.

In addition, the sustainability policy states that we will safeguard the interests of our customers and surrounding communities by:

- ensuring a high level of security of supply for our customers
- implementing the investments and measures required to support our customers and stakeholders in the climate transition
- ensuring the ongoing climate adaptation of our operations.

Our Code of Conduct for suppliers and partners sets out the responsibilities concerning the climate that we expect from our suppliers and partners.

Regarding the reduction of SF₆ gas emissions, we have a separate policy with the purpose of defining Ellevio's approach and ambition in relation to the use of SF₆ gas. That policy sets out

how we work to reduce the use and negative impacts that may arise from the use of SF₆ gas.

Ellevio has additional policy documents aimed at climate change mitigation and adaptation. This includes how Ellevio and our contractors should act in for example the event of a weather-related major disruption.

→ See the appendix on page 107 for a more detailed description of Ellevio's policies.

Actions and resources in relation to climate change

A DRIVING FORCE IN THE ENERGY TRANSITION

The climate transition is closely linked to Ellevio's core business. Our key actions promoting the energy transition are described below.

Efficient processes and digitalisation to increase the share of connected renewable energy across the network

By working closely with wind and solar power developers, we promote the efficient connection of these energy sources to increase the share of connected renewable energy across the network.

Of the electricity fed in from production sources connected in our network areas, 97 percent (96) came from renewable sources in 2024 – of which hydropower 54, wind power 42 and solar power 1 percent. The remaining 3 percent mostly came from thermal power and a small share from gas turbine/diesel power.

Ellevio has also developed specific processes to help micro-producers who want to produce electricity using solar panels. In 2024, the number of micro-producers of solar energy customers increased to 37,000 (31,500).

The production types that have increased the most in our connection area between 2019 and 2024 are wind and solar.

An increasing share of renewable electricity brings new demands on the electricity network. Making it possible to balance supply and demand for electricity also when major parts of the electricity production vary with the weather requires more

flexibility and greater ability to control the network, which we will achieve through ongoing and planned digitalisation programmes. Ellevio is investing in more flexible and smarter grid, which are crucial for enabling more renewable electricity across the network.

Investing in expanded charging infrastructure to reduce emissions from the transport sector

According to the Swedish Environmental Protection Agency, domestic transport accounts for almost a third of greenhouse gas emissions in Sweden today. An electrified vehicle fleet will therefore play a major role in achieving the national climate targets, which requires a comprehensive and accelerated expansion of charging infrastructure for both passenger cars and heavy traffic.

Ellevio has an important role to play in the expansion of charging infrastructure in our concession areas, as it is via Ellevio's local network that this can be expanded. Ellevio is therefore running a number of major and minor investment projects aimed at reinforcing the network so that the charging infrastructure can be connected.

Through the "Smart Laddinfra" (Smart Charging Infra) concept, developed in collaboration with the City of Stockholm, we are driving a simple and efficient roll-out of charging infrastructure. The concept is designed to be beneficial for charging operators, as well as for companies and municipalities that want to establish charging points in public environments or on private land, such as parking places and vehicle depots.

Supporting customers' energy transition

An important part of Ellevio's business strategy is to support customers in their energy transition. This can be on both a small and a large scale, ranging from enabling new large industrial plants to providing support to household customers who want to reduce their electricity consumption.

For household customers, smart meters play an important role. These are now installed at all customers' premises and have several advantages over previous meters, such as easier connection of solar panels, real-time information on electricity consumption and the possibility of smart control of activities such

Environmental information

as electric car charging and heating. Using an app, customers can monitor their hourly electricity consumption, read about their climate impact and activate energy efficiency and control services. Customers are also supported through a digital energy advisory service launched in 2024 and through solutions for fast connection of charging infrastructure and solar panels.

To bring about the necessary electrification of industry, substantial investments in electricity grid capacity are needed. One example is our project for AB Volvo in Mariestad, where in 2024 we initiated work to increase the electricity network capacity to enable the establishment of a battery factory. Another example is the connection agreement we signed with EcoDataCenter in Kvarnsveden, Borlänge, which will enable the establishment of a new AI data centre at the site.

Dialogue with policy makers, sector stakeholders and interested parties

Meeting electricity supply infrastructure needs requires a regulatory model for electricity network investments that is long-term, stable and predictable and promotes efficiency and quality of supply. Ellevio is engaged in a constructive dialogue with policy makers and sectoral operators to create reasonable financial conditions for these investments. The goal is a sustainable and predictable regulation that addresses the challenges of the energy system and contributes to fulfilling the Paris Agreement as well as Sweden's and the EU's climate targets. A stable and predictable regulation is also crucial for a balanced price evolution for electricity network customers.

A priority for Ellevio is to shorten the long and complex permit processes that currently hamper infrastructure expansion. Other important issues are to increase local acceptance and discuss how to secure financing for new functions in the electricity system.

An example of how Ellevio has successfully shortened the permitting process through dialogue is the previously mentioned project for AB Volvo in Mariestad. In that project, all permits were approved in six months – a process that usually takes up to two years. More communication with affected property owners and local residents, and a greater dialogue with relevant authorities proved to be key success factors.

ADAPTATIONS TO A CHANGING CLIMATE

Ellevio works proactively to prevent and manage the risks posed by climate change. The risk of extreme weather events such as forest fires caused by heat waves, storms, widespread lightning, floods, landslides and avalanches is increasing, which can lead to more outages and damage to the electricity network. This is happening at a time when society is becoming increasingly dependent on electricity.

Reducing the risks and consequences of weather-related outages

During the year, we continued to weather-proof local network in rural areas by replacing overhead lines with buried underground cables. Since The storm Gudrun in 2005, the entire electricity network industry has undertaken systematic weather-proofing efforts in this way. Burying power lines in areas of major natural and cultural value requires permits from authorities and municipalities, and sometimes extensive dialogue with other stakeholders. Ellevio always maintains a dialogue and negotiates with property owners to obtain permission to use the land.

In 2024, Ellevio weather-proofed a further 1,061 kilometres through cabling, to a total of 63,936 kilometres of lines (62,875), which means that 86 percent (85) of Ellevio's local networks are now underground.

The overhead line networks for higher voltages are weather-proofed by means of wide power line corridor. These are periodically cleared of trees, i.e. trees outside the power line corridor that have grown to such a height that they could fall over the line corridor.

In order to deal as effectively as possible with events that can lead to major power outages – known as major disruptions – Ellevio has a continuity plan and special procedures. This also includes a major disruption troubleshooting policy for our contractors. These procedures are mainly used for weather-related major disruptions, but also for other incidents that justify increased preparedness and resource reinforcement. Procedures are in place for escalation in different contingency situations and for the establishment of a major disruption organisation.

The person who at the time holds the position of head of network operations or duty engineer/contingency manager assesses whether a major disruption can be expected to affect a geographical area – and if so, whether a major disruption organisation should be established. The assessment may be based on weather forecasts from SMHI (the Swedish Metrological and Hydrological Institute), existing disruptions or other incidents.

In the event of extraordinarily major disruptions, the "Elsamverkan" collaborative organisation is also activated if necessary – an organisation through which the network companies and Svenska kraftnät (which serves as the electrical contingency authority) assist each other. The aim is to ensure that resources are used optimally in affected areas so that customers get their power back as soon as possible.

➔ More information on Ellevio's climate risks can be found on pages 105–106.

LIMITING THE CLIMATE IMPACT OF OUR OPERATIONS

As Ellevio strengthens its ambitions to reduce the climate impact of its operations, we are focusing primarily on the areas where our climate impact is greatest. This involves reducing emissions from materials, vehicles and machinery for our projects, from back-up power generators, the SF₆ insulating gas and the purchase of electricity to compensate for network losses.

Reduced emissions through electric vehicles and machinery

A significant share of Ellevio's indirect CO₂ emissions (scope 3) comes from machinery, transportation and the several hundred service vehicles used daily to carry out projects, maintenance, service and troubleshooting across the electricity network. To reduce emissions in the value chain, Ellevio adopted a target in 2022 to switch to electric vehicles and machinery in contracts by 2030. Read more about the target on page 46.

To reach the 2030 target, several key activities are underway, as described below.

Pilot project and collaborations

Pilot projects and ongoing dialogues with suppliers, contractors and sector peers are crucial to solving the challenges that arise to enable electrified construction and transportation of materials. In 2023, the first pilot project was implemented. Together with cable manufacturers and contractors, among others, we took a holistic approach in a project in Orsa to learn more about how we can reduce emissions in our project activities.

In 2024, Ellevio carried out its largest electrification contract to date when we built seven kilometres of new local network to connect a newly built station in Gullspång. Machinery, hand-held tools and both passenger and heavy transport were electrically powered, with some exceptions where an electric alternative was not available. The project was carried out in a rural environment and the main challenge was the driving and charging time of the construction machinery. Ellevio is now looking at how we can learn from the pilot project to facilitate charging, among other areas.

Stricter requirements and financial incentives in procurement
Ellevio already rewards contractors who have ambitious climate initiatives through the “added value” aspect of procurements. These efforts were developed in 2024, including through contractual requirements in our new framework agreement for maintenance, operations, fault repair, connectivity services and small projects.

The contractual requirements mean that all vehicles and machinery used in these works must be powered by electricity – or exceptionally renewable fuels, such as HVO100 – by 2030. As a sub-target, there is a ladder in the procurements that entails increasing requirements for electric vehicles in the period 2025–2030. For mini-excavators and hand-held machines, fully electric operation applies straight away.

Contractors will also have to develop transition plans outlining how they will reach the target for all of their vehicles and machinery – including heavy transport. They must report on their progress twice a year. The new contract appendix will enter into force on 1 July 2025, which also includes financial incentives for contractors to convert to electric power totalling up to SEK 60 million over three years.

Reducing the climate impact of materials for our projects

Ellevio's investments in new substations and power lines mean we need to use large amounts of materials and equipment. These materials are sourced via long chains of suppliers and subcontractors, with some manufacturing steps requiring large amounts of energy, which in turn results in CO₂ emissions. Cable production accounts for a particularly large share of Ellevio's CO₂ emissions along the supply chain, mainly due to the high emissions involved in aluminium production. Cables on the low and medium voltage local networks are purchased by Ellevio as strategic material.

To contribute to the development of cables with a lower environmental impact and reduce the climate footprint in the value chain, Ellevio decided in 2023 to use certain types of cables that give rise to lower CO₂e emissions during production. The decision concerned low-voltage cables within the City of Stockholm of the 1 kV Al type developed by NKT. This cable has a roughly

70 percent lower carbon footprint than traditional cables thanks to the lower climate impact in aluminium production in particular. In addition, the cable insulation and sheath are made from fossil-free polyolefins based on renewable raw materials. During the year, a 12 kV Al cable with an approximately 60 percent lower CO₂e footprint was also purchased from NKT.

In 2024, Ellevio bought around 93 kilometres of these cables, entailing an emission saving of 2,000 tons of CO₂ compared to if conventional cable had been used.

In 2024, the supplier Prysmian also started to offer a medium-voltage cable with a lower climate impact, which Ellevio has begun purchasing on the West Coast.

Reduced emissions of SF₆ gas

The greenhouse gas SF₆ (sulphur hexafluoride) is used in certain switchgears and circuit breakers as insulating and breaking medium. SF₆ has more than 23,000 times the climate impact of CO₂ and SF₆ leakage accounts for the largest share of Ellevio's direct climate emissions (scope 1).

Ellevio's climate target of reducing emissions by 42 percent by 2030 requires measures to reduce leakage of already installed gas. We have therefore clarified through instructions that leakage of SF₆ should be handled urgently and leak detection should be carried out to determine whether additional measures are needed to prevent recurrence. We are also working on finding technological solutions to monitor and reduce leakages effectively.

In 2022, a pilot project was carried out to detect SF₆ leaks at a substation. Together with technology provider Gomero, a digital SIPP Hub (a digital platform that collects and analyses measurement data in real time to identify deviations) was installed. The aim was to monitor and reduce SF₆ leakage. Thanks to the SIPP Hub, current readings can be collected continuously and small leaks detected instantly. Among other things, the new sensors have been able to locate anomalies at an early stage in circuit breakers in the station, which has helped to reduce the amount of SF₆ that leaked. By adapting the sensors, they can also be used in gas-insulated switchgears for continuous monitoring. In 2024, it was decided to move forward with this

Environmental information

technology in Stockholm, and this is being tested through a pilot in 2025.

The leakage of SF₆ gas in 2024 amounted to 24.2 kg (33.2). The emissions vary from year to year and involve a small number of emissions compared to the relatively large number of switches and other components containing SF₆.

From a long-term perspective, we are working to phase out SF₆ in our equipment. In line with our SF₆ policy, we do not install equipment that relies on gases with a high climate impact unless absolutely necessary for technical or space reasons. Ellevio currently purchases SF₆-free technology for switchgears up to 72.5 kV that is available on the market. Switchgears without SF₆ gas at higher voltage levels are under development. During the year, a circuit breaker using SF₆gas-free technology was installed at 145 kV as a test. This will be evaluated over the next two years. An additional breaker at this level is planned to be installed in 2025.

Reduced emissions from back-up power generators

The back-up power generators are used when Ellevio temporarily needs to supply electricity to an area during repair work or wide unplanned outages. These are diesel-powered and account for a significant share of Ellevio's scope 1 emissions. The back-up generators are necessary for Ellevio to be able to ensure the supply of electricity in the event of an outage. They are owned by Ellevio, but managed by the contractors responsible for troubleshooting and maintenance.

Together with the contractors, Ellevio has investigated various possibilities for reducing CO₂ emissions from the back-up power generators. In 2024, a pilot project was launched to test whether renewable diesel, HVO100, could be used instead of fossil-based diesel. The pilot covers some of the back-up power generators with the highest utilisation in 2023. As part of the project, fuel tanks are tested using renewable diesel on a monthly basis to avoid the growth of microorganisms that could lead to unsafe operation and costly tank cleaning. After the trial period, the suitability of renewable diesel as a fuel for the power generators will be evaluated.

The pilot will continue in 2025 and there are plans for the new power generators purchased to run on HVO100. In the coming years, a couple of power generators will be replaced per year.

In 2024, the total utilisation rate of back-up power generators was higher than in 2023 and CO₂e emissions in 2024 totalled 500 tonnes (394). Thanks to the use of HVO100, emissions were around 10 percent lower than if fossil diesel alone had been used.

Reducing network losses and emission guarantees to mitigate climate impact

When electricity is transported via the electricity network, energy losses occur – these are known as network losses. Network losses occur in the form of heat and are due to the electrical characteristics of the lines and transformers, the utilisation rate and the distance over which the electricity is transported. An even load on the grid reduces network losses, while less metal and longer distances between production and consumption increase them.

With the technology available today, it is difficult to reduce network losses on a significant scale, but as Ellevio upgraded the electricity network, network losses can be reduced somewhat by installing more energy-efficient components.

Ongoing and planned digitalisation programs will enable more efficient control and optimization of the network, which will also reduce network losses.

As an electricity network company, Ellevio is responsible for purchasing the amount of electricity that is lost via network losses across our network. Through agreements with electricity traders and the purchase of guarantees of origin, we ensure a fossil-free production mix for the network losses. In 2024, total network losses amounted to 878 GWh (871).

Our metrics and targets

Targets related to climate change mitigation and adaptation

Target area	Target	Target definition	2030 target	2024 result	2023 result	2022 result
Lower climate impact	42% reduction of CO ₂ e emissions in scope 1 and 2 compared to 2023	Scope 1 and 2 (market-based method)	CO ₂ e emissions, max. 714 tonnes	1,141 tonnes of CO ₂ e	1,231 tonnes of CO ₂ e	983 tonnes of CO ₂ e
Lower climate impact	Electric vehicles and machinery by 2030	Scope 3	100% electrically powered contracts	<ul style="list-style-type: none"> Pilot project with 6 different contractors Procurement requirements in one framework agreement and two contracts 	2 pilot projects	–

Scope 1 and 2 targets

During the year, Ellevio decided on a new climate target – to reduce greenhouse gas emissions in scope 1 and 2 by 42 per cent by 2030, with a base year of 2023. The target has been calculated using the Science Based Targets calculation methodology, market-based approach, and the sector-wide reduction pathway for the 1.5°C scenario.

Greenhouse gas emissions are calculated in accordance with the Greenhouse Gas Protocol (GHG). The target is primarily developed together with internal stakeholders and based on requests from owners and stakeholders concerning Ellevio’s climate targets. The target has not been verified or audited by an external party.

In total, Ellevio's scope 1 and 2 emissions in 2024 were slightly lower than in 2023. This is due to fewer leaks during the year of the SF₆ greenhouse gas and testing of the transition from fossil diesel to renewable diesel for back-up power generators. The back-up power generators used by Ellevio during outages required higher utilisation than the previous year, which meant that total emissions increased in this category, but could be kept down as about 10 percent of the fossil-based diesel had been replaced with renewable diesel.

The 2024 result with total scope 1 and 2 emissions of 1,141 tonnes of CO₂e is in line with the annual reduction needed to reach the 2030 target.

Scope 3 targets

In 2022, as part of reducing the climate impact of the value chain (scope 3), Ellevio adopted a goal of switching to electrically powered vehicles and machinery by 2030 in contracts. Our goal is to have all contracts powered by electricity by 2030, but if charging infrastructure, preparedness aspects or technical challenges prevent it, HVO100 – renewable diesel made from vegetable and animal fats – or other fossil-free fuels can be used in exceptional cases. The following vehicles and machines are included in the target:

- work vehicles, service vehicles and company cars used by Ellevio contractors
- vehicles that transport materials or equipment to Ellevio and to our contractors (within Sweden)
- machinery, such as excavators and cranes
- proprietary new work vehicles, with the exception of some emergency vehicles (already implemented)
- new company cars (already implemented).

To set this target, dialogues have been held with the contractors on common ambitions and the possibilities to achieve the target. When setting the target, it was also assumed that electrification of machinery and transport will be expanded in the coming years, thus enabling the target to be met. From 2022 to 2024, several pilot projects were planned and implemented together with our contractors.

The information in the table above relates to the timing of the implementation of the main contracts. We do not currently have a target for the exact number of electrically powered contracts to be implemented each year, as we are still in a trial and evaluation period with contractors, sub-contractors, machine manufacturers and other stakeholders.

However, in 2024, some of the pilot activities were translated into concrete contract requirements in procurements, see page 44. In 2024, a common reporting format for fuel reporting was also developed within Swedenergy. Ellevio will collect data on fuel use and share of electricity consumption in contracts accordingly in order to follow up and monitor if progress is in line with the plan.

Self-defined climate change metrics

Solar energy facilities

In recent years, we have seen an increasing trend of solar energy system installations, both in terms of micro-producers and larger solar panel facilities among our customers. In 2024, the growth rate of micro-producers slightly decreased due to an increasing cost of living, high interest rates and decreasing electricity prices.

Solar energy facilities	2024	2023	2022
No. micro-producing customers	37,068	31,536	18,811
Number of large solar energy facilities	86	66	57

Environmental information

Total connected power

Ellevio monitors the additional power summarised per production unit across our electricity network, per production type and year. The table below shows new production facilities and expansions over the last five years. The power sources that have increased the most over these years are wind and solar power.

Production, MW	2024	2023	2022	2021	2020
Gas turbine/diesel power	0	0	50	0	0
Wind power	277	341	511	526	152
Thermal power	0.25	1	0.1	0	0
Solar power	92	163	101	59	40
Hydropower	0.07	0.02	0	0	0

In total, 98 percent of the new production capacity connected to Ellevio's grid in the last five years was renewable and below the EU taxonomy's production threshold of 100 g CO₂e/kWh (calculated on a life-cycle basis in accordance with the electricity production criteria over a rolling five-year period). For new connections that do not involve solar, wind, hydro or nuclear power, Ellevio assumes that the CO₂ intensity from electricity production exceeds the threshold value of 100 g CO₂e/kWh, unless the power producer has provided other data. The metric originates in the EU's taxonomy regulation.

Emission factor in the Swedish electricity system

Looking at the Swedish electricity system as a whole, of which Ellevio's network forms one part, the average emission factor for the network was 24 grammes of CO₂e/kWh (26) in 2024 (calculated on a life-cycle basis according to the electricity production criteria, over a rolling five-year period). The metric originates in the EU's taxonomy regulation. For this metric, Ellevio uses official data for values of the average emission factor for the Swedish electricity system (nowtricity.com).

Electricity from renewable sources

97 percent (96) of the electricity fed in from connected production plants in our grid areas came from renewable sources in 2024. The calculation is based on measured electricity production per energy type within our connection areas. Electricity transferred to Ellevio's network from either Svenska kraftnät's transmission network or regional grids owned by other network owners is not included in this measurement.

Electricity from renewable sources, MWh	2024	2023	2022
Hydropower	9,297,086	9,817,627	7,349,259
Wind power	7,261,232	5,432,433	4,665,125
Solar power	256,408	199,744	116,702
Thermal power	504,643	646,660	1,061,496
Gas turbine/diesel power	434	2,912	3

Cabling

Replacing overhead lines with underground cables on the local network is an important part of our work to weather-proof the network to reduce power outages. 86 percent (85) of Ellevio's local grids are now cabled through undergrounding or, in a few cases, cable laid in tunnels or at the bottom of the sea.

Rate of cabling, (%)	2024	2023	2022
Share of cabled local network	86	85	84

Energy consumption and energy mix

Ellevio falls within the definition of sectors with a high climate impact as we are covered by NACE codes D35 1.2 Transmission of electricity and 1.3 Distribution of electricity. Ellevio's total energy consumption consists mainly of network losses during electricity transmission. Emissions from network losses are offset by the purchase of origin-guaranteed electricity from fossil-free sources. In 2024, 58 percent of Ellevio's energy consumption came from renewable sources and 42 percent from nuclear power.

Total energy consumption	Unit	2024
Total energy consumption from renewable sources	MWh	512,871
Of which fuel consumption from renewable sources (biofuels)	MWh	206
Of which consumption of purchased or acquired electricity, heating, steam and cooling from renewable sources	MWh	512,665
Of which consumption of self-generated renewable non-fuel energy	MWh	0
Total energy consumption from fossil fuels	MWh	2,085
Of which fuel consumption from coal and coal products	MWh	0
Of which fuel consumption from crude oil and petroleum products	MWh	2,076
Of which fuel consumption from natural gas	MWh	0
Of which fuel consumption from other fossil sources	MWh	0
Of which consumption of purchased or acquired electricity, heating, steam or cooling from fossil sources.	MWh	10
Total energy use from nuclear energy sources	MWh	369,626
Total energy consumption	MWh	884,582
Of which the share of energy consumption from renewable sources	%	58
Of which the share of energy consumption from fossil fuels	%	0
Of which the share of energy consumption from nuclear energy sources	%	42
Total energy consumption per net sales	MWh/MSEK	106

¹¹ Connected power refers to when the power is registered in our system, which may differ from the time when the power was made available.

Environmental information

Gross greenhouse gas emissions in scope 1, 2, 3 and total greenhouse gas emissions

Ellevio's reporting of greenhouse gas emissions is calculated in accordance with the Greenhouse Gas Protocol (GHG). Ellevio is constantly working to improve and refine methods for collecting data and calculating CO₂e emissions. During 2024 the implementation of Position Green's carbon emissions calculation tool started. The new tool uses standardised emission factors for purchased electricity and heat in scope 2, location-based method, which differ from the emission factors used in the previous year. The large reduction in emissions from network losses between 2023 and 2024 is thus due to the use of a different emission factor. Network losses increased from 871 GWh in 2023 to 878 GWh in 2024.

Also in the case of reported emissions from proprietary leased cars, which increased between 2023 and 2024, the reason is improved data collection methodology. Previously, reporting was based on the supplier's calculation, but from 2024 Ellevio will collect fuel reporting data for cars for more accurate calculation.

Emissions, tonnes of CO ₂ e	2024	2023	2022
Scope 1	1,119	1,204	968
Of which proprietary leased cars	50	29	35
Of which insulating gas	569	781	933
Of which back-up power generators	500	394	-
Scope 2, market-based	22	27	15
Of which electricity – compensation for network losses	0	0	0
Of which electricity – facilities and properties	1	0.8	0.8
Of which district heating and cooling	20	27	14
Of which proprietary leased electric cars	1	-	-
Scope 2, location-based	5,863	16,588	-
Of which electricity – compensation for network losses	5,815	16,549	-
Of which electricity – facilities and properties	17	12	-
Of which district heating and cooling	31	27	-
Of which proprietary leased electric cars	0.2	-	-

CO ₂ e emissions per net sales, scope 1, 2 and 3	2024 (tCO ₂ e/MSEK)
Total GHG emissions (location-based) per net sales	8.9
Total GHG emissions (market-based) per net sales	8.2

Scope 3

In 2021, Ellevio made a comprehensive calculation of greenhouse gas emissions in scope 3, i.e. indirect emissions, from purchased materials, etc. The calculation showed that emissions from the manufacture of cables and phase conductors account for most of Ellevio's total emissions in scope 3. This is because aluminium – used in the manufacture of cable and phase conductors – is very energy-intensive to produce and thus leads to CO₂ emissions. The production of copper and steel used in operations also generates significant amounts of greenhouse gas emissions.

Ellevio's largest emissions in scope 3 are therefore mainly attributable to new construction and renovation, but also to some extent to maintenance.

The extent of Ellevio's scope 3 emissions thus depend to a great extent on the investments that are made. The annual variations in scope 3 thus mainly reflect investment volumes and the composition of those investments. The amount of newly installed cabling and phase conductors for overhead power lines, as well as the amount of other materials, equipment and transportation, varies from year to year depending on the rate of investment and the type of project.

The difference in emissions between 2023 and 2024 is mainly due to the fact that the investment volume for the type of investments driving scope 3 emissions was slightly higher in 2024 than in previous years, with scope 3 emissions increasing accordingly.

The level of investment in 2024 was the highest to date, at SEK 4,238 million compared with SEK 3,663 million the previous year. Further significant increases in the rate of investment are planned in the coming years.

Ellevio's scope 3 data is broken down into the categories:

- capital goods
- transport and distribution (which are heavily influenced by investments)
- purchased goods and services
- fuel and energy-related activities
- business travel (which is relatively independent of investments).

CO ₂ e emissions, scope 3	2024	2023	2022
Total GHG emissions	67,188	56,400	47,800

GHG removals and GHG mitigation projects financed through carbon credits

Ellevio does not have any GHG removal or mitigation projects financed by carbon credits.

Internal carbon pricing

Ellevio does not apply internal carbon pricing.

E4 – Biodiversity and ecosystems

Ellevio's material impacts, risks and opportunities related to biodiversity and ecosystems

Direct impact drivers of biodiversity loss or Impacts on the state of species			Place in the value chain			Time horizon		
Material impact, risk and opportunity		Description	Upstream	Own operations	Downstream	Short-term	Medium-long term	Long-term
Negative impact	Negative impacts on biodiversity, the status of species and natural values on land and in water	The construction of power lines takes up land and affects biotopes, sometimes even biotopes with high natural values, when these cannot be avoided. Mussels and eelgrass beds can be negatively affected by underwater cable works.	●	●		●	●	●
Negative impact	Negative impacts on biodiversity, including landscape and habitat change	The construction of electricity grid infrastructure is material-intensive, requiring largely virgin raw materials, such as aluminium and copper, which require mineral mining and material production. The extraction and refining of these materials has a potentially large negative impact on biodiversity, including landscape and habitat changes.	●			●	●	●
Positive impact	Power line corridors and adapted management create green links through the landscape and promote endangered species	The land under Ellevio's power lines can act as dispersal corridors for the ecological network, for example by creating edge habitats where birds and butterflies thrive. Appropriate management of power line corridors can restore favourable habitats for some threatened meadow and pasture species, which benefits biodiversity.		●		●	●	●

Our approach

Minimising negative impacts on biodiversity and ecosystems and helping preserve and strengthen biodiversity are important sustainability matters for Ellevio. There are sometimes conflicting objectives between the impact on the natural environment and biodiversity on the one hand and the need to build new grid infrastructure on the other, but our basic principle is that electrification should take place with as little negative impact on the local environment as possible. We also aim to make a positive contribution to biodiversity through our activities, where possible.

We take biodiversity, natural values and endangered species into account in our decision-making. Particularly in our concession processes, i.e. when we investigate and apply for permits to build new power lines, investigations and adaptations based on natural values are a very important aspect. We work to minimise the negative environmental impact of construction, and we require our contractors to minimise negative impacts on biodiversity. At the same time, we work to ensure that our power line corridors' value and function as green links in the landscape's ecological network are maintained and developed.

How we manage material impacts, risks and opportunities

Biodiversity and ecosystem policies

Ellevio's Sustainability Policy, Biodiversity Policy and Code of Conduct for suppliers and partners govern how we manage our impact on biodiversity and ecosystems.

Our Sustainability Policy states that we will protect and promote biodiversity and endangered species and avoid the areas of highest natural value when building new facilities.

The biodiversity policy states that Ellevio will take responsibility to counteract negative impacts on the environment, people and society. The policy addresses how we plan to maintain and develop the value of the power line corridor and minimise the environmental impact of construction, operation and maintenance.

Ellevio's Code of Conduct for suppliers and partners states that all suppliers must minimise negative impacts on biodiversity and landscape and habitat changes. Furthermore, the Code of Conduct requires suppliers to take active steps to promote and implement compliance with the Ellevio Code of Conduct, or equivalent code of conduct, in their supply chain.

→ See appendix page 107 for a more detailed description of Ellevio policies.

Biodiversity and ecosystem actions and resources

Damage mitigation when establishing new power lines

When Ellevio has to build electricity networks at the higher voltage level, the regional grid, we need to apply for a permit, known as a power line concession, for this. The process of applying for a power line concession can take several years, also see next page. Preserving biodiversity and valuable natural habitats is a very important part of the process. Inventories are carried out to gain knowledge of the natural values and species worthy of protection.

When planning new pipelines, we apply the so-called "damage mitigation hierarchy". This means that we primarily endeavour to place new power lines where higher nature values are not at risk of being damaged. Secondly, we limit our impact by

implementing damage-prevention measures. These measures are described in the environmental impact assessment, which is an important part of the concession application for new lines across the regional network.

Page 51 explains the main steps involved in a concession application. The damage mitigation hierarchy is applied in all applicable parts of the process.

Adapted management of the regional grid benefits endangered species

We are also working to promote biodiversity in existing power line corridors for regional networks with voltage levels of 30–220 kV. Periodic clearing of the power line corridors must be conducted for safety reasons. These clearings create open spaces reminiscent of ancient meadows and pastures. The so-called patrol paths, which are used to inspect the lines, are cleared of twigs. The patrol paths are the main areas in which the meadow and pasture plants are found. When the land is kept open and light, it resembles grassland in some places. In nutrient-poor and calcareous areas in particular, many meadow and grassland species thrive, such as wildflowers, rock roses and various butterflies. They can also act as dispersal corridors for plants, butterflies and other insects. By adapting the management of the most species-rich grasslands, we can work to preserve and enhance threatened meadow and pasture species. This includes widening the patrol paths.

Between 2017 and 2023, Ellevio inventoried the power line corridors in the regional network. Through map analysis and field inventories, potentially species-rich and valuable areas within the pipeline network have been identified, so-called class 2 and class 3 areas (i.e. a "high" and "considerable" natural value, respectively). In total, Ellevio has 63 kilometres of power line corridors in natural value class 2 or 3 (distributed over 157 areas) with special management instructions. In these areas, adaptive management practices are now being applied in conjunction with the maintenance of the power line corridors.

Environmental information

In 2024, we have started to explore the possibilities for measures in some of our station areas. For example, there are opportunities to promote pollinators.

Ellevio also collaborates with other operators in the area through to participate in the “Collaborative group for grasslands within infrastructure” run by the Swedish Species Information Centre.

Contract requirements and monitoring of suppliers and contractors

In addition to the Code of Conduct, Ellevio has specific sustainability requirements regarding natural values and impact on soil and vegetation that our contractors and sub-contractors must comply with when carrying out contracts. These requirements

also include the management of invasive plants. Requirements are followed up in dialogues and audits.

With regard to strategic materials, i.e. materials and components that Ellevio itself procures directly from the respective manufacturers, Ellevio follows up the requirements of the current Code of Conduct for suppliers and partners via audits. The audits are carried out on site at each production facility. The audits check both the supplier’s own management of environmental issues and how they set requirements and monitor their own supply chain. The audits mainly focus on general environmental requirements, such as how environmental issues are managed and how the supplier ensures compliance with legislation and any environmental conditions. Ellevio usually conducts four such audits per year.

Our metrics and targets

Biodiversity and ecosystem targets

Ellevio currently has no targets for biodiversity and ecosystems as previously set targets have been met. Further analysis of our impacts will set targets and actions.

Impact metrics related to biodiversity and ecosystems change

Ellevio does not currently have any established metrics for biodiversity and ecosystems. Metrics will be established in the context of further analysis of our impact.

Components of a power line concession application

Investigation

A project is initiated when a need for a new power line in the area has been identified, for example for connecting a wind farm, large industry or because the network needs to be reinforced. The grid owner then starts an investigation to identify accessible power line routes that take into account, among other things, constructability, infrastructure, buildings, natural values, cultural values, etc.

Dialogue with the authorities

At an early stage of the process, an official dialogue is held with the county administrative board and municipality concerned. In some cases, dialogues are also held with other stakeholders. The purpose is to gather knowledge about possible interests, municipal plans, etc. and viewpoints on the studied route options.

Proposed route

Based on what emerges during the investigation and the dialogue with the authorities, the route options are processed and

investigated further. The grid owner prepares a consultation document describing the route options studied, including those that have been rejected.

Consultation on proposed route

Stakeholders are then consulted. The composition of the consultation group varies depending on the environmental impact of the project. The county administrative board, the municipality and those particularly concerned are always involved. The aim is to gather evidence and views on the route options. The consultation provides an opportunity to influence the project.

Consultation report

After a consultation is complete, the statements received are responded to in a consultation report. The consultation report is an important part of the license application and a basis for the county administrative board's assessment of whether the project has a significant environmental impact or not.

Choice of route

After comments have been received and addressed, and any adjustments made, the final route for the concession applica-

tion is chosen. The electricity grid owner draws up an environmental impact description that describes the planned power line's impact on aspects such as the natural, residential and cultural environment.

Permit application

After the application documents have been prepared, an application for a power line concession is submitted to the Energy Markets Inspectorate (Ei). The review process at Ei usually takes around 12–18 months. During the review, the application and associated documents are sent for consultation to those whom Ei deems to be affected so that they have a further opportunity to comment. Ellevio also has the opportunity to respond to the comments received.

Permit

After Ei has received the consultation responses, Ei makes a decision on the power line concession. The decision can be appealed and then an appeal process is initiated at the Land and Environment Court. If the decision is not appealed, it becomes final at the end of the appeal period.

E5 – Resource use and circular economy

Ellevio's material impacts, risks and opportunities related to resource use and circular economy

Resource inflows, including resource use			Place in the value chain			Time horizon		
Material impact, risk and opportunity		Description	Upstream	Own operations	Downstream	Short-term	Medium-long term	Long-term
Negative impact	High resource use with limited possibility to reduce the amount of resources	High resource use involved in the construction of network infrastructure, including resource-intensive materials such as copper and aluminium, with limited opportunity for resource efficiency and recycled materials.	●	●		●	●	●
Risk	Difficulties in procuring materials and equipment can lead to higher costs and longer delivery times	Difficulties in procuring strategic materials and equipment due to high demand caused by the ongoing transition of the energy system. This can lead to higher costs and longer delivery times, posing a financial risk. The risk also includes the fact that our contractors may find it difficult to procure materials and equipment where they are responsible for the purchases.	●	●		●	●	

Our approach

Ellevio's investments in new substations and power lines inevitably involve large volumes of materials and equipment. We therefore strive to use resources more efficiently and use the most sustainable materials possible.

However, as much of our investment is driven by external factors such as the energy transition and demand for connectivity, we have limited ability to influence the amount of resources used. Long supply chains also contribute to difficulties in controlling the environmental, labour and human rights impacts of production facilities. A particular challenge is that the production of cables requires virgin aluminium to ensure that the material is pure enough for its electrical properties to function optimally. Cables also have a large carbon footprint as the extraction of aluminium is very energy intensive.

Material use, resource efficiency, and climate impact in the value chain are closely interconnected. Many of our efforts to reduce climate impact also enhance resource efficiency—and vice versa.

Ellevio's operations rely on a large number of suppliers and contractors, and all purchases must be made responsibly. Suppliers who wish to qualify to participate in Ellevio's procurements produce extensive reports about their sustainability initiatives, which are reviewed by Ellevio. Expectations of suppliers and business partners are clarified through a specific Code of Conduct for suppliers and partners. This is included in all supplier contracts that exceed the direct procurement threshold of SEK 1.2 million per year as well as in most smaller procurements.

Ellevio's extensive material requirements also contribute to risks linked to material procurement, which can lead to financial costs for Ellevio if suppliers and contractors cannot obtain the required components. To manage these risks, Ellevio works in line with a clear purchasing strategy.

How we manage material impacts, risks and opportunities

Resource use and circular economy policies

Ellevio's Sustainability Policy states that we will strive for resource efficiency and increased circularity in our operations. In addition, our Code of Conduct for suppliers and partners states that we expect them to take environmental and resource management responsibility. The Code of Conduct states that all suppliers are expected to have procedures in place to identify, address, measure and monitor their environmental and climate impact, and to continuously drive their environmental responsibility, for example by minimising waste and inefficient consumption of natural resources.

Resource acquisition is also partly governed by Ellevio's network policy, which sets out basic principles for how the electricity network should be built, maintained and operated. The policy specifies that all work on the electricity network must be carried out with great consideration for environmental, health and safety and sustainability matters, and that the aim is to ensure that all sustainability aspects and risks are identified and taken into account.

In addition to this, we have technical instructions which describe how certain steps, works and areas of work should be carried out. In some cases, these technical instructions describe the management of the reuse of existing equipment or the management of end-of-life equipment and materials.

→ See the appendix on page 107 for a more detailed description of Ellevio's policies.

Actions and resources related to resource use and circular economy

Climate impact of materials

Purchased materials and capital goods for the electricity networks are highly energy-intensive to produce and involve large greenhouse gas emissions from suppliers, their subcontractors or in the energy production that supplies the suppliers' manufacturing with energy.

In Ellevio's case, aluminium in cables and phase conductors for overhead power lines accounts for a very large proportion of

both our resource use and our CO₂ emissions. The need for copper and steel in operations is also high and gives rise to significant greenhouse gas emissions. The CO₂ emissions resulting from the manufacture of cables and aluminium phase conductors also dominate when we look at Ellevio's total emissions. We therefore work with our suppliers to reduce this impact. For a couple of years, we have been collaborating with our cable suppliers to develop cables with a lower carbon footprint, including measures for more circular material flows. For more information on the carbon footprint of cables, see page 44.

Monitoring of Code of Conduct for Suppliers

For all new contracts over the direct procurement threshold of SEK 1.2 million, Ellevio requires the supplier to sign Ellevio's Code of Conduct for Suppliers and Partners or show an equivalent code of conduct that is reviewed and approved by Ellevio.

For construction contracts and contracts for strategic materials and equipment, environmental and social evaluation criteria are also added.

In 2024, Ellevio signed contracts with four new suppliers, all of which were evaluated against these criteria before being approved.

A limited number of suppliers and contractors account for a very high proportion of Ellevio's purchasing volumes. 27 of a total of around 1,200 suppliers account for as much as 80 percent of Ellevio's total purchases.

With regard to strategic materials and equipment that Ellevio itself procures directly from the respective manufacturers, Ellevio follows up the requirements of the current Code of Conduct for suppliers and partners via audits. The audits are carried out on site at each production facility. The audits check the supplier's own management of resource use issues, but also how the supplier sets requirements and monitors its own supply chain. Ellevio usually conducts four such audits per year. However, these audits provide very limited or no insight into our upstream supply chain, especially when it comes to suppliers far down the supply chain, such as mineral extraction and raw material production.

Environmental information

Purchasing strategy to manage risks

Ellevio's procurement strategy addresses the risks related to difficulties in sourcing materials and access to qualified contractors. The high investment volumes must be ensured with a high level of cost-efficiency through standardised technical and administrative working methods and with sufficient market capacity in terms of suppliers and contractors. Part of the purchasing strategy is about the balance between letting the contractors handle material procurement and Ellevio procuring the material itself. Ellevio therefore purchases certain so-called strategic materials, which are made available to contractors.

Ellevio's traditional market for strategic materials and equipment is currently struggling to meet the high demand caused by the ongoing transition of the energy system. We are therefore actively working to expand our sourcing markets by identifying new potential suppliers and helping them to establish themselves in the Swedish market. Through such efforts, we were able to sign two very important contracts for large power transformers in 2024 with Hyundai of South Korea, a new supplier for Ellevio. Under the two agreements, Hyundai will supply nine transformers with a combined capacity of 6,000 MVA, which is more than twice the power needed by the entire city of Stockholm on a cold winter day.

For strategic materials, Ellevio has contracts directly with suppliers. In other cases, our contractors buy materials and equipment for installation. To ensure timely and cost-effective component deliveries, we are expanding Ellevio's portfolio of strategic contracts to include additional critical components where we see a need.

In 2024, it was decided to classify wooden poles and medium-sized power transformers as strategic materials, and framework agreements have been signed with suppliers in each area. Through close communication with the supplier market, we gain a better understanding of the market and can adapt our contracts to make them more attractive, for example by packaging similar components into larger contracts.

Our metrics and targets

Resource use and circular economy targets

Target area	Target	Target definition	2024 target	2024 result	2023 result	2022 result
Sustainable purchasing	100%	Percentage of large procurements where suppliers have signed the Code of Conduct for suppliers and partners	100%	100%	97%	100%

The target covers procurements exceeding SEK 1.2 million. In 2024, Ellevio made 49 procurements of this size, and in all cases Ellevio's Code of Conduct for suppliers and partners was signed or the supplier was able to show a corresponding code of conduct reviewed and approved by Ellevio.

In addition to the above, Ellevio currently has no targets for resource use and the circular economy. This is because this aspect was first identified as a material sustainability matter in Ellevio's ESRS materiality assessment for 2024. In 2025, further analysis will be carried out to enable the setting of relevant targets and actions.

Resource inflows

As this is a relatively new issue on the sustainability agenda, Ellevio has launched processes in 2024 to enable the collection of data for resource flows.

Social information

Contents

Comments on S1 Own workforce	56
-------------------------------------------	----

S2 – Workers in the value chain

Material impacts, risks and opportunities related to workers in the value chain.....	56
Our approach.....	57
How we manage material impacts, risks and opportunities.....	58
Our metrics and targets.....	62
Employees of Ellevio Sverige AB.....	63

S3 – Affected communities

Material impacts, risks and opportunities for affected communities.....	64
Our approach.....	65
How we manage material impacts, risks and opportunities.....	65
Our metrics and targets.....	66

S4 – Consumers and end-users

Material impacts, risks and opportunities for consumers and end-users.....	67
Our approach.....	68
How we manage material impacts, risks and opportunities.....	68
Our metrics and targets.....	71

Comments on S1 – Own workforce

In order to meet the requirements on legal separation of regulated electricity network operations in accordance with the EU's Clean Energy Package regulations, on 1 May 2024 Ellevio AB transferred all staff previously employed by Ellevio AB to the service company Ellevio Sverige AB, which has been established as an intra-group service company with the task of providing services to Ellevio AB and other companies in the Group. Because of this, Ellevio AB does not have its own workforce. Find more information about this on page 63.

S2 – Workers in the value chain

Ellevio’s material impacts, risks and opportunities related to workers in the value chain

Working conditions			Place in the value chain			Time horizon		
Material impact, risk and opportunity		Description	Upstream	Own operations	Downstream	Short-term	Medium-long term	Long-term
Negative impact	Negative impact on the health and safety of our contractors’ staff in the field*	Working with electricity and building infrastructure involves work environment and electrical safety risks for the contractors working on or around our sites and projects.	●			●	●	●
Risk	Lack of contractors with the right skills	Difficulties in hiring contractors with the right skills can lead to delays in projects, which can have a negative impact on Ellevio’s services, financial performance and reputation, as well as on health and safety in the workplace.	●			●	●	●

*This also includes subcontractors hired by the contractors and agency staff.

Our approach

Ellevio is a procurement organisation. This means that we procure services, goods and projects from external suppliers and contractors instead of carrying out the work via our own staff. Our business model therefore requires us to have a clear strategy and effective processes to ensure that procurements meet our objectives and requirements. Our business plan and strategy have a very strong focus on the extensive investment programme that we are currently undertaking – and which will increase further in scope in the coming years. Access to skilled labour in our contracts is an essential part of this.

Ellevio procures goods and services which are divided up into five main categories: contractors, IT, consultants, strategic materials and indirect materials/services.

Health and safety risks in the value chain are highest for workers involved in the execution part of our contracts, i.e. in our construction projects as well as in our operations, maintenance, troubleshooting, connection and customer-facing services in the field. In addition to the contractors' own staff, these operations also involve subcontractors and, in some cases, agency staff. Workers in the field include fitters, installers, construction workers, forest clearers, and operations and maintenance staff. All work is carried out in Sweden, on Ellevio's existing sites or on sites under construction.

The electrical safety legislation to which Ellevio is subject as the owner of electrical installations is very comprehensive and aims to promote a high level of electrical safety and reduce the risk of electricity causing personal injury or damage to property. Our projects are also subject to work environment legislation, and in particular to the rules on planning and construction work environment coordination.

There are also sectoral agreements that govern how we work. Like the rest of the Swedish electricity network sector, Ellevio has decided that EBR-ESA (the electricity network sector's joint electrical safety guidelines) must be applied to all work in operating rooms and at or near Ellevio's installations. Electrical safety and work environment issues are governed by decisions and measures that can be found in Ellevio's management system via

governing and supporting documents, in the business plan and in our purchasing strategy.

Contractors' staff in the field work on Ellevio's electrical installations, i.e. existing installations or installations under construction. The risk of accidents exists in all projects and assignments carried out by our contractors, both electrical and construction-related. Ensuring good working conditions and minimising the risk of accidents is therefore one of our most important sustainability matters. This applies both to us at Ellevio and to the entire sector.

One of the top-level targets in our business plan is the Lost Time Injury Frequency (LTIF), which measures accidents resulting in sick leave among contractors' staff. No matter how critical a job or project is for Ellevio, the focus is crystal clear: at Ellevio, we work safely or not at all, and everyone should come home unharmed after a working day.

We only work with contractors who have the same high standards of health and safety as we do. These contractors also place demands back on us in our roles as client, electrical facility owner and developer. Planning and providing good conditions for the safe execution of field work is therefore also a prerequisite for attracting contractors who can help us achieve our extensive investment programme, while maintaining reliable operations, maintenance, troubleshooting and customer-oriented field services.

As Europe's and the world's energy systems are now undergoing a major transition resulting in a major expansion of the electricity networks, we at Ellevio must also work to be an attractive client and customer – so that we succeed in attracting contractors with the right skills to carry out our projects.

How we manage material impacts, risks and opportunities

Policies governing workers in the value chain

Ellevio's sustainability policy governs how we work to reduce health and safety risks for our contractors, including subcontractors and hired staff. The policy states that we have a zero vision against accidents and unhealthy working conditions, which includes both own employees and all others who work on behalf of Ellevio in our facilities and in our projects. This means that:

- our safety culture should be well-established at the company and among all those working on our behalf.
- we ensure that our facilities meet all safety requirements (e.g. electrical safety) and that everyone working in Ellevio's operations has the necessary training.
- we set high standards for the health and safety performance of contractors and suppliers, which is reflected in requirements in procurements and agreements and in our monitoring of these.
- we require our suppliers to comply with the ten principles of the UN Global Compact, respect human rights and international labour standards, and take active steps to promote and implement similar requirements in their supply chains.
- we will work closely with contractors, suppliers and partners to enable proactive work environment management whereby we cooperate to increase safe behaviours and tasks.
- we carry out systematic and proactive work based on statistics and analysis. To provide a basis for improvement, we ensure that accidents, near-misses and risk observations are reported, investigated and followed up.
- we create safe conditions for the people who work for us through knowledge and awareness of our roles within work environment management.

Our Code of Conduct for Suppliers and Partners sets ethical, social and environmental requirements on suppliers and partners, including contractors and sub-contractors. The Code is based on guidelines from the UN Global Compact, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the ILO Core Conventions on Fundamental Principles and Rights at Work. Forced

labour and child labour are explicitly prohibited. All Ellevio suppliers and partners are obliged to comply with the principles of the Code of Conduct in all their activities. Suppliers must also take active measures to promote and implement compliance with Ellevio's Code of Conduct, or equivalent code of conduct, in their supply chain. An additional requirement of the Code is that suppliers must avoid, remedy or mitigate the impacts and compensate for any adverse human rights impacts, to a reasonable and practicable extent.

Ellevio is not aware of any cases of non-compliance with the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises or the ILO Core Conventions on Fundamental Principles and Rights at Work being reported in our value chain.

In addition to the Code of Conduct for Suppliers and Partners, there are specific requirements for our contractors that aim to ensure that health and safety is taken into account in a responsible manner in our contracts. The requirements can be found in contracts and general contract regulations, as well as in the contract appendix "Ellevio's sustainability requirements for contracts". These sustainability requirements focus on the areas of work environment, electrical safety and the environment, where there are high risks or where additional requirements, beyond current legislation, can have an impact. The requirements apply to the entire contract, including subcontractors and agency staff.

Policies and governing documents contain that Ellevio are monitoring, for example via site visits, audits and reporting of accidents, near misses and risk observations. This type of activity involves direct contact with the contractors' staff in the field.

The management of contractors is also partly governed by Ellevio's network policy, which sets out basic principles for how the electricity network should be built, maintained and operated. The policy clarifies that all work on the network must prioritise the work environment and electrical safety. The purchasing policy also governs our procurement of contractors. For example, the policy states that all procurement must meet the high standards of sustainable purchasing expected of a company like Ellevio.

→ See appendix page 107 for a more detailed description of Ellevio's policies.

Procedures for contacts with workers in the value chain regarding impacts

The health and safety of workers in the field is a very important part of Ellevio's operation, maintenance, troubleshooting, connection and project activities. We have good communication with our contractors, both directly and through sector collaboration, which also involves trade union representatives. As a result, deep insights are gained into the type of risks workers face and also a concerted effort to minimise these risks.

Ellevio participates in the "EBR" sector collaboration (the electricity network sector's guidelines). The EBR collaboration involves network companies, contractors and union representatives of the workers. The Health, Safety and Environment Committee (Swedish: HMS) deals with sectoral issues related to electrical safety, construction work environment, personal protective equipment and the environment. Representatives of the Swedish Electricians' Union (SEF) and the Swedish Union for Service and Communications (SEKO) participate in the committee and in certain sub-working groups. In some groups and contexts, representatives from the National Electrical Safety Board and the Swedish Work Environment Authority also participate.

In order to create safe workplaces, Ellevio conducts a large number of site visits through which Ellevio's project managers, construction managers and operational, maintenance and connection staff have direct dialogues with the staff working in the field. These are Ellevio's "flying audits", i.e. unannounced and announced site visits. Every year Ellevio conducts almost 300 such visits.

During flying audits, we follow up on basic work environment, electrical safety and environmental requirements according to a checklist. The purpose of flying audits is twofold: to check compliance with our requirements and legal requirements, and to engage in a dialogue with the staff carrying out the work about their ability to work safely. Flying audits are carried out at all stages of the implementation phase of the work. A certain

Social information

number of flying audits are approved in Ellevio's business plan, which is adopted by the CEO and the Board. Managers in the network and connection operations ensure that the flying audits are distributed evenly across the field operations and – together with Ellevio's sustainability department – ensure that the results, experiences and views of employees are taken into account.

To ensure that Ellevio's staff always discuss safety when in contact with contractors, Ellevio also introduced Safety Talks in 2024. These are a simpler variant of flying audits, where the focus is solely on dialogue about working conditions and opportunities for improvement in the work environment and electrical safety. In 2024, 233 Safety Talks were held.

Safety inspections, i.e. systematic reviews of the work environment to identify and address risks, are also carried out in field operations. This is a legal requirement that Ellevio has also clarified in procurement requirements. Ellevio employees participate in these in some cases.

The follow-up and management of accidents, incidents and risk observations is part of the contractors' statutory responsibility within the systematic work environment management. Ellevio has a contractual requirement that contractors also report accidents, incidents and risk observations to Ellevio. This is done via the ENIA incident management system. By enabling employees to report incidents and risk observations, both the contractors' management teams and Ellevio have the opportunity to investigate the incidents from different perspectives and improve the work environment and electrical safety conditions for the staff.

The contractors and subcontractors have collective agreements or agreements related to collective agreements to a very large extent. In the unlikely event that a contractor or subcontractor without a collective agreement is hired, there are additional requirements on labour law conditions in Ellevio's contract documents, as well as comprehensive Swedish work environment and working time legislation.

In the past, women have rarely been involved in the implementation of Ellevio's projects and assignments in the field, but the proportion has increased in recent years.

Employees moving to Sweden from other countries to work has so far been relatively uncommon in Ellevio's operations, but is expected to increase as investment increases further in the

coming years. We therefore need to increase our focus on issues such as discrimination, workplace crime and other irregularities, as the prevalence of these types of challenges is greater in some other countries than in Sweden. These conditions can be identified during site visits or via reporting in ENIA. However, no such circumstances have been identified so far.

Conditions in the Swedish labour market are essentially very good, especially with regard to basic issues concerning the work environment, health and safety, and Ellevio feels that the dialogue with staff is sincere and transparent.

Processes to remediate negative impacts and reporting channels for raising concerns

Health and safety incidents and risks in our projects and assignments are mainly managed through investigation, remedial and preventive actions, to create safer workplaces going forward. Serious accidents and incidents must be reported by law by the employer to the Swedish Work Environment Authority. Shortcomings or incidents linked to Ellevio's facilities are reported by Ellevio to the National Electrical Safety Board. Workers or workers' representatives can also report shortcomings to the authorities themselves. The authorities investigate incidents and in some cases issue injunctions and decisions, which we at Ellevio and our contractors adapt to.

In Sweden, employees are covered by the Workers' Occupational Injury Insurance Act (Swedish: LAF). Injuries or illnesses that are classified as occupational injuries can be compensated via LAF. The employer reports the injury to the Swedish Social Insurance Agency, which then carries out an assessment and determines whether the injury was caused by work. If the employer is covered by a collective agreement, the employee has occupational injury protection insurance (Swedish: TFA). Insurance company Afa Försäkring determines whether a person is entitled to compensation via TFA. Occupational group life insurance (Swedish: TGL) via the collective agreement pays a lump sum to the family in the event of death. The employer is responsible for paying sick pay, approximately 80 percent of the salary for the first 14 calendar days (day 1 is a qualifying day without remuneration). In the event of illness from day 15 to day 90, the employee receives statutory sickness benefit from the Social Insurance Agency and sick pay from the

employer, which corresponds to 90 percent of the salary. In the case of long-term sick leave, the employer also has a rehabilitation responsibility. Ellevio's agreements require foreign contractors to also have occupational injury insurance for employees.

Ellevio works closely and positively with the contractors' management teams. Ellevio's purchasing department has a well-established supplier monitoring and governance structure with a clearly defined and organised model for how contractors are managed. This provides clarity, control and efficiency in working with our contractors. Working together on health and safety issues is a truly essential part of Ellevio's supplier monitoring and governance structure. Accidents, incidents and risk observations, as well as general conditions for a good working environment, are discussed and analysed at various levels during collaboration between Ellevio and the contractors. If necessary, serious deficiencies can be raised to the CEO level, which is the highest level in the supplier monitoring and governance structure.

The basis for the dialogues is very much based on accidents, incidents and risk observations reported in Ellevio's incident management system ENIA, which is the main channel for workers to report problems and have them investigated. Ellevio receives around 1,200–1,500 reports in ENIA every year. If any contractor reports very few events in ENIA, this is also brought up within the supplier monitoring and governance structure or at other meetings because Ellevio wants to see that reporting and improvement efforts are being undertaken. In flying audits, staff in the field are asked directly whether they know how to report accidents, incidents and risk observations, and whether they do.

Ellevio's decision in late 2021 to stop using creosote poles in new construction and renovation and instead switch to alternative, less hazardous solutions was a result of important contractor dialogues, as new creosote poles are a work environment problem. Old creosote poles are also gradually being demolished – around 10,000–15,000 poles are taken down each year across the local networks. At the end of 2024, Ellevio had just over 200,000 creosote poles left in local networks.

In addition to accidents, incidents and risk observations, other shortcomings can also be reported in ENIA, such as threats, discrimination, poor working conditions, etc. Ellevio's whistleblowing service does not apply to external parties, but it

Social information

is outlined in our information on human rights on [ellevio.se](https://www.ellevio.se) that in the event of a potential or actual violation of human rights, we want to be contacted, and that the person who contacts us may remain anonymous.

Measures concerning workers in the value chain

Ensuring safe workplaces at our facilities and in our projects is a constant work in progress for Ellevio. Many employees and managers at Ellevio have the opportunity to directly or indirectly influence the work environment and electrical safety for contractors' staff in the field. It is a question of how we plan our projects, operations and maintenance work, and how we build and maintain our facilities so that they are safe.

Ellevio has four employees who dedicate all or a large part of their working hours to health and safety-related issues among our contractors: an electrical safety specialist, a work environment specialist, an EHS (Environment, Health and Safety) coordinator and a sustainability manager. In addition, Ellevio has many employees and managers who spend part of their working hours on issues relating to health and safety at work and electrical safety in connection with work in the field, such as our operational staff, network planners, maintenance staff, project managers, construction managers, connection engineers, purchasers, contract and service managers, and the corresponding managers. In addition to this, Ellevio has two EHS consultants who support our project managers almost full-time with developer issues and flying audits. The Board's sustainability committee also monitors each individual accident with sick-leave as well as serious incidents.

Our general approach to sustainability initiatives (see page 32) is highly relevant in describing precisely our work on health and safety, namely:

- We integrate sustainability, health and safety into our processes and culture.
- We have a strong partnership with our contractors, suppliers and business partners.
- We have committed employees with the right knowledge and skills.
- We make systematic and proactive improvements driven by data, statistics and analysis.

- We apply and develop best practices.
- We have informative and transparent sustainability communication.

Below are some specific areas for action in this ongoing work, including the monitoring and checking of their impact.

Clear requirements in procurements and contracts

Ellevio is a procurement organisation. An important basis for having safe and accident-free workplaces is to ensure that we only use contractors who have the same high standards of health and safety as we do. Ellevio therefore has an extensive qualification process that contractors must go through in order to submit a tender and work with us. If Ellevio assesses that the requirements for work environment and electrical safety work are not met, the contractor can not participate in Ellevio's procurements.

Ellevio does not evaluate tenders solely on price in contract procurements, but also rewards preventive health and safety initiatives. Ellevio's tender documents request a sustainability description, which includes opportunities to describe particularly impressive and ambitious work in the area of health and safety, which exceeds legal requirements and contract requirements. Contractors who can present a good preventive safety performance receive a so-called added value in the tender evaluation, often around 5 percent of the tender sum, which means that the contractor can win the tender despite a higher price.

All contractors who are hired must confirm acceptance of the Ellevio Code of Conduct for Suppliers and Partners. In addition, there are further contractual requirements that aim to ensure that health and safety is responsibly considered in our contracts. The requirements can be found in contracts and general contract regulations, as well as in "Ellevio's sustainability requirements for contracts". These sustainability requirements focus on how the contractor is expected to work systematically and preventively on work environment and electrical safety issues, including through work environment plans, risk analyses, project preparation sessions and reporting and management of work environment and electrical safety incidents in the ENIA system. In addition, there is a requirement that all construction staff must have

completed Ellevio's web-based Safe Workplace training course, and have the required EBR-ESA training in electrical safety. The requirements apply to the entire contract, including subcontractors and any agency staff.

Before assignments for Ellevio begin, contractors must present contract-specific plans regarding the work environment and environmental issues. The plans include descriptions of the risks involved in the assignment and how these are to be managed, as well as governance of and responsibility for work environment and environmental issues.

Management of accidents, near-misses, risk observations and other unwanted events

Ellevio and its contractors report and follow up on accidents, near-misses and risk observations in the ENIA deviation management system. Once an incident has been registered, the information is automatically sent to an incident manager at Ellevio who ensures an investigation is carried out, measures are taken and a follow-up is conducted before the case can be closed.

Investigations, measures, follow-up work and continuous improvements are all vital aspects of the systematic work environment initiatives in place to prevent serious near-misses, accidents and work-related illnesses. During the year, Ellevio therefore arranged a number of internal meetings and training sessions for internal incident managers and developed an internal online training course in investigation methodology. The importance of robust investigations was also discussed at Ellevio's Safety Day involving our contractors, at which Ellevio's work environment specialist also presented the basics of this work.

ENIA has been developed further during the year to enable better analysis and planning of initiatives based on reported deviations. The system also contains checklists for risk management and follow-up in the field. The ENIA system does not process sensitive personal data, as the purpose of the work is to identify opportunities for improvement.

We have not had any cases in our supply chains reported through the ENIA system nor through any other channel in 2024 that could be characterised as violations of human rights or workers' fundamental rights.

Social information

Safe conditions – Ellevio's approach to prevention

Ellevio's employees and managers do not carry out the practical work in the field, so we are not exposed to direct health and safety risks. However, as facility owners, clients and developers, we have a major responsibility and a great opportunity to influence the working conditions there.

Having the right training and expertise in issues relating to the work environment, electrical safety and the environment is important for Ellevio to be able to create safe workplaces with the least possible negative impact on the environment. Everyone working for Ellevio must therefore have basic training, skills and awareness of sustainability, work environment and electrical safety issues. We have a number of training courses that are mandatory. Certain roles within Ellevio that have a particularly large opportunity to influence our sustainability and safety efforts have additional skill requirements. The EBR-ESA are the joint electrical safety guidelines for the electricity network industry. All staff who will be working in or near an electrical facility, or who otherwise need to have knowledge of work involving our electrical facilities, must have the required ESA training, which must also be repeated every three years. During the year, Ellevio received two additional authorised ESA teachers, which means we now have a total of four ESA teachers. During the year, around 40 members of Ellevio's operational staff underwent in-depth ESA training over a full day.

Further opportunities that we at Ellevio have to improve the conditions for healthy and safe workplaces are summarised in what we call our Safe Conditions programme, which started in 2022 and is expected to run until 2026. The focus is on us as a client, developer, "Bas-P" (construction work environment coordinator for planning) and facility owner should be aware of how we in our roles can contribute to creating safe conditions in the field – and that we should shoulder these roles in the best possible way. The aim of the programme is to move from a monitoring approach to a much more systematic and preventive approach.

Roles and responsibilities in construction projects are governed by the Swedish Work Environment Authority's regulations, among others. Specific regulations for this type of work exist because the activities often involve several employers in the same physical location, the workplaces are often temporary,

and health and safety risks can therefore be challenging to manage. Good planning and coordination are therefore crucial. On 1 January 2025, requirements set for this type of work were clarified by the regulation AFS 2023:3 – Design and building work environment coordination – basic obligations. During the year, Ellevio prepared for these changes through actions such as internal training in developer and "Bas-P" responsibility, clarified internal procedures, templates and contract requirements, as well as dialogues with contractors. A concrete example is that Ellevio's network planners prepare a first version of a work environment plan, through which risks are identified and managed, and if possible eliminated, at an early stage. The improvement efforts are implemented through Ellevio's management system.

Monitoring by way of site visits, audits, dialogue and communication

To ensure compliance with contractual requirements and to prevent accidents and incidents, Ellevio conducts numerous unannounced and announced site visits every year (flying audits).

We also conduct in-depth audits of both new and existing contractors and suppliers, in line with a separate plan for each year. Ellevio's work environment, electrical safety, environmental and sustainability specialists, and sometimes also purchasers, delve into both contractual and legal requirements. The audits constitute an inspection and monitoring of the contractors, but it is also often a valuable input to the dialogue about what we as a client can improve in our operations.

If the results of a flying audit or in-depth audit provide us with evidence that a supplier is not complying with the applicable requirements, the contractor must take the necessary corrective actions as soon as possible in line with our instructions. If improvement is not demonstrated, we are entitled to take the necessary measures, including suspending or terminating the contract.

Monitoring via Ellevio's supplier monitoring and governance structure (see above) is also a very important part in which we pursue an open and forward-looking dialogue with our contractors. The conditions for a constructive dialogue are good, as we jointly value the health and safety of all staff very highly.

In 2024, our communication about work environment and electrical safety further intensified. This included the new initia-

tive "Safety Talks", a new newsletter to around 4,800 people who work in the field, and a Safety Day at Ellevio's head office, to which contractors were invited to foster a dialogue.

Purchasing strategy to manage risks

The ongoing transition in the energy system has led to an insufficient market capacity in the manufacturing of strategic materials and equipment, as well as a lack of qualified contractors. Ellevio's procurement strategy addresses the risks related to difficulties in sourcing strategic materials and equipment and access to qualified contractors. We are actively working to expand our supplier and contractor base over the long term.

We continuously scan the contractor market to identify interesting contractors both in Sweden and Europe. We actively seek out potential contractors and try in various ways to help them enter our procurement processes and the Swedish market.

Through a close dialogue with existing and potential contractors, we improve our market understanding and can create more attractive contracts, for example through different forms of procurement, framework agreements and pre-qualification systems.

Being a client that places great emphasis on the work environment and electrical safety and that promotes a lower environmental and climate impact in the value chain is also important in terms of contractors wanting to work with us. An example of this is our ambitions relating to electric vehicles and machines, see page 44. In this area, we have seen that many of our contractors want to participate as this type of initiative also enables them to reduce the climate footprint of their own business and value chain.

The increasing demand for contractors may create new potential negative impacts. To realise Ellevio's extensive investment programme, new contractors will be attracted to bid in Ellevio's tenders, such as foreign contractors, small contractors or contractors not previously active in the electricity network industry. This is fundamentally very positive as Ellevio needs to expand its contractor base, but new operators can bring new risks regarding health and safety, working conditions, labour law and potentially even human rights. Ellevio is monitoring this and has measures in place to manage these potentially increasing negative impacts.

Our metrics and targets

Targets related to workers in the value chain

Target area	Target	Target definition	2024 target	2024 result	2023 result	2022 result
No accidents or serious incidents in our contracts	LTIF	Lost Time Injury Frequency Rate (LTIF) Number of accidents resulting in sick leave of one or more (≥1) working days, excluding the day of the accident, per million working hours, for our contractors and sub-contractors.	< 2.0	3.1	4.1	3.4
No accidents or serious incidents in our contracts	SIF	Serious Incident Frequency Rate (SIF) Number of serious accidents and incidents per million hours worked for our contractors and sub-contractors (new metric, target from 2025). "Serious" follows the definition of the Swedish Work Environment Authority.	n/a	2.6	6.5	–
Preventive work on health, safety and dialogue with contractors and staff in the field	Number of Flying Audits	Unannounced or announced site visits carried out by Ellevio staff to check compliance with the work environment, electrical safety and the environment.	260	306	369	691
Preventive work on health, safety and dialogue with contractors and staff in the field	Sustainability Index (%)	Index based on completed flying audits An index covering nine defined areas and the degree of compliance within them.	> 90%	94%	93%	91%
Preventive work on health, safety and dialogue with contractors and staff in the field	Number of EHS and compliance audits	Sustainability audits of suppliers and contractors Audits of contractors and suppliers focusing on three areas: onboarding, Code of Conduct and work environment, health and safety (EHS).	10	17	11	10
Safe conditions – Ellevio's approach to prevention	Internal safety climate (Peakon score)	Measurement of safety climate via annual survey An annual survey measures the development of Ellevio's safety climate. Progress is linked to leadership and communication of safety performance.	8.5	9.0	9.0	8.9

Ellevio monitors health and safety efforts at contractor level and evaluates the impact of its policies and measures with both reactive and proactive targets and metrics. The targets are set out in the business plan, which is adopted by the Board. Most targets are monitored on a monthly basis and reported to both management and the Board.

All targets are directly or indirectly linked to Ellevio's policies on health and safety in contracts as described above. The targets cover the health and safety of contractors, sub-contractors and agency staff at Ellevio's facilities and projects, all of which are located in Sweden. The baseline for all targets except the SIF is set based on practical experience, dialogues with contractor representatives, expectations of continuous improvement and

comparison with industry practices. SIF is a new KPI for which Ellevio will set a target level for 2025 and beyond. The contractors or their staff in the field have not participated in setting the targets, but LTIF, for example, is based on accepted practices that most of our contractors have also adopted as key performance indicators.

Data that form the basis of the LTIF and SIF rely on contractors reporting accidents, near-misses and risk observations. Ellevio takes comprehensive measures to ensure that this happens.

The targets for the sustainability index, number of flying audits and number of EHS and compliance audits also take into account other aspects of sustainability to some extent, as our audits also include the environment, labour law and human rights.

As shown in the table above, our LTIF target has not been reached in 2024. In early 2024, we had several serious accidents and we have therefore put a strong focus on trying to stop this trend through direct activities targeting work in the field. Among other things, we introduced our new safety talks and started a newsletter that is emailed directly to all workers in the field, around 4,800 people. We had one-to-one meetings with several contractors and held an extra Contractors' Day focusing on health and safety, where we discussed ways forward with our contractors.

In the latter part of 2024, there were fewer accidents and serious incidents. In total, there were 12 lost-time accidents (LTIF) and 10 serious accidents and incidents (SIF). The most common types of accidents overall involved electric currents, a fall at the same level and contact with a sharp object.

All accidents and serious incidents that have occurred among Ellevio's contractors have been investigated, addressed and followed up to reduce the risk of recurrence. It is through our ongoing, continuous improvement efforts that we can reduce the number of accidents.

In 2024, we carried out a total of 306 flying audits, exceeding the target. The fact that we had a higher target and outcome for flying audits in 2022 and 2023 was due to the fact that we were carrying out a large meter replacement programme then, which led to more field inspections.

Since 2017, our flying audits have been followed up using the Sustainability Index, which covers nine areas and some 20 control points in the areas of work environment, electrical safety, safety and the environment. The target is for at least 90 percent of the control points to be free from deviations. In 2024, the Sustainability Index amounted to 94 percent (93).

The results of our measures and targets are regularly discussed with our contractors. Staff in the field receive direct feedback on individual outcomes of flying audits and EHS audits.

Overall, Ellevio can conclude that health and safety policies and measures are having a good effect, but this is an ongoing process that can never stop.

Employees of Ellevio Sverige AB

Due to a reorganisation within the Ellevio Group, all employees of Ellevio AB were transferred to the separate service company, Ellevio Sverige AB, on 1 May 2024. The change was made to meet the requirements for legal separation of the regulated electricity network operations under the EU Clean Energy Package.

Because of this, Ellevio AB does not have its own employees, but these are now formally part of the employees in the value chain.

The double materiality assessment was carried out before the relocation of staff took effect and therefore the own workforce is a material sustainability matter in line with the analysis. Ellevio has chosen not to redo the analysis as the company does not formally need to comply with the CSRD for the financial year 2024.

S3 – Affected communities

Ellevio's material impacts, risks and opportunities related to affected communities

Communities' economic, social and cultural rights			Place in the value chain			Time horizon		
Material impact, risk and opportunity		Description	Upstream	Own operations	Downstream	Short-term	Medium-long term	Long-term
Positive impact	Positive impact on the development of local communities	Ellevio's ability to ensure reliable electricity distribution and sufficient grid capacity plays a crucial role for local communities by contributing to competitiveness, prosperity and employment opportunities, promoting industrial investment and enabling the energy transition.		●	●	●	●	●
Negative impact	Negative impacts resulting from land encroachment and network projects	Electricity networks can have negative impacts on local communities and rights holders as a result of the land encroachment caused by our facilities. Ongoing network projects can cause temporary access barriers, impacts on local businesses and public services, and noise.		●	●	●	●	●

Our approach

By building a smart energy infrastructure and developing new solutions, Ellevio is laying the foundation for a growing society with its increasing demand for clean energy. This is a critical task for society, with Ellevio therefore bearing a great responsibility as one of Sweden's largest electricity network owners.

In addition to meeting society's need for electricity, Ellevio's operations and network investments contribute to the development of the communities where our electricity networks are located. Grid capacity enables increased prosperity, competitiveness and decarbonisation. Thus, we also contribute to local employment opportunities.

At the same time, the construction of electricity facilities, especially new regional network power lines, has a negative impact on local communities and various rights holders due to land encroachment. Networks can also constitute an aesthetic intrusion through a negative impact on the landscape. Sámi reindeer husbandry may be affected, potentially impacting indigenous rights if not properly managed. Even smaller projects can have negative impacts, such as restrictions on accessibility, noise, impact on the natural environment and reduced attractiveness due to untidy outdoor environments. Examples of groups that may be affected by our projects and activities include local residents, landowners, road users, businesses, public transport and municipal activities.

Holding an active dialogue with local communities and rights owners is important for increasing acceptance of, and confidence in, Ellevio's operations and the investments in the electricity network infrastructure needed to enable the energy transition. We have well-implemented processes to ensure proper treatment of inhabitants of communities affected by Ellevio operations. As a Swedish electricity network company, Ellevio is subject to comprehensive legislation that provides extensive legal certainty for people affected.

How we manage material impacts, risks and opportunities

Policies for affected communities

Ellevio's sustainability policy states that Ellevio will ensure that the rights of customers and people in surrounding communities are respected. The policy also states that Ellevio will work with local communities to take account of local environmental impacts.

Ellevio's Code of Conduct sets out the general principles for how we treat others and how we do business. Our values, legal compliance and respect for human rights form the basis of the Code of Conduct. The Code also governs how we work in relation to our operating environment.

In turn, our network policy states that Ellevios will work to constantly upgrade, maintain and develop the electricity network in line with the development of society and increasing customer demands. In doing so, major emphasis will be placed on minimising outages, creating redundant supply routes and introducing new technologies for increased security of supply (e.g. smart monitoring and control for rapid switching and troubleshooting).

→ See appendix 107 for a more detailed description of Ellevio's policies.

Procedures for contacting affected communities, redress and reporting channels to raise concerns

In Sweden, there is extensive legislation, such as the Electricity Act and the Environmental Code, governing how we consult and involve local communities, landowners and rights holders. We have established processes for consultation based on legislation, as well as complaint and compensation mechanisms. We follow the practices of the Swedish mapping, cadastral and land registration authority, or Lantmäteriet, and apply sector-wide contract templates.

Consultations and meetings

Ellevio adheres to established guidelines and uses the regulations in the Electricity Act, Environmental Code and other legislation as a basis during planning and permit processes. Extensive consultations are always carried out with interested parties prior to a concession application for power lines.

For major power line projects that affect many property owners, open houses are organised – in addition to the written consultation – involving landowners, local residents and other stakeholders, as well as interest groups and rights holders. See also the description of the main elements of a route concession application on page 51.

A consultation is held with the County Administrative Board before measures are taken that do not require a power line concession application but that could considerably alter the natural environment or affect a cultural environment. These so-called "12:6" consultations in accordance with the Environmental Code are carried out for minor measures, such as forest maintenance and local network projects. 12:6 consultations with the County Administrative Board help us ensure that we are aware of all areas of natural and cultural value and can implement appropriate protective measures, even for smaller projects.

Sámi rights taken into account

Swedish legislation governing electricity network companies is very comprehensive, which provides extensive legal certainty for people affected. Human rights are thus well addressed in Swedish legislation. This also applies to the indigenous Sámi people. Ellevio operates in southern Norrland where there are Sámi with reindeer husbandry rights.

Reindeer husbandry rights mean that we always involve the rights holders in relevant concession and consultation matters. Reindeer husbandry rights not only concern the reindeer, but also cover the right to stay in the relevant areas, to fish, etc.

Potential impacts on reindeer husbandry rights are predominantly assessed within Ellevio's regional network, with risks including:

- The power line corridor can potentially attracting snowmobilers, which can negatively affect reindeer
- Reindeer potentially starting to follow the new power line corridor, even though it is not their natural path
- Soil damage during construction and maintenance potentially affecting lichens, thus affecting reindeer food availability

Social information

- Piles of twigs left behind after clearing for maintenance potentially affecting reindeers' ability to find food
- Noise and presence potentially disturbing reindeer, which may require owners to move them, resulting in increased costs.

Swedenergy's concession group has for some time had a reindeer husbandry group in which Ellevio participates.

Reindeer husbandry has not arisen as a major issue in many concrete cases for Ellevio, but in the ongoing work on a 150 kV line between Sälen and Idre, Idre Sámi village is involved as a rights holder. The Sámi community wanted a thorough reindeer husbandry analysis to be carried out, which Ellevio ensured was undertaken with the help of an independent consultancy firm. The reindeer husbandry analysis became an appendix to the consultation document and the concession application. Several consultations were carried out and separate meetings with the Sámi village were held. The route was adjusted following a dialogue with the Sámi village and further dialogue will take place before construction starts. If it is not possible to adjust the timing of the work, measures will be taken to minimise disturbance to reindeer during construction.

On 1 March 2022, a new law on the consultation of authorities in matters concerning the Sámi people was introduced. This means that the Swedish Energy Markets Inspectorate (Ei) must now send out documentation to Sámi representatives in concession cases – before the official consultation is sent out. A special consultation must be carried out if requested. The aim is to ensure the Sámi people's right to participation and to strengthen their influence in matters that specifically concern them.

Compensation

Landowners receive compensation for land encroachment. Ellevio uses an agreement template that is shared by Swedenergy and which ensures equal treatment and legal certainty – i.e. that no landowner receives more compensation than another. The template means that we follow Lantmäteriet's standard practice plus 25 percent. We usually reach voluntary agreements. If not, Lantmäteriet is involved in the execution of the agreement. Ellevio has over 50,000 land agreements.

Reporting channels to highlight problems

Dialogue and consultation with people affected by our operations provides an opportunity for them to raise concerns. Ellevio's whistleblowing service does not apply to external parties, but we clarify how possible cases can be reported on the [ellevio.se](#) website in our human rights information. We had no cases that could be considered human rights violations in 2024.

Measures concerning affected communities

Network development dialogues and plans

Ellevio's ability to ensure reliable electricity distribution and sufficient network capacity in the long term plays a crucial role for local communities. Increasing electrification is placing new demands on the capacity of the electricity network and connection requests are increasing.

Ellevio works continuously to evaluate and improve forecasting models, information sharing and forecasting data to ensure that forecasts of future power requirements are as accurate as possible. There are also ongoing dialogues with potential customers, municipalities, regions and principal network companies, such as Svenska kraftnät, about their future plans and projects that may affect the power situation and make more power available to Ellevio's electricity network. These are seen as important building blocks in our long-term network planning and important success factors in efforts to work more proactively and serve as an enabler of society's electrification.

Under the 2019 Electricity Directive, all electricity network companies must prepare and publish a network development plan at least every two years from 2024. Through structured planning, network companies can anticipate and address potential challenges. During the year, Ellevio therefore prepared and communicated a network development plan for our entire electricity network for the first time. This work was undertaken in close cooperation with municipalities and other network companies on their plans and needs to ensure well-developed future forecasts. The plan includes forecasts of capacity needs, identification of constraints, flexibility services and future investments over the next ten years. The network development plan will serve as an important strategic tool for leading the way forward, working proactively and serving as an enabler of the electrification of society.

Ellevio's network development plan for 2025–2034 was submitted to Ei on 31 December 2024 and is available on [Ellevio's website](#).

Ellevio's extensive investment programme, which amounted to SEK 4,238 million in 2024 and will increase significantly in the coming years, is partly a result of the growing need of local communities and regions for grid capacity.

Measures concerning negative impacts and acceptance

An important result of the power line concession process, see page 51, is that we adapt our establishment of power lines to minimise the negative impact on local communities, landowners and other rights holders. We do our utmost to balance conflicting interests and objectives with society's need for electricity.

A dialogue with local communities, even in projects that do not require a power line concession application, can reduce negative impacts and increase acceptance and confidence in Ellevio. We therefore communicate during the implementation phase, and increasingly also in the planning phase. When implementing a project, we catalogue who will be affected and how. We gather knowledge and viewpoints from local stakeholders and authorities and prioritise clear and proactive communication with those affected.

The need for communication is determined by the expected level of impact and the duration of the project. Common communication channels for project communication are letters, information sessions, emails, billboards, websites, sponsored posts on Facebook, editorials, town square meetings and meetings out in the field. Ellevio's customer service also takes calls about projects.

Based on these dialogues, we try to avoid negative impacts as far as possible, for example by adapting the route, timetable, establishment areas, signage, etc.

Our metrics and targets

Targets relating to affected communities

Ellevio currently has no targets or self-defined metrics for topic S3 Affected communities.

S4 – Consumers and end-users

Ellevio’s material impacts, risks and opportunities related to affected consumers and end-users

Social inclusion of consumers and/or end-users			Place in the value chain			Time horizon		
Material impact, risk and opportunity	Description		Upstream	Own operations	Down-stream	Short-term	Medium-long term	Long-term
Positive impact	Creates opportunities to live, work and develop in modern society.	Ellevio’s ability to ensure reliable electricity distribution and sufficient network capacity plays a crucial role in enabling customers and end users to live, work and develop in modern society.			●	●	●	●

Our approach

A reliable electricity supply is crucial for all households and businesses in modern society. This requires a modern, sufficiently developed and resilient electricity system. Ellevio thus has a great responsibility, and our positive contribution to consumers and end users is extensive. We shoulder the role of an energy system operator, transforming today's electricity network into tomorrow's sustainable energy system. The basis of everything we do is to ensure a high level of security of supply for all customers in our geographical areas. The number of outages should be as low and short as possible. By offering support concerning energy consumption and the transition, we also want to be customers' partner in the energy transition.

Ellevio's electricity network has a high level of reliability, both from an international and national perspective, but any disruption is serious, and we have great respect for the consequences an outage can have on our customers. This is why intensive efforts are made every day to prevent outages, to resolve any that do occur as quickly as possible and to actively communicate about planned and unplanned outages. This includes everything from decade-long projects to emergency interventions.

To maintain this high level of reliability in the long term, substantial investments are needed to increase capacity, flexibility, modernisation and digitalisation.

How we manage material impacts, risks and opportunities

Policies for consumers and end-users

Ellevio's sustainability policy states that Ellevio will ensure a high level of security of supply for customers and implement the investments and measures required to support both them and other stakeholders in the climate transition.

In turn, our network policy states that Ellevio will work to constantly upgrade, maintain and develop the electricity network in order to minimise outage times in line with the development of society and increasing customer demands. These efforts will put a strong emphasis on obtaining redundant supply routes and introducing new technologies – such as smart monitoring and control for rapid switching and troubleshooting – for increased security of supply.

Ellevio's outage policy provides guidelines for planned power outages affecting customers: it regulates how Ellevio and Ellevio's contractors should work on outage planning and information to affected customers at all voltage levels throughout Ellevio's network.

Ellevio's Code of Conduct sets out the general principles for how we treat others and how we do business. Our values, legal compliance and respect for human rights form the basis of the Code of Conduct. The Code also governs how we work in relation to our operating environment.

→ See appendix page 107 for a more detailed description of Ellevio's policies.

Procedures for contact with consumers and end-users concerning impacts

Contact with consumers and end-users relating to the security of supply take the form of power outage information, communication regarding electricity network projects, major customer relations, customer service, connection cases and personalised mail-outs.

Through communication and customer satisfaction, we increase the acceptance of our operations and the projects we need to carry out to secure the electricity supply, which in turn

facilitates the running of our operations – and thus promotes a high security of supply. Ellevio also offers services that help customers to control their electricity consumption, connect solar panels and charging boxes, etc., which in the long term can also contribute to a more efficiently balanced energy system.

Customer satisfaction is measured continuously to gauge customers' perceptions of us and ensure that contact procedures are fit for purpose and contribute to our operations. A customer survey is conducted once a year for corporate customers and a monthly customer satisfaction survey is conducted for private customers.

Responsibility for customer contacts lies with the SVP, Customer & Market, who is part of the company's management team. Operational responsibility is divided among those responsible for contracts, connections, energy metering and digital solutions. Large customers have dedicated account managers at Ellevio – a personal contact for strategic dialogue and tailored solutions – in order to secure the requested electricity supply. Structured dialogues are conducted with the largest customers in each network area to understand and anticipate capacity needs and future plans. For customers who experience problems with their electricity supply, Ellevio's customer service is available by phone, with questions and answers on the company's website and opportunities to ask questions via Facebook and forms on ellevio.se. The customer service function is divided into first and second lines, with the latter constituting an internal team of experts for more complicated issues.

Power outage information is a central part of Ellevio's communication with customers. Because the electricity supply is so important, the information we provide must be fast, clear and up-to-date. Customers can register a phone number or an email address to receive text messages or emails with information in the event of an outage. Planned outages are announced in advance. Updated outage information is also available on a dedicated website: avbrottskarta.ellevio.se. For planned outages, planning takes place in collaboration with the contractors, operational management and the relevant client. The need for communica-

Social information

tion with consumers and end-users is determined by the expected level of impact and the duration of the project. Common communication channels include letters, information sessions, emails, billboards, websites, sponsored posts on Facebook, editorials and town square meetings. Ellevio's customer service also takes calls about projects. Robust communication during outages leads to acceptance, faster implementation and maintenance of security of supply.

Reporting channels to highlight problems

Ellevio's customer service as well as external consumer rights organisations provide the opportunity to draw attention to problems.

Ellevio's whistleblowing service does not apply to external parties, but we clarify how possible cases can be reported in our human rights information available on the company's website, [ellevio.se](https://www.ellevio.se). We had no cases that could be considered human rights violations in 2024.

Measures concerning consumers and end-users

Ensuring a high security of supply in electricity distribution, both today and tomorrow, is Ellevio's core mission and measures are constantly underway throughout the organisation.

Ellevio works continuously to evaluate and improve forecasting models, information sharing and forecasting data to ensure that forecasts of future power requirements are as accurate as possible. This is achieved in part through dialogues concerning the development of the network and, since 2024, also through the preparation of network development plans. See more information on network development plans under section S3 Affected communities, on page 66.

Continuous planning and staffing around the clock

Ellevio is constantly working to prevent outages and maintain an uninterrupted supply of electricity. We work actively on our continuity planning to maintain adequate electricity supply regardless of the incident. Planning creates the conditions for a robust and secure infrastructure and strengthens our ability to withstand disruptions and restore operations following outages.

An operations centre staffed around the clock monitors the electricity network. Preparedness for weather-related disruptions or other disruptions to the electricity network is an integral part of our operations and our business continuity plans.

Troubleshooting of outages can be carried out remotely in some cases and otherwise by technical staff physically attending the site to fix the problem. Throughout the process, customers are kept informed of the status and estimated restorage time via SMS and website updates. In the event of major disruptions, specific procedures and a contingency plan are in place. See more information under the heading "Adaptations to a changing climate" on page 43.

Undergrounding and inspections

To increase security of supply, we are weather-proofing the local network, mainly by replacing overhead lines with underground cables, known as cabling. Undergrounding work is prioritised based on the areas that are most affected by outages. 86 percent of Ellevio's local networks are now buried. Read more about weather-proofing on page 43 under the heading Adaptations to a changing climate.

Ellevio carries out regular inspections of power line corridors to check the electricity network. Inspections have traditionally been carried out on foot and by helicopter, but are now increasingly being carried out using drones, which, in addition to climate and environmental benefits, also provide a better chance of detecting deviations as images taken by drones can be reviewed afterwards.

Digitalisation for fewer outage minutes and improved control

Ellevio works actively on digitalisation to take advantage of the opportunities afforded by technology to collect, control, convey, store, analyse and act on information, both from the network itself and from everyone who is connected.

Digitalisation contributes to fewer and shorter outages, thanks to aspects such as efficient troubleshooting processes and automatic switching that electricity networks may eventually manage by themselves. It also reduces the need for time-consuming trips

into the field to remedy faults and carry out maintenance. Smart grids increase the security of supply by using advanced technologies to monitor and control electricity distribution in real time. Smart grids identify and remedy faults faster, balance loads, integrate renewable energy sources and storage systems, and optimise energy flow to minimise outages.

Since 2023, all Ellevio customers have had second-generation smart, digital electricity meters, which make it easier for those who want to plan their electricity consumption for when the price is lowest, understand which items in their home use the most electricity, schedule electric car-charging and heating or connect solar panels. For Ellevio, the smart meters also mean that we have access to a large amount of data that provides a better overview of the state of the electricity network. This means that faults can be detected and remedied more quickly, which leads to shorter outages. Smart control can also increase the flexibility of the electricity network.

To maximise the opportunities afforded by digitalisation while minimising the risks to the electricity network, our customers and society, we continuously strengthen and develop information and IT security.

Comprehensive investment programme

Sweden's electricity consumption is expected to double in the coming decades. In the [2025 Effektrapporten](#) (the Power Report), produced by Sweco on behalf of Ellevio, the high-range scenario shows that electricity demand will increase by 74–88 percent by 2045 at the times of the year when demand is highest. Electricity consumption during low-demand hours is expected to increase even more, by 138–152 percent. The report's low-range scenario also shows a marked increase, even at times when demand for electricity is at its lowest. The difference between the high and low scenarios is mainly the pace, with the high scenario assuming rapid and widespread electrification of industries and transport, as well as high demand for AI data centers. Compared to [2023 Electricity Network Report](#), both the high and low-range scenarios in Power Report imply a slightly downgraded trend in electricity demand, but it still entails a doubling. The reason for the downward revision is that several

Social information

large projects have been cancelled, redesigned or postponed due to aspects such as regulatory uncertainty, immature markets, slow permitting processes and lack of grid capacity.

To meet future needs, it is estimated that the electricity network infrastructure alone will need SEK 94.5 billion in investments by 2045 to deliver a secure electricity supply, according to the 2023 Electricity Network Report. The reasons for this include

- Increased power demand as industries and transport switch to electric power
- Demand from data centres increasing as AI becomes more widely used
- Major parts of the electricity network having reached their technical service life
- Electricity generation becoming less plannable as the share of electricity from renewable sources increases
- The need for digitalisation to ensure flexibility and new functions in electricity grids

As one of Sweden's largest network companies, Ellevio has a central role to play in these efforts. Ellevio is making major long-term investments and carrying out several significant projects to strengthen and increase the electricity network's capacity. We invested SEK 4,238 million in 2024 and will increase that level significantly in the coming years. We worked on capacity-enhancing measures in 2024 in the Stockholm region where there is currently a lack of capacity, while the surrounding municipalities continue to grow rapidly. Extensive projects in weather-proofing, modernisation and major customer connections were also underway during the year. More information on current investment projects can be found on page 13 under the heading Investments.

Preparedness and crisis management

Security initiatives linked to protective security, civil preparedness, information security, IT security, physical protection and personnel security is highly prioritised within Ellevio, and the unstable geopolitical situation has increased investments in the area to ensure security of supply regardless of the external situation and antagonistic influence.

As the security threat to Sweden has increased over the past year, so have the demands on Ellevio – given it constitutes an important part of the country's energy system. Our security organisation is responsible for Ellevio's work on security protection and civil preparedness to deal with extraordinary events both in peacetime and in the event of war. To meet these needs, which also include new requirements on both the EU and Swedish authorities, this security organisation has been reinforced by way of several new positions in 2024.

Ellevio also has a well-established crisis management organisation adapted for activation in both crises and heightened preparedness. A number of exercises were organised during the 2024 – including on the theme of cybersecurity – to ensure that processes, procedures and decision-making methods function in the event of a crisis. Several crisis and continuity training sessions together with contractors and other key stakeholders were also conducted during the year.

Compensation and damages

Ellevio pays outage compensation in accordance with current regulations in the event of a power outage lasting twelve hours or more, and those entitled to compensation automatically receive a deduction on their invoice. Damages can be claimed if, for example, damage to equipment in the home has occurred as a result of an outage. Customers submit a report to their insurance company or directly to us at Ellevio.

Our metrics and targets

Targets related to consumers and end-users

Target area	Target	Target definition	2024 target	2024	2023	2022
Security of supply in electricity distribution	SAIDI	The System Average Interruption Duration Index (SAIDI) is used in the electricity network industry to describe the average interruption duration measured in minutes for customers over a year. SAIDI is calculated by dividing the total interruption time of all customers in the network by the number of customers.	59	58	58	69

To measure security of supply, Ellevio uses the international quality index System Average Interruption Duration Index (SAIDI), which is calculated as the sum of all interruption minutes (excluding planned work and short interruptions) for customers, divided by the total number of customers.

The index is well established in the industry and allows for comparison with other electricity network companies. It is measured monthly, analysed continuously and reported externally annually. The metric is used by authorities to assess the quality of the network and helps Ellevio to improve reliability, identify weak points in the network and prioritise investments.

SAIDI can vary between years, depending on whether there have been severe storms. Since the extensive weather-proofing work started in 2005, SAIDI has decreased significantly. In 2024, SAIDI amounted to 58 minutes (58). Customers on the West Coast and Ekerö were the worst affected during the year, while Stockholm fared well. Extensive investment projects are underway on both the West Coast and Ekerö to reduce outages.

Self-defined metrics for consumers and end-users

Network reliability

To get an overall picture of the network's performance and reliability, Ellevio also measures the reliability of the electricity network as a percentage, calculated as the number of outage hours divided by the total number of hours in a year. The reliability of the electricity network for 2024 amounted to 99.99 per cent (99.99). This is good when comparing both nationally and internationally, but every outage can have major consequences for those affected and Ellevio therefore takes every incident seriously.

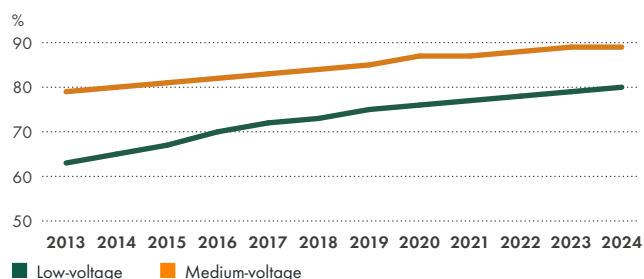
%	2024	2023	2022
Network reliability	99.99	99.99	99.98

Weather-proofing – degree of cabling

The degree of cabling is a key measure for Ellevio to follow in order to achieve a high security of supply. At the end of 2024, 86 percent (85) of Ellevio's local networks were underground.

Read more about weather-proofing in the "Adaptations to a changing climate" section on page 43.

Degree of cabling – share of underground local network



Annual increase in installed transformer capacity

To meet the increasing demand for electricity transmission and thus ensure security of supply and enable the energy transition, the capacity of the electricity grid needs to be raised continuously. Ellevio measures this by monitoring the annual increase in network capacity based on total installed transformer capacity.

%	2024	2023	2022
Annual increase in network capacity based on total installed transformer capacity	1.8	1.1	2.4

Satisfied customers

The need for information and support from us as an energy company has increased in recent years, and we are committed to meeting our customers' expectations. We create value and strengthen the customer experience through strategic investment projects that ensure a robust and reliable electricity supply and by providing our customers with relevant information and digital tools.

To measure customer perceptions of Ellevio and ensure the right priorities, we carry out a number of initiatives every year.

A customer survey is conducted once a year¹⁾ for corporate customers and a monthly customer satisfaction survey is conducted for private customers.

All respondents answer the question "How satisfied are you overall with Ellevio as an electricity network supplier?" The result for 2024 was 60.3 for private customers (62.6) and 61.5 for corporate customers (63.7). The result is slightly lower than in 2023, likely due to a strained economic situation.

Customer satisfaction	2024	2023	2022
Customer satisfaction, monthly own survey – private ²⁾	60.3	62.6	60.9
Customer satisfaction, annual own survey – corporate ³⁾	61.5	63.7	60.3

¹⁾ In 2022 and 2023, two surveys were conducted for SMEs and one for large companies.

²⁾ Average customer satisfaction from twelve monthly surveys.

³⁾ Average customer satisfaction from an annual survey.

Governance information

Contents

G1 – Business conduct

Material impacts, risks and opportunities related to business conduct.....	73
Our approach.....	74
How we manage material impacts, risks and opportunities.....	74
Our metrics and targets.....	76

G1 – Business conduct

Ellevio’s materials impacts, risks and opportunities related to business conduct

Corruption and bribery			Place in the value chain			Time horizon		
Material impact, risk and opportunity	Description		Upstream	Own operations	Downstream	Short-term	Medium-long term	Long-term
Negative impact	Potential negative impact of corruption and bribery	Ellevio is dependent on a large number of suppliers, some of whom are located in countries where the risk of corruption is higher than in Sweden. We also work with contractors who in turn use subcontractors. This supply chain has a potential negative impact on corruption and bribery related to Ellevio's upstream value chain.	●	●		●	●	●

The Sustainability Statement only covers Ellevio AB. Impacts, risks and opportunities as well as strategy, targets and metrics reported here for the company's own operations and which are related to employees and corporate culture refer to employees who work directly for Ellevio AB, i.e. employees who are employed by Ellevio Sverige AB.

Our approach

As a procurement organisation, Ellevio is dependent on a large number of strategic suppliers and construction and maintenance contractors. The majority of these suppliers are Swedish or European, with only a few of them located in other parts of the world. In contrast, suppliers' subcontractors are located globally in a lot of cases.

Croatia, Bulgaria, Slovenia and Poland are examples of countries where Ellevio's first-tier suppliers operate. China, for example, is in the second tier. According to Transparency International's 2024 Corruption Perceptions Index, which ranks countries according to their perceived levels of corruption, the countries named above are considered to have a medium risk of corruption, which means that there is a potential negative impact from corruption and bribery in Ellevio's value chain.

We set high standards for the ethical conduct of our suppliers, and our Code of Conduct for Suppliers and Partners requires our suppliers to take ethical measures in their supply chain too. We carry out continuous audits and inspections of our suppliers. However, the presence of corruption and bribery far down the value chain is difficult to fully control.

It is important that our employees who are in contact with our suppliers are aware of how we at Ellevio should act when managing these contacts. We have policies, procedures and systems in place in our own operations to ensure that corruption and bribery do not occur in our own business. Ellevio has zero tolerance for corruption and bribery.

Management of material impacts, risks and opportunities

Business ethics policies and corporate culture

Ethical supplier requirements

Ellevio's Code of Conduct and the Code of Conduct for Suppliers and Partners form the basis of all our collaborations. We require our suppliers and business partners to apply the same good business ethics as we do and to comply with applicable laws and regulations. In our supply chain, we require suppliers to adhere to the ten principles of the UN Global Compact, prohibit all forms of corruption, respect human rights and international labour standards, and promote environmental responsibility.

Ellevio's Code of Conduct for Suppliers and Partners specifies the sustainability requirements that all our suppliers and partners must meet, including requirements regarding corruption and bribery. The Code states that Ellevio's suppliers and partners, including their subcontractors and others acting on behalf of the supplier or partner, must meet high standards of integrity in all business situations. All forms of corruption, including inappropriate offers such as (but not limited to) gifts of money, gift cards, goods or services for private use, hidden commissions or the provision of vehicles or accommodation for private use to or from employees or organisations, are prohibited.

All Ellevio suppliers and partners are obliged to comply with the principles of the Supplier Code throughout their operations and shall take active measures to promote and implement compliance with the Code, or equivalent code of conduct, in their supply chain.

Ellevio's Code of Conduct, Anti-Corruption Policy and Purchasing Policy

Ellevio's Code of Conduct states that Ellevio prohibits improper payments and all forms of extortion and corruption, including bribes and demands for payments to or from Ellevio, Ellevio employees or board members. All employees at Ellevio, including Board members and any others who represent the company, are covered by the Code of Conduct and undertake to act in accordance with it. All employees must undergo an annual online training course on the Code of Conduct.

In addition to Ellevio's internal Code of Conduct, Ellevio's anti-corruption policy applies to all contacts with customers, suppliers and other business contacts. The purpose of the anti-corruption policy is to prevent and counteract corruption in Ellevio's operations and to specify the principles that apply at Ellevio for receiving and giving benefits and to facilitate employees' assessment of whether a benefit is permitted or not. The anti-corruption policy applies to all of Ellevio's operations.

Furthermore, Ellevio has a purchasing policy that clarifies the connection between governing documents and processes that together form the basis for Ellevio's approach to sustainable purchasing and procurement.

Violations and whistleblowing

Everyone at Ellevio is responsible for preventing and reporting any breaches of law or policy. If an employee suspects a violation regarding corruption or bribery, the employee should in the first instance contact his/her line manager, the People, Culture & Sustainability Department or the Legal Department. It is also possible for Ellevio employees to report anonymously via an external whistleblowing tool, without risk of reprisal.

Ellevio's whistleblowing policy provides information on the investigation process of a submitted case and encourages employees to report suspicions of non-compliance with the Code of Conduct.

It is also possible to report suspicions of irregularities via Ellevio's customer service and general communication channels. For our suppliers, there are additional forums, such as the supplier monitoring and governance structure that exists for our supplier agreements, see page 59, which offer the possibility to raise and discuss any concerns.

→ See appendix page 107 for a more detailed description of Ellevio's policies.

Prevention and detection of corruption and bribery High standards for our suppliers and contractors

Ellevio is subject to the Act on procurement of water, energy, transport and postal services (LUF), which entails requirements

Governance information

on transparency, equal treatment and responsibility in business relationships. The majority of our purchasing takes place via call-off orders from procured framework agreements in which extensive sustainability requirements are set during the procurement, as well as through specific project procurements where equivalent requirements are placed on the specific project.

Suppliers who wish to qualify to participate in Ellevio's procurements produce extensive reports about their sustainability initiatives, which are reviewed by Ellevio. The content of the reports depends on the risks and sustainability aspects in question, but usually includes a report on the work environment, electrical safety, environment, quality, business ethics and the supply chain.

In addition to the above requirements, the requirements of Ellevio's Code of Conduct for suppliers and partners always apply.

Continuous supplier inspections

To ensure compliance with our contractual requirements, unannounced and announced site visits are carried out, known as flying audits. Ellevio also conducts in-depth audits of both new and existing suppliers, including factory visits, in line with a separate plan for each year. Prior to a physical visit to a manufacturing site, a comprehensive questionnaire must be completed by the audited company, including questions on the company's anti-corruption efforts.

Our supplier management system allows us, through various ratings and macro risk analyses, to gain an overview of the geopolitical, economic and sustainability-related risks in the countries where our suppliers operate. We use this information to carry out evaluations of new suppliers during procurement, for example.

The supplier management system also carries out regular inspections of our largest suppliers, as there are a limited number that account for a very high proportion of Ellevio's purchasing volumes. 82 (79) suppliers account for fully 95 percent of Ellevio's total purchasing volume.

The supplier management system provides automated screening of the largest suppliers against various indices, sanctions lists and international regulations. A group consisting of relevant employees, managers or contract managers at Ellevio is notified if the system receives any hits in areas such as terrorism and

financial crime. Ellevio has a sanctions instruction that describes the process for working in the above areas along with inspection and follow-up. In addition, the sanctions instruction provides guidance on the investigation process if the system flags that a company or person is on a sanctions list.

We take responsibility together

Several of Ellevio's internal procedures and systems are structured in such a way that it should not be possible to act alone. We apply the 4-eyes principle, which means that at least two different people must always check what is happening in terms of Ellevio's commitments and obligations. This is also known as "duality". Thus, there must always be two people signing contracts and agreements or approving financial transactions.

Major purchase agreements are made in accordance with specific procedures in Ellevio's purchasing process, with the purchasing department always involved. The evaluation and selection of a supplier always involves several people and is carried out in accordance with the requirements of the LUF.

Our authorisation instructions specify the persons with the mandate/authorisation rights for specific areas and for specified maximum amounts. The mandate to approve/sign is based on the position and operational responsibilities of each individual. The authorisation instruction is also implemented in our purchasing and invoicing system where invoices and orders are approved.

At Ellevio, we never accept or give gifts of more than token value or gifts that may be considered more than reasonable hospitality in the ordinary course of business, and we never accept or give monetary gifts. However, persons within Ellevio who have influence over public procurement may not accept or be offered benefits or gifts of any kind. These persons are considered to be particularly privacy-sensitive.

Reporting and investigation

All cases received through Ellevio's whistleblowing channel are reported to Ellevio's CEO. The Board is also informed directly if there is reason to believe that a corruption or bribery offence has been committed.

A corruption or bribery case received is never investigated by anyone concerned or involved in the case, and the cases received through Ellevio's whistleblowing channel are always handled jointly by two people. This means that a case is always opened jointly by at least two of the three people that investigate these cases.

Actions that do not comply with our Code of Conduct must be corrected promptly and may be subject to disciplinary action. They can also lead to termination of employment or dismissal.

If a supplier does not comply with Ellevio's Code of Conduct for suppliers and partners, we may take necessary measures, including suspending or terminating the agreement.

Continuous training of staff

All Ellevio employees must undergo anti-corruption training. Anti-corruption is part of the annual online training course on Ellevio's Code of Conduct, which is mandatory for all employees. It is also mandatory for all new employees to undergo the training. The percentage of employees who had completed the training in 2024 totalled 100.0 percent (99.8).

The training course includes basic knowledge of what corruption is. The employee must also complete a short exercise and answer various questions, for example about receiving gifts, what the employee should do in case of suspicion of corruption and about the employee's own responsibilities. There is no mandatory anti-corruption training for the Ellevio Board, but being part of the Ellevio Board requires understanding and knowledge of these issues. All members of the Board have undertaken to comply with Ellevio's Code of Conduct, which provides the necessary information in this area.

In addition to the Code of Conduct, it is mandatory for Ellevio employees to complete a digital basic training course on purchasing. The course is designed to ensure that all employees are aware of how Ellevio handles purchasing, who can make decisions and what governs different types of purchase. The training also provides information on Ellevio's authorisation instruction.

Employee knowledge of business conduct is also ensured through internal lectures, weekly newsletters from the CEO, articles on the intranet and an annual Culture Week. All of Ellevio's policies are available to all employees via the Ellevio intranet.

Our metrics and targets

Confirmed cases of corruption and bribery

Target area	Target	Target definition	2024 target	2024	2023	2022
Zero tolerance against corruption and bribery	Cases of corruption	0 incidents of corruption in our own operations.	0	0	0	0

At Ellevio, we have zero tolerance for corruption and bribery and we continuously monitor whether we are achieving this goal. In 2024, Ellevio had no confirmed cases, convictions or fines for violations of anti-corruption and bribery laws. It has therefore not been relevant to take any specific action on corruption and bribery in 2024, beyond the proactive efforts already being undertaken.

Self-defined business conduct metrics

As part of Ellevio's preventive efforts against corruption and bribery, all employees must undergo annual training in Ellevio's Code of Conduct. We follow up annually on how many of our employees have completed the training.

Ellevio's Code of Conduct training course	2024	2023	2022
Percentage of employees who completed annual Code of Conduct training	100.0%	99.8%	98.0%

Financial reports

Income statement	78	Note 16 Tax	91
Statement of comprehensive income	78	Note 17 Intangible assets	92
Balance sheet	79	Note 18 Tangible fixed assets	93
Statement of changes in equity	80	Note 19 Investments in associates	94
Cash flow statement	81	Note 20 Other long term investments	94
Note 1 General information about the company	82	Note 21 Trade receivables	94
Note 2 Significant accounting policies	82	Note 22 Other receivables	94
Note 3 Significant estimates and judgements	85	Note 23 Prepaid expenses and accrued income	94
Note 4 Financial risk management and financial instruments	85	Note 24 Cash and cash equivalents	94
Note 5 Segment reporting	88	Note 25 Untaxed reserves	94
Note 6 Net sales by regulated entity	88	Note 26 Non-current liabilities	94
Note 7 Other operating income	88	Note 27 Other current liabilities	95
Note 8 Remuneration to auditors	88	Note 28 Accrued expenses and deferred income	95
Note 9 Leases	88	Note 29 Reconciliation of liabilities from financing activities	95
Note 10 Employees and benefits	89	Note 30 Pledged assets	96
Note 11 Pensions	90	Note 31 Related-party transactions	96
Note 12 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	91	Note 32 Group structure	96
Note 13 Interest income and similar items	91	Note 33 Proposed allocation of retained earnings	96
Note 14 Interest expense and similar items	91	Note 34 Significant events after the end of the financial year	96
Note 15 Appropriations	91	Alternative performance measures	97

Income statement

MSEK	Note	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
Net sales	5, 6	8,331	8,231
Capitalised own work		63	160
Other operating income	7	126	113
		8,519	8,504
OPERATING EXPENSES			
Costs for purchase and transit of power		-1,618	-1,711
Other external expenses	8, 9	-2,075	-1,436
Employee benefits expenses	10, 11	-291	-732
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	12	-2,026	-1,931
Operating profit		2,509	2,694
FINANCIAL INCOME AND EXPENSES			
Interest income and similar items	13	650	498
Interest expense and similar items	14	-3,083	-2,714
Profit/loss after net financial income/expense		75	478
Appropriations	15	-73	141
Profit/loss before tax		2	618
Income tax expense	16	-295	-394
PROFIT/LOSS FOR THE YEAR		-293	225

Statement of comprehensive income

MSEK	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
Profit/loss for the year	-293	225
Other comprehensive income	-	-
COMPREHENSIVE INCOME FOR THE YEAR	-293	225

Balance sheet

MSEK	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Non-current assets			
Intangible assets	17		
Goodwill		3,171	3,474
Concessions		38,710	38,710
IT systems		302	336
Utility easements		819	821
Projects in progress and advance payments		219	78
		43,221	43,420
Property, plant and equipment	18, 30		
Buildings and land		1,332	1,342
Machinery and other technical plant		37,294	35,853
Equipment, tools and facilities		31	53
Assets under construction and advance payments		4,647	3,764
		43,304	41,013
Non-current financial assets			
Investments in associates	19	0	0
Receivables from Group companies		11,568	11,331
Plan assets	10	-	5
Other non-current assets	20	-	254
		11,568	11,591
Total non-current assets		98,094	96,023
Current assets			
Current receivables			
Trade receivables	21	1,168	993
Receivables from Group companies		505	21
Other receivables	22	11	10
Prepaid expenses and accrued income	6, 23	1,854	1,899
		3,537	2,922
Cash and cash equivalents	24, 30	80	32
Total current assets		3,618	2,954
TOTAL ASSETS		101,711	98,977

MSEK	Note	31 Dec 2024	31 Dec 2023
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital		1	1
Statutory reserve		0	0
Development reserve		45	27
		46	28
Non-restricted equity			
Retained earnings		9,758	10,052
Profit/loss for the year		-293	225
Total equity		9,512	10,304
Untaxed reserves	25	347	476
Provisions			
Deferred tax liability	16	14,672	14,378
Other provisions		-	6
Total Provisions		14,672	14,384
Non-current liabilities	26		
Bond loans		36,420	27,860
Liabilities to credit institutions		5,756	7,955
Liabilities to Group companies		24,522	25,078
Derivative instruments		45	16
Other non-current liabilities	6	4,553	3,987
Total non-current liabilities		71,296	64,896
Current liabilities			
Bond loans		947	4,208
Liabilities to credit institutions		388	722
Trade payables		1,012	886
Liabilities to Group companies		494	33
Current tax liabilities		2	25
Other current liabilities	6, 27	1,906	1,824
Accrued expenses and deferred income	28	1,136	1,218
Total current liabilities		5,885	8,917
TOTAL EQUITY AND LIABILITIES		101,711	98,977

Statement of changes in equity

MSEK	Restricted equity			Non-restricted equity	
	Share capital ¹⁾	Statutory reserve ¹⁾	Development reserve ²⁾	Retained earnings including profit for the year	Total equity
Balance at 1 January 2024	1	0	27	10,277	10,304
Dividend to shareholders				-500	-500
Provisions for development reserve			18	-18	-
Comprehensive income:					
Profit/loss for the year				-293	-293
Other comprehensive income				-	-
Total comprehensive income					
Balance at 31 December 2024	1	0	45	9,466	9,512

MSEK	Restricted equity			Non-restricted equity	
	Share capital ¹⁾	Statutory reserve ¹⁾	Development reserve ²⁾	Retained earnings including profit for the year	Total equity
Balance at 1 January 2023	1	0	30	10,048	10,080
Provisions for development reserve			-3	3	-
Comprehensive income:					
Profit/loss for the year				225	225
Other comprehensive income				-	-
Total comprehensive income	1	0	27	10,277	10,304
Balance at 31 December 2023					

¹⁾ Share capital amounted to SEK 600,000 (600,000) and the statutory reserve amounted to SEK 82,300 (82,300).

²⁾ Refers to investments in proprietarily produced IT programmes.

The company has a total of 30 shares (30). The quotient value is SEK 20,000 per share (20,000).

Cash flow statement

MSEK	Not	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
CASH FLOW FROM OPERATING ACTIVITIES			
Operating profit		2,509	2,694
Adjustments for non-cash items:			
Depreciation and amortisation	12	2,026	1,931
Disposals/retirements of non-current assets		102	52
Periodised connection fees		-145	-119
Change in provision for doubtful receivables		0	0
Received connection fees		770	815
Income tax paid		-25	-62
Cash flow from operating activities before changes in working capital		5,237	5,312
CHANGES IN WORKING CAPITAL			
Decrease(+)/increase(-) in trade receivables		-175	26
Decrease(+)/increase(-) in other operating receivables		212	-221
Decrease(-)/increase(+) in trade payables		-5	17
Decrease(-)/increase(+) in other operating liabilities		-1	94
Cash flow from operating activities		5,268	5,228
INVESTING ACTIVITIES			
Capital expenditure in intangible assets		-233	-151
Capital expenditure in property, plant and equipment		-3,979	-3,694
Capital expenditure in interest-bearing non-current assets	20	253	-253
Divestment of property, plant and equipment		18	6
Cash flow from investing activities		-3,942	-4,091
Cash flow from investing activities		1,327	1,137

MSEK	Not	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
FINANCING ACTIVITIES			
	29		
Borrowings		12,489	4,894
Repayment of borrowings		-10,292	-3,146
Loans given		-491	-737
Repayment of loans		383	-
Change in cashpool		70	-
Received interest		110	56
Paid interest		-3,043	-2,182
Dividends paid		-500	-
Received/paid group contributions		-5	-3
Cash flow from financing activities		-1,278	-1,119
Cash flow for the year		49	18
Cash and cash equivalents at 1 January		32	14
Cash and cash equivalents at 31 December	24	80	32

Accounting policies and notes

Note 1

General information about the company

Ellevio AB (publ), corporate ID number 556037-7326, is a limited liability company registered in Sweden whose registered office is in Stockholm. The address of the head office is Valhallavägen 203, SE-115 53 Stockholm, Sweden. The company conducts electricity network operations within awarded concession areas. Ellevio AB (publ) is a wholly owned subsidiary of Ellevio Holding 4 AB, corporate ID number 559005-2451. Consolidated financial statements are prepared by Ellevio Holding 1 AB, corporate ID number 559005-2444. The Group structure is presented in note 32.

Note 2

Significant accounting policies

This annual report was prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and Recommendation RFR 2 Financial Reporting for Legal Entities issued by the Swedish Sustainability- and Financial Reporting Board. The application of RFR 2 requires the company to apply, insofar as possible, all EU-adopted International Financial Reporting Standards (IFRS) and interpretations of IFRS issued by the IFRS Interpretation Committee (IFRIC) subject to the provisions of the Swedish Annual Accounts Act and the Swedish Pension Obligations Vesting Act and take account of the relationship between accounting and taxation.

Assets, provisions and liabilities have been recognised at cost unless otherwise indicated.

The cash flow statement was prepared using the indirect method. The company is classified as a large company in accordance with Ch. 1 section 3 of the Swedish Annual Accounts Act (1995:1554). Pursuant to Ch. 7 section 2 of the Annual Accounts Act, consolidated financial statements are not prepared for Ellevio AB (publ).

New and amended standards and interpretations that have come into effect, as well as amendments to RFR 2

The management considers that new and changed standards and interpretations that have entered into force during the financial year have not had any significant impact on the company's financial reports.

New and amended standards and interpretations that have not yet come into effect, as well as amendments to RFR 2

In April 2024, the IASB published the new standard IFRS 18 Presentation and Disclosures of Financial Statements, which will replace IAS 1 Presentation of Financial Statements. IFRS 18 will enter into force on 1 January 2027

(subject to EU approval) and shall be applied retrospectively in both annual and interim reports.

The new standard introduces three areas of new requirements that aim to increase the comparability, transparency and usability of financial statements. The first area introduces new requirements on the structure of the consolidated income statement by introducing three new categories and requires companies to present two defined subtotals ("Operating profit" and "Profit before financing and income taxes"). The second area introduces new principles and expanded guidance on how companies can determine whether information about an item should be included in the primary financial statements or in a note. The third area that IFRS 18 introduces involves new requirements for disclosure of certain key figures that the company uses in its external financial communication, so-called Management-defined performance measures, ("MPM"). The company is awaiting a statement from the Swedish Financial Reporting Board on whether IFRS 18 should be applied in legal entities and has therefore not yet begun a preliminary assessment of the effects of IFRS 18.

Revenue

Revenue is recognised at the fair value of the consideration received or receivable after deducting VAT, discounts, returns and similar deductions. The company recognises revenue when the amount can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the company's categories of revenue.

The company's revenue comes mainly from network services, connection services and other network-related services. The company's revenue is covered by revenue regulation and any excess or deficit revenue is handled in the subsequent regulation period for accounting purposes.

Network services

Revenue from the sale of network services is based on actual measured consumption during the period (excluding VAT and duties) and revenue is recognised upon completion of delivery.

Connection services

Revenue from the sale of connection services is recognised as revenue to the extent that it is not intended to cover future obligations. Revenue from standard connections is allocated over 40 years and revenue from the connection of wind farms is allocated over 25 years.

Other network related services

Revenue from the relocation of network facilities is recognised as revenue to the extent that it is not intended to cover future obligations.

Communication and rental income

Income from the lease of capacity in company-owned fibre-optic networks, space in masts and poles and rent for premises is recognised in accordance with the rules for operating leases (lessor).

Other operating income

Other recurring operating income such as income from reconnection services and other customer-initiated activities are recognised in connection with the performance of the service.

Leases

A finance lease is a lease that transfers substantially all the economic risks and rewards incidental to ownership of an asset to the lessee. Other leases are classified as operating leases. All leases, both finance leases and operating leases, are recognised as operating leases. Lease payments are charged to income statement on a straight-line basis over the term of the lease unless another method systematically provides a better reflection of the user's economic benefit over time.

Future lease payments refer to operating leases. The company has no significant finance leases.

Foreign currency

Receivables and liabilities in foreign currency have been translated at the rate at the end of the reporting period. Unrealised foreign exchange gains and losses are included in profit or loss. Foreign exchange gains (losses) on operating receivables and liabilities are recognised in the same item of income and expense as that to which the income or expense refers. Foreign exchange differences related to financial assets and liabilities are recognised under net financial income and expenses.

Borrowing costs

Borrowing costs are recognised on an ongoing basis in profit or loss in the period to which they refer.

Employee benefits

Employee benefits in the form of salaries, bonuses, paid annual leave, paid sick leave, etc., as well as pensions are recognised as they are earned. Pensions and other post-employment benefits are classified as defined contribution pension plans and are charged to income statement. The company has both defined benefit and defined contribution pension plans.

Under RFR 2, the provisions of IAS 19 concerning defined-benefit pension plans do not need to be applied in a legal entity.

Accounting policies and notes

Note 2 cont.

Corporate income tax

Current tax

Current tax is the amount of income taxes payable in respect of the taxable profit for the period. The taxable profit differs from the profit recognised in income statement, as it has been adjusted for non-taxable income and other non-deductible expenses and for income and expenses that are taxable or deductible in other periods. The company's current tax liability is calculated based on the tax rates applicable at the end of the reporting period.

Deferred tax

Deferred tax is recognised for temporary differences that arise between the carrying amount of assets and liabilities and the tax base used in calculating the taxable profit. Deferred tax is recognised in accordance with the balance sheet liability method. Deferred tax liabilities are recognised for practically all taxable temporary differences, and deferred tax assets are recognised for practically all temporary differences to the extent that it is probable that the amounts can be used to offset future taxable surpluses. Deferred tax liabilities and tax assets are not recognised if the temporary difference is attributable to goodwill or if it arises from a transaction that constitutes the initial recognition of an asset or liability (that is not a business acquisition) and that at the time of the transaction does not affect recognised profit or taxable profit.

Untaxed reserves are recognised inclusive of deferred tax liability.

The carrying amount of deferred tax assets is tested for impairment at the end of each reporting period and an impairment loss is recognised to the extent that it is no longer probable that sufficient taxable profits will be available against which the deferred tax asset can be fully or partially offset.

Deferred tax is calculated using the tax rates that are expected to apply for the period in which the asset is recovered or the liability settled, based on the tax rates (and tax laws) that have been enacted or announced by the end of the reporting period.

Deferred tax assets and tax liabilities are offset when they refer to income tax, are paid to the same authority and when the company intends to settle the tax by paying the net amount.

Current and deferred tax for the period

Current and deferred tax are recognised as an expense or income in the income statement.

Group contributions

Group contributions paid and received are recognised as appropriations.

Shareholder contributions

Shareholder contributions paid and received are recognised in Equity.

Property, plant and equipment

Property, plant and equipment are recognised at cost less accumulated depreciation and any impairment losses.

The cost of an item of property, plant and equipment comprises its purchase price and any costs directly attributable to bringing the asset to the site and into working condition for its intended use. Subsequent costs are only included in the asset or recognised as a separate asset when it is probable that future economic benefits associated with the asset will flow to the company and the cost of the same can be reliably measured. All other subsequent costs for repairs and maintenance are recognised in the income statement in the period in which they are incurred.

Depreciation of property, plant and equipment is charged to income statement so that the cost of the asset, less any residual profit the cost of the asset, less any residual value at the end of its useful life, is depreciated on a straight-line basis over the asset's estimated useful life. An item of property, plant and equipment is depreciated as of the date when it can be taken into use.

The estimated useful lives for property, plant and equipment are:

Buildings	10–50 years
Land improvements	20 years
Machinery and other technical plant	8–60 years
Equipment, tools and facilities	3–20 years

Land has an indefinite useful life and is therefore not depreciated.

Estimated useful lives, estimated values and depreciation methods are reviewed at least at the end of each reporting period, the effect of any changes in assessments is recognised prospectively.

The carrying amount of an item of property, plant and equipment is derecognised upon retirement or disposal or when no future economic benefits are expected from the use or disposal/sale of the asset. The gain or loss on the retirement or disposal of the asset consists of the difference between any net proceeds and the carrying amount of the item and is recognised in profit or loss in the period when the asset is derecognised.

Intangible assets

Internally generated intangible assets

Internally generated intangible assets resulting from the company's development of IT systems are recognised only when the following conditions are met:

- it is technically feasible to complete the intangible asset and use it,
- the company intends to complete the intangible asset and use it,
- it is possible to use the intangible asset, the company can demonstrate how the intangible asset will generate probable future economic benefits,
- adequate technical, financial and other resources are available to complete the development and to use or sell the intangible asset, and
- the expenditure attributable to the intangible asset during its development can be reliably measured.

Separate acquisition of intangible assets

Intangible assets with definite useful lives that have been acquired separately are recognised at cost less accumulated amortisation and any accumulated

impairment. The assets are amortised on a straight-line basis over their estimated useful lives.

The estimated useful lives for intangible assets are:

Concessions	Not amortised
Goodwill	20 years
IT systems	3–10 years
Other rights	Not amortised or 25 years

Concessions are not amortised, they apply until further notice and can only be revoked in a potential bankruptcy situation or in case of gross negligence and are therefore considered to have an indeterminable useful life.

Other rights consist of network connections to feeding networks that are amortised over 25 years and utility easements. Utility easements (including land leases) are not amortised and refers to contracts that give the company access to land belonging to third parties for an indeterminable period for the establishment of electricity network facilities. Intangible assets that are not yet available for use are not amortised.

Estimated useful lives and amortisation methods are reviewed at least at the end of each financial year and the effect of any changes in assessments is recognised prospectively.

Impairment of non-financial assets

Impairment testing for property, plant and equipment, and intangible assets including goodwill is done on an annual basis and on the indication of a need for impairment.

An asset's recoverable amount is calculated in order to determine the value of any impairment loss. With the aim of determining a need for impairment, the assets are grouped together based on the lowest levels for which there are identifiable cash flows (cash-generating units). If the recoverable amount of a cash-generating unit is determined at a value that is lower than the carrying amount, the carrying amount of the cash-generating unit is impaired to the recoverable amount. Impairment losses must immediately be expensed in profit or loss.

If an impairment is subsequently reversed, the carrying amount of the cash-generating unit is increased to the remeasured recoverable amount, although the increased carrying amount may not exceed the carrying amount that would have been determined if the cash-generating unit had not been subject to impairment in previous years. A reversal of an impairment is recognised directly in profit or loss. Any goodwill impairment is immediately recognised as an expense and is not reversed.

Non-current financial assets

Investments in subsidiaries are recognised at cost less any impairment. Cost includes acquisition-related costs and any additional consideration paid. When there is an indication that interests in a subsidiary have declined in value, an estimate is made of the recoverable amount. If the recoverable

Accounting policies and notes

Note 2 cont.

amount is less than the carrying amount an impairment loss is recognised. Impairment losses are recognised in the item "Profit/loss from shares in Group companies".

Investments in associates are recognised at cost less any impairment. Cost includes acquisition-related costs and any additional consideration paid. When there is an indication that interests in an associate are impaired, an estimate is made of the recoverable amount. If the recoverable amount is less than the carrying amount an impairment loss is recognised. Impairment losses are recognised in the item "Profit/loss from shares in associates".

Financial instruments

Financial instruments reported in the balance sheet includes, on the asset side, cash and cash equivalents, loan receivables, accounts receivables and derivatives. On the debt side, loan liabilities, accounts payable and derivatives. A financial asset or financial liability is recognised in the balance sheet when the company becomes party to the contractual terms and conditions of the instrument. Accounts receivables are recognised when the invoice has been sent and debt is raised when the counterparty has delivered and there is a contractual obligation to pay, even if the invoice has not yet been received. A financial asset is derecognised in the balance sheet when the contractual right to the cash flow from the asset expires or is settled or when the company loses control of it. A financial liability, or portion of a financial liability, is derecognised in the balance sheet when the contractual obligation is fulfilled or else is terminated.

Financial instruments are measured at cost on initial recognition. Non-current receivables and non-current liabilities are measured at amortised cost on initial recognition. Borrowing costs are allocated to accounting periods as part of the interest expense of the loan.

Subsequent to initial recognition, current assets that are not derivatives are measured at amortised cost, taking into account any credit reserve. Subsequent to initial recognition, current liabilities that are not derivatives are measured at amortised cost. Accounts payable have a short expected maturity and are valued at nominal amount without discounting.

Amortised cost

Amortised cost refers to the amount at which the asset or liability is measured upon initial recognition using the effective interest method and taking into account deduction for any credit reserve.

Loans and receivables

Financial assets classified as "Loans and receivables" are financial assets that are not derivatives, have fixed or determinable payments, and are not quoted on an active market. This includes trade receivables and cash and cash equivalents. Trade receivables are generally due for payment within 30 days and all accounts receivable have therefore been classified as current assets. Trade receivables are measured at transaction cost on initial recognition. The company holds trade receivable for the purpose of collecting contractual

cash flows and therefore measures them at subsequent accounting points at amortised cost using the effective interest rate measurement, less any provision for expected and occurring credit losses.

However, since the expected maturity of trade receivables is short, these are recognised at the nominal amount on an undiscounted basis which is considered to correspond to amortised cost. The company applies the simplified method for calculating expected credit losses. The method means that expected losses during the entire term of the receivable are used as basis for accounts receivables. In order to calculate expected credit losses, the company has developed a model based on classification of the counterparties' credit rating and payment history. Credit losses on accounts receivables are recognised as losses net within operating profit.

As cash and cash equivalents are payable on demand, amortised cost is the same as the nominal amount.

Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and presented as a net amount in the statement of financial position only if there is a legally enforceable right to set off the recognised amounts and there is an intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives

The company enters into derivatives transactions for the purpose of managing currency, price and interest rate risks. See also note 4 for further information on the Group's risks and hedging strategies.

Due to the connection between accounting and tax, the accounting standard for financial derivatives, IFRS 9, is not applied. Derivatives are instead recognised using the lower of cost method. Derivatives with negative value are measured at the amount that is most favourable for the company if the obligation is settled or transferred at the end of the reporting period.

Hedge accounting

The company applies hedge accounting according RFR2 and even if the company uses the exception in RFR2 not to report financial instruments in accordance with IFRS 9 the rules in IFRS 9 regarding when hedge accounting may be applied and which financial instruments may include in a hedging relationship must be followed. Hedge accounting is applied for derivatives that are included in a documented hedge relationship. The use of hedge accounting requires an explicit link to exist between the hedging instrument and the hedged item. It also requires the hedge to effectively protect against the risk that it is intended to hedge, that its effectiveness can be shown to be sufficiently high on an ongoing basis through effectiveness measurements and that hedge documentation has been established. The assessment of whether hedge accounting should be applied is made at the inception of the hedge relationship. Valuation is based on cost and accounting of the change

in value is not recognised in the income statement as long as the hedge accounting is effective.

The effectiveness of a hedge is evaluated when a hedge relationship is entered. Critical terms are i.e. reference interest rates, interest rate conversion days, payment days, electricity price area, maturity date and nominal amount. The hedged item and hedging instruments are evaluated on an ongoing basis to ensure that the relationship meets the requirements. If changed circumstances affect the terms of the hedged item to such an extent that the critical conditions no longer match exactly with the critical instrument of the hedging instrument, the company uses the hypothetical derivative method to evaluate its effectiveness. If the hedging relationship terminates or if the relationship is no longer considered effective, the derivative instrument with negative value is recognised immediately in the income statement in accordance with the lowest value principle.

The company enters interest rate and currency interest rate swaps with equal critical conditions as the hedged item, i.e. the loan. The company does not hedge 100 percent of the loans and therefore only identifies the proportion of the outstanding loans that correspond to the swaps' nominal amount as the hedged item. The company buys electricity to cover transmission losses in the distribution network. Future electricity purchases are therefore exposed to market price risk, which the company hedges with electricity term contracts whose critical conditions match the forecast purchase. Electricity trading is done through the purchase of the product's system price (SYS) and area price differential (EPAD), which together secure the corresponding electricity price risk. The exposure is considered to be reliably measurable when trading takes place on an active market.

Since the critical conditions for all hedges included in the hedge accounting have been matched throughout the year, the economic relationship has been 100 percent effective.

Cash and cash equivalents

Cash and cash equivalents include cash and bank balances as well as other short-term liquid investments that can be quickly converted into cash and are subject to insignificant risk of changes in value. To be classified as cash and cash equivalents, the maturity must not exceed three months from the date of purchase.

Provisions

Provisions are recognised when the company has an existing (legal or constructive) obligation as a result of a past event, it is likely that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. The amount that is set aside is the best estimate of the amount that is required to settle the existing obligation at the end of the reporting period, taking account of risks and uncertainties associated with the obligation. When a provision is calculated by estimating the payments that are expected to be required to settle the obligation, the carrying amount must equal the present value of these payments.

Accounting policies and notes

Note 3

Significant estimates and judgements

In preparing financial statements, management is required to make judgements, estimates and assumptions that affect the application of the accounting policies and the carrying amounts of assets, liabilities, income and expenses. These judgements are based on previous experience as well as assumptions that are deemed to be reasonable under present circumstances and are continuously reviewed. The actual outcome and actual date may differ from the estimates if other assumptions are taken into account or other circumstances are present. Significant estimates and judgements for the company are described below:

Network income and network expenses

Accrued network income and network expenses as well as the associated receivable and liability are calculated mainly on the basis of measured volumes, but a small portion refers to a share of estimated volume based on historical data in combination with actual temperature data for the period. Income and expenses are assessed and accrued on a monthly basis. Reconciliation of previous periods and potential adjustments are also made on a monthly basis.

Useful life of goodwill

Goodwill arising from a merger has a useful life of 20 years. Goodwill has arisen from a merger of an electricity distribution business, which is a stable, long-term business with long-term investments, as reflected in the amortisation period. The amortisation period and method are reviewed at the end of each financial year or more frequently.

Useful life of intangible IT investments

The useful life of a part of IT investments related to systems for monitoring the operation of the electricity network and measurement values collection has been defined as 8 and 10 years based on the minimum expected life of the systems.

Useful life of property, plant and equipment

The company has property, plant and equipment with a significant carrying amount, and assumptions about the useful lives of the assets involve the use of estimates and assessments. These estimates are based on the status and condition of the assets and on historical knowledge of useful lives for equivalent assets. Continuous inspections and monitoring activities are carried out to ensure that the company's network assets are adequately maintained.

Deferred tax and current tax

The company has deferred tax assets and liabilities that are expected to be realised in the income statement over extended future periods. When calculating deferred tax, the company is required to make certain assumptions and

estimates concerning the future tax consequences for temporary differences between the carrying amounts and tax bases of assets and liabilities.

Impairment of non-financial assets

The company has property, plant and equipment and intangible assets, including goodwill, with significant carrying amounts, that are tested for impairment pursuant to the accounting policies listed in note 2 Accounting policies. When the cash-generating units are tested for impairment, the calculations are based on estimated future cash flow, which requires management to make assumptions about future expectations. Impairment testing that has been conducted, and significant estimates and assumptions are detailed in note 17.

Note 4

Financial risk management and financial instruments

Through its operations the company is exposed to various types of financial risks, such as market, liquidity and credit risks. Market risks consist mainly of currency, electricity price and interest rate risks. The company enters into derivative transactions to mitigate these risks. Ultimate responsibility for defining the framework and regulations for managing and monitoring the company's financial risks rests with the Board of Directors. The framework and regulations are set forth in a financial policy adopted by the Board that is reviewed annually.

Market risks

Currency risk

Currency risk refers to the risk that the fair value or future cash flows will fluctuate as a result of changes in exchange rates. The exposure to currency risk comes mainly from the company's financing as well as payment flows in foreign currency.

Transaction exposure

Transaction exposure is the risk that earnings will be adversely affected by fluctuations caused by changes in exchange rates for cash flows in foreign currency. The company's commercial transaction exposure is limited, as the company's inflows and outflows are mainly in SEK. Currency futures are used to hedge currency risk in future purchases in foreign currency. During the year, the company hedged future purchases in EUR of tangible fixed assets. The hedge is made on behalf of the group company Ellevio Energy Solutions AB, where Ellevio AB has external exposure at the same time as the exposure is reflected internally, which means that Ellevio AB's risk is low. The table below shows the currency forwards that are outstanding on the balance sheet date converted to SEK million.

	31 Dec 2024		31 Dec 2023	
	Nominal amount	Fair value	Nominal amount	Fair value
EUR converted into MSEK				
Maturity within 12 months	279	0	186	-6
Maturity within 1-5 years	649	8	-	-
Maturity over 5 years			-	-
Total	929	8	186	-6

Balance sheet exposure

Balance sheet exposure is the risk that the value of balance sheet items in foreign currency will be adversely affected by changes in exchange rates. A significant portion of the company's financing is in foreign currency but there is no other significant exposure.

The company's policy is to hedge all balance sheet exposures and contracted cash flows in foreign currency. The company mainly uses cross-currency interest rate swaps for this purpose.

At the end of the reporting period the nominal amount of loans in foreign currency and corresponding outstanding cross-currency interest rate swaps amounted to EUR 1,155 million (655) and USD 1,041.5 million (1,041.5).

The following table shows outstanding cross-currency interest rate swaps at the end of the reporting period converted into SEK million:

	31 Dec 2024		
	Nominal amount	Fair value	Average interest rate
EUR converted into MSEK			
Maturity within 1-5 years	3,067	601	3.63
Maturity over 5 years	8,702	737	4.25
USD converted into MSEK			
Maturity within 1-5 years	4,766	1,213	2.83
Maturity over 5 years	4,036	779	3.70
Total	20,571	3,330	3.72

	31 Dec 2023		
	Nominal amount	Fair value	Average interest rate
EUR converted into MSEK			
Maturity within 1-5 years	3,067	442	3.63
Maturity over 5 years	3,109	336	4.18
USD converted into MSEK			
Maturity within 1-5 years	4,766	713	2.83
Maturity over 5 years	4,036	385	3.70
Total	14,978	1,907	3.51

Accounting policies and notes

Note 4 cont.

The cross-currency interest rate swaps refer to hedging of loan capital and future interest payments. Interest payments are made every six months, at which time the company settles the fixed interest amount in foreign currency and the fixed interest amount in SEK with its counterparty. These derivatives have been identified as hedging instruments in a cash flow hedge. Payments of interest and principal on the loan and derivatives are made at the same dates and the amount for the hedged risk that has accumulated in equity is reclassified to the income statement when the payment affects the income statement.

Electricity price risk

Electricity price risk refers to the risk that future cash flows will fluctuate as a result of changes in the electricity price. The company is exposed to electricity price risk through its consumption of electricity in the form of transmission losses that arise in connection with the distribution of electricity. The company's policy is to hedge forecast costs for future network losses. The company uses forwards contracts for this purpose.

The following table shows outstanding electricity derivatives at the end of the reporting period:

	31 Dec 2024		31 Dec 2023	
	Volume, GWh	Fair value	Volume, GWh	Fair value
Maturity within 12 months	729	-31	823	-1
Maturity within 1-5 years	706	-82	517	-58
Maturity after 5 years	-	-	-	-
Total	1,435	-113	1,340	-59

The hedged item consists of highly probable forecast transactions relating to purchases of electricity. Cash flows are expected to be generated in the periods in which the futures mature, as specified above, at which time the cumulative change in value of the futures contract is reclassified from equity to profit or loss.

Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows will fluctuate as a result of changes in market interest rates. The company is mainly exposed to interest rate risk through its debt financing. Some borrowings are at variable interest rates, which means that the company's future financial expense is affected by changes in market interest rates. The company manages the interest rate risk in its financing by either borrowing at fixed interest rates or by using interest rate swaps to hedge at fixed-rate terms for variable-rate loans.

The tables below present fixed-rate terms for external interest-bearing liabilities, intra-Group loans, and interest rate derivatives based on nominal amounts converted at hedged price into Swedish Kronor.

Fixed-rate term	31 Dec 2024	31 Dec 2023
Maturity within 12 months	4,362	2,816
Maturity within 1-5 years	20,671	16,040
Maturity within 5-10 years	18,689	21,993
Maturity over 10 years	24,522	25,078
Total	68,244	65,927

The company's policy is to reduce the volatility of net financial income/expenses by mainly financing operations at fixed, long-term interest rates. The financial policy states that at least 75 percent of the external interest-bearing debt is to be financed or fixed at fixed interest rate. At the end of the reporting period, 90 percent (94) of the company's external debt was subject to fixed interest rates after taking account of interest rate derivatives. The weighted average interest rate on all borrowings, taking account of derivatives contracts, was 3.7 percent (3.0).

The company applies hedge accounting. The hedge is a cash flow hedge. During the period SEK 13 million (12 million) was recognised in the income statement in respect of the market valuation of derivatives attributable to this hedge that do not meet the criteria for hedge accounting. Derivatives recognised in accordance with the lower of cost are measured on the basis of contractual cash flows discounted at market interest rates at the end of the reporting period.

The following table shows outstanding interest rate swaps at the end of the reporting period:

	31 Dec 2024		Average interest rate
	Nominal amount	Fair value	
Maturity within 12 months	-	-	-
Maturity within 1-5 years	3,684	-44	2.80
Maturity over 5 years	3,781	-15	2.80
Maturity over 10 years	-	-	-
Total	7,466	-59	2.80
	31 Dec 2023		Average interest rate
	Nominal amount	Fair value	
Maturity within 12 months	-	-	-
Maturity within 1-5 years	1,053	-17	0.80
Maturity over 5 years	6,413	-112	0.69
Maturity over 10 years	-	-	-
Total	7,466	-129	0.71

Normally Ellevio enters into interest rate swaps agreements whereby the company receives a cash flow based on short-term variable interest rate and pays a cash flow based on a fixed interest rate. Payments of interest under the interest rate swaps are made mainly on a quarterly basis, at which time the company settles the variable interest amount and fixed-interest amount in SEK with the counterparty. These derivatives have been identified as hedging instruments in a cash flow hedge. Payments of interest and principal on the loans and derivatives are made at the same dates.

Sensitivity analysis

At 31 December 2024, around 10 percent (6) of the external interest-bearing debt portfolio, including derivatives, was subject to variable interest rates. The cash-flow effect of a 1 percent change in the interest rate for the debt portfolio is SEK 37 million (24) for 2024.

Valuation of financial instruments to fair value

Financial assets and liabilities measured at fair value in the balance sheet, or where information is provided about fair value, are classified in three levels (1-3) based on the information which is used to determine the fair value.

Derivatives

All derivatives are measured according to level 2. Interest rate swaps are measured by discounting future cash flows based on actual market interest rates (observable curves) and interest rates according to the derivative agreement, discounted with an interest that takes the credit risk of the counterparty into account. For cross-currency interest rate swaps the currency at the end of the reporting period is also considered. Electricity derivatives are measured by discounting future cash flows which are based on electricity price (observable curves) and price according to the agreement, discounted with an interest that takes the credit risk of the counterparty into account.

Financial liabilities

Valuation according to level 2 takes place by discounting future cash flows based on current market rates (observable curves) and interest rates according to the derivative agreement, discounted with the relevant swap curve.

Liquidity and financing risk

Liquidity risk refers to the risk that the company will struggle to meet its obligations related to financial liabilities or other payment obligations. Financing risk refers to the risk that the company will be unable to obtain sufficient financing at a reasonable cost.

To reduce its liquidity risk and financing risk, the financial policy states that the company must at all times maintain a liquidity reserve consisting of cash and cash equivalents and binding loan commitments that covers the sum of forecast liquidity uses for the coming 12-month period. Ellevio strives to minimise the amount of cash and cash equivalents and manages liquidity risk mainly through guaranteed credit commitments. At the end of the reporting period, the company's cash and cash equivalents excluding customer

Accounting policies and notes

Note 4 cont.

deposits amounted to SEK 24 million (6), while guaranteed loan commitments amounted to SEK 8,500 million (6,548). The company's total loans amounted to SEK 68,231 million (65,935) at the end of the reporting period, of which SEK 43,709 million (40,957) referred to net debt and SEK 24,522 million (25,078) referred to interest-bearing loans from Group companies. No more than 25 percent of the total outstanding external loans may be repayable in any single calendar year and the average remaining maturity of the total volume of external loans must always exceed four years. At the end of the reporting period, the average remaining maturity for external interest-bearing loans was 6.0 years (4.6).

In addition to the requirement to fulfil its payment obligations, Ellevio has in its common financing agreement (Common Terms Agreement) commitments, including among other things so called "Financial Covenants" that limits the company's leverage ratio and interest cover ratio. According to the agreement the total leverage ratio may not exceed 1.3 times and for the senior debt (Class A) the leverage ratio may not exceed 1.2 times. The total interest cover ratio may not go below 1.1 times and for the senior debt (Class A) the interest cover ratio may not go below 1.2 times. For definitions please see page 97-98 Alternative performance measures. As per 2024-12-31 Ellevio's total leverage ratio amounted to 9.4 (8.7) times and for the senior debt (Class A) the leverage ratio was 8.4 (7.8) times. The interest cover ratio for Ellevio's total external debt amounted to 3.1 (4.0) times and for the senior debt (Class A) the interest cover ratio was 3.3 (4.4) times.

The maturity structure of contractual payment obligations related to the company's financial liabilities excluding derivatives is presented in the following table. The amounts in the table are not discounted values and also include any interest payments and amortisations, which means that they cannot be reconciled to the amounts presented in the balance sheet. Amounts in foreign currency have been converted into SEK at the fixed currency hedging rate or the rates at the end of the reporting period.

31 Dec 2024	Within 12 months	1-5 years	Over 5 years	Total
Interest-bearing liabilities	2,871	25,093	49,355	77,318
Trade payables	1,012	-	-	1,012
Total	3,882	25,093	49,355	78,330

The maturity structure of contractual payment obligations related to the company's derivatives is presented in the table below. The amounts in the table are not discounted values. The table is based on net inflows and outflows for derivatives that are settled on a net basis and gross inflows and outflows for those derivatives that cannot be settled on a net basis.

Interest payments and electricity prices have been determined on the basis of the circumstances applying at the end of the reporting period. Amounts in foreign currency have been converted into SEK at the currency hedging rates at the end of the reporting period.

31 Dec 2024	Within 12 months	1-5 years	Over 5 years	Total
Electricity derivatives (net receivables)	-31	-82	-	-113
Cross-currency interest rate swaps (liabilities)	-771	-2,599	-1,407	-4,777
Cross-currency interest rate swaps (receivables)	704	2,387	1,526	4,617
Interest rate swaps (net receivables)	-5	-9	6	-9
Total	-103	-304	124	-282

Credit and counterparty risk

Credit risk refers to the risk that a counterparty to a transaction will cause a loss by failing to fulfil its contractual obligations. The company's exposure to credit risk is primarily attributable to trade receivables, cashflow management and interest rate risk management. The company's derivatives are transacted with counterparties with a minimum credit rating of BBB+ (S&P, Fitch) or Baa 1 (Moody's). Trade receivables are spread across a large number of customers and no individual customer accounts for a significant share of the company's total trade receivables. Nor are the company's trade receivables concentrated to a specific geographic area. The total sales to the single biggest customer equals approximately 2 percent of the company's net sales. The company therefore considers the concentration risks to be limited. The company's credit losses in relation to the trade receivables amounted to SEK 10 million (9) in 2024, see note 21. The company is striving to maintain only less transaction liquidity in the form of cash and cash equivalents. The company's liquid assets are held in the Swedish banking system with a minimum rating of A- (S&P, Fitch) or A3 (Moody's). The company's derivative instruments are entered with counterparts with minimum rating equivalent to BBB+ (S&P, Fitch) or Baa 1 (Moody's).

The exposure to credit risk is offset by the carrying amounts of financial assets excluding derivatives and is presented in the table below.

	31 Dec 2024	31 Dec 2023
Trade receivables	1,168	993
Other current receivables	1,447	1,650
Cash and cash equivalents excl. customer deposits	24	6
Total	2,638	2,648

Capital structure

The company's target is to maintain an efficient capital structure that minimises the cost of the sum of equity and debt while ensuring long-term access to debt financing. At the end of the period the company is primarily financed through external interest-bearing debt amounting to about SEK 40.6 bn (39.1). The external interest bearing debt was divided into senior secured debt (Class A) amounting to approx. 36.6 bn (35.1) and contractually subordinated secured debt (Class B) amounting to approx. 4.0 bn (4.0). Ellevio's other financing consist of subordinated group internal loans from Ellevio Holding 4 AB amounting to approx. 25.1 bn (24.6). Ellevio's senior class A debt has a "BBB" credit score (stable outlook) and its subordinated class B debt has a rating of "BB+" from Standard & Poor's.

The company monitors its capital structure by calculating the leverage ratio and the interest coverage ratio.

Leverage ratio	31 Dec 2024	31 Dec 2023
Bond loans	37,367	32,068
Liabilities to credit institutions	6,144	8,677
Transaction cost related to financing activities	198	112
Minus liquidity stand still bank account	-	-254
Less cash and cash equivalents excl. customer deposits	-24	-6
External net debt	43,685	40,597
Operating profit	2,509	2,694
Plus depreciation, amortisation and impairment	2,026	1,931
EBITDA	4,535	4,625
Items affecting comparability	102	52
Comparable EBITDA	4,637	4,677
Leverage ratio	9.4	8.7

Accounting policies and notes

Note 5

Segment reporting

Operating segments are reported in compliance with the internal reporting submitted to the highest Executive Officer. The highest Executive Officer is the function responsible for allocating resources and assessing the operating segment results. In the company, this function has been identified as the CEO. The company reports its activities as one segment in the internal reporting.

Note 6

Net sales by regulated entity

2024	Distribution revenue	Connection fees	Other network related services	Total
Local networks	6,835	56	85	6,976
Regional networks	1,195	99	61	1,355
Total	8,030	156	145	8,331

2023	Distribution revenue	Connection fees	Other network related services	Total
Local networks	6,692	56	87	6,835
Regional networks	1,310	71	16	1,397
Total	8,001	128	102	8,231

Revenue is essentially attributable to services provided to customers over time.

Contractual assets and contractual liabilities	2024	2023
Contractual assets and contractual liabilities consist of the following items as of 31 December:		
Contractual assets	839	944
Contractual liabilities – Long-term	-4,553	-3,970
Contractual liabilities – Short-term	-184	-142
Net of contractual liabilities	-3,897	-3,168

Revenue reported during the period, as of:	2024	2023
Revenue included in opening balance in items:		
Contractual assets	-	-
Contractual liabilities	150	115

The company's contractual assets consist of delivered network and relocation services that are not yet invoiced to the customers. Contractual assets is included in the item accrued distribution revenue, note 23. Contractual debt consists of accrued connection services that are recognised as revenue over time and is included in the item long- and short-term liabilities, note 26 and 27.

Note 7

Other operating income

	2024	2023
Communication income	14	11
Rental income	7	5
Reconnection income	10	10
Network monitoring services	2	2
Reminder fees	53	52
Proceed of sale tangible fixed assets	10	6
Other operating income	30	26
Total	126	113

Note 8

Remuneration to auditors

SEK thousand	2024	2023
Ernst & Young AB		
Audit engagement	-1,555	-1,700
Audit activities in addition to audit engagement	-765	-705
Total	-2,320	-2,405

Audit engagements refer to the auditor's remuneration for the statutory audit, which comprises the audit of the annual report and accounting records, and the Board of Directors' and CEO's management as well as fees for audit advice provided in connection with the audit engagement. Costs during the year in addition to audit engagement are mainly related to audit of green bond framework.

Note 9

Leases

Operating leases – lessee	2024	2023
Expense for the year, operating leases		
Lease expenses	-154	-152
Total	-154	-152

Leases refer primarily to land leases, rents for stations and cables in land and tunnels. At the end of the reporting period the outstanding obligations in the form of minimum lease expenses under non-cancellable operating leases fall due as follows:

	2024	2023
Maturity:		
Within 1 year	146	147
1–5 years	63	188
Later than 5 years	414	363
Total	623	697

Operational leases – lessor

Leases refer to the lease of premises, capacity in the fibre-optic network and space in masts and poles. Lease income during the financial year totalled SEK 10 million (7). Future minimum lease expenses under non-cancellable operating leases fall due as follows:

	2024	2023
Maturity:		
Within 1 year	9	7
1–5 years	7	4
Later than 5 years	2	1
Total	18	13

Accounting policies and notes

Note 10

Employees and benefits

On 1 May 2024, a reorganisation was carried out within the Ellevio Group where all employees of Ellevio AB were transferred to the service company Ellevio Sverige AB with unchanged terms of employment. Note information regarding the CEO, other senior executives and other employees covers the period 1 January - 30 April 2024. Fees for Board work are for the full year 2024.

Average numbers of employees	2024	2023
Women	99	266
Men	152	440
Total	251	706

Number of directors and senior executives

	2024	2023
Women:		
Board of Directors	2	2
Other senior executives	6	6

	2024	2023
Men:		
Board of Directors	5	7
Other senior executives including the CEO	4	4
Total	17	19

Salaries and remuneration	2024	2023
Salaries and other remuneration to Directors, the CEO and other senior executives	-13	-38
Salaries and other remuneration to other employees	-167	-435
Pension costs for Directors, CEO and other senior executives	-2	-6
Pension costs for other employees	-35	-63
Social security contributions	-65	-165
Total	-282	-707

Remuneration of the Board of Directors, CEO and senior executives

The Board of Directors consist of seven Board members and two employee representatives. The table below shows total remuneration to the Board of Directors, the Chief Executive Officer and other senior executives, who are defined as the management team of the company. The table considers any changes made to both the Board of Directors and the management team during the year.

Remuneration and other benefits 2024

SEK thousand	Base Salary/ Board fees	Variable remuneration ¹⁾	Other benefits ²⁾	Pension costs ³⁾	Total	Capital value of pension commitment
Fredrik Persson (Chairman of the Board)	-1,501				-1,501	
Anna Belfrage (Board member)	-487				-487	
Lars Clausen (Board member)	-429				-429	
Göran Häggglund (Board member)	-375				-375	
Karin Jarl Månsson (Board member)	-482				-482	
Michael Mc Nicholas (Board member)	-				-	
Sten Olsson (Board member)	-525				-525	
Johan Lindehag (CEO)	-1,190	-871	-34	-518	-2,613	-
Other senior executives (9 persons)	-4,948	-2,594	-239	-1,300	-9,081	-
	-9,937	-3,466	-273	-1,818	-15,493	-

¹⁾ The variable remuneration consists of expensed long-term incentives (LTIs), amounted to SEK 2,264 thousand that will be paid out in during the three following years, expensed short-term incentives (STIs), amounted to SEK 1,196 thousand that will be paid during following year and other variable benefits paid out in the current year of SEK 6 thousand.

²⁾ Other benefits mainly consist of company cars.

³⁾ Disclosures on pension costs refer to pension premiums expensed for the financial year.

Remuneration and other benefits 2023

SEK thousand	Base Salary/ Board fees	Variable remuneration ¹⁾	Other benefits ²⁾	Pension costs ³⁾	Total	Capital value of pension commitment
Fredrik Persson (Chairman of the Board)	-1,443				-1,443	
Anna Belfrage (Board member)	-464				-464	
Lars Clausen (Board member)	-412				-412	
Göran Häggglund (Board member)	-360				-360	
Karin Jarl Månsson (Board member)	-464				-464	
Michael Mc Nicholas (Board member)	-				-	
Sten Olsson (Board member)	-464				-464	
Johan Lindehag (CEO)	-3,282	-4,336	-97	-1,743	-9,458	-3,379
Other senior executives (9 persons)	-13,727	-13,096	-683	-3,947	-31,453	-126
	-20,616	-17,432	-780	-5,690	-44,518	-3,505

¹⁾ The variable remuneration consists of expensed long-term incentives (LTIs), amounted to SEK 13,131 thousand that will be paid out in during the three following years, expensed short-term incentives (STIs), amounted to SEK 4,285 thousand that will be paid during following year and other variable benefits paid out in the current year of SEK 16 thousand.

²⁾ Other benefits mainly consist of company cars.

³⁾ Disclosures on pension costs refer to pension premiums expensed for the financial year.

Accounting policies and notes

Note 10 cont.

Ellevio's principles for the remuneration of senior executives state that the company shall offer market-based terms of employment that enable the company to recruit, develop and retain senior executives. The total remuneration package consists of a combination of a fixed monthly salary, variable remuneration, pensions and other benefits.

In 2024, the CEO received a fixed salary of SEK 1,190 thousand (3,282) and variable remuneration of SEK 871 thousand (4,336). Variable remuneration consists of a short-term incentive corresponding to 0–50 percent of the fixed annual salary, and a long-term incentive corresponding to 0–100 percent of the yearly fixed salary. Variable remuneration does not constitute pensionable salary, nor is it a basis for holiday pay. (For further information on variable remuneration, please see information below on STIs and LTIs).

The CEO and all other senior executives in the management team are covered by a defined contribution pension plan that is entirely based on premiums, under which premiums comprise 35 percent of the fixed annual salary for the CEO and 30 percent of the fixed annual salary for all other senior executives (see note 11). For 2024, pension premiums were expensed in accordance with the table above. The retirement age for the CEO and the management team is 65 years.

The period of notice for the CEO is six months both for resignation and when termination is initiated by the company. If the CEO is terminated by the company, a compensation equivalent up to twelve months' salary is payable in addition to the salary during the notice period. Any income from any other employment and/or any other proceeds from other business activity during the period for which the CEO receives severance pay shall be deducted from the severance pay. No other remuneration is paid if the CEO resigns. The employment terms of other senior executives are consistent with market employment terms and there are no agreements providing for termination salary in excess of six months or agreements on severance pay.

Short-term incentives (STI)

Ellevio's STI programme is designed to support the achievement of the company's financial and other relevant non-financial targets on an annual basis. All employees are covered by the programme. The financial targets are the same for all employees including the CEO and the management team and constitute 70 percent of the performance evaluation. The non-financial targets are team-based targets and constitute 30 percent of the target evaluation. The award target level is 5 percent of the annual salary for employees in general, with a maximum award of 10 percent. For the CEO, other senior executives and key employees as designated by management, the award target level is 10–25 percent of the annual salary, with a maximum award of 20–50 percent. Awards from the STI programme are paid in cash in March–April the year after the performance year.

Long-term incentives (LTI)

The CEO and members of the company's management team are covered by a long-term incentive program. The purpose of the programme is to support

the delivery of sustainable, long-term performance, and align the interests of management with those of the shareholders as well as assist in committing and retaining senior management. The LTI program is a cash-based supplement to the fixed annual salary. The award target level is 30–50 percent of the annual salary depending on responsibility area, with a maximum award of 60–100 percent.

Each LTI plan consists of a three-year earnings period and is contingent on the participant remaining employed by the company throughout the period of the programme. The outcome of the programme is calculated annually and accumulated over the three-year period and any payments are made in March the year after the programme ends. The reward is recognised as an expense during the earning period with a corresponding increase in liability, along with related accrual for social security contributions.

Note 11

Pensions

On 1 May 2024, a reorganisation was carried out within the Ellevio Group where all employees of Ellevio AB were transferred to the service company Ellevio Sverige AB with unchanged terms of employment. Note information regarding paid premiums during the year refers to the period 1 January - 30 April 2024. All employees are covered by collective agreements and the company's pension obligations comprise both defined-contribution and defined benefit pension plans. The company has elected not to apply the provisions of IAS 19 in a legal entity, which means that the company's defined-benefit pension plans are treated as defined contribution plans and charged to income statement as premiums are paid. A description of the company's defined benefit pension plans and information on the fair values of pension obligations and plan assets in accordance with IAS 19 are provided in the following.

Defined benefit pension plans

The company has undertaken to make predetermined payments to the employee on or after retirement. The company has the following defined benefit pension plans: PA-KL (including SPP), Birkaplanen and the ITP 2 Plan. PA-KL (including SPP) is a plan for municipal employees in Sweden. There are currently no active employees in that plan. The plan is administered and valued by SPP. Birkaplanen is an alternative ITP plan. The benefits are administered by and secured through an insurance policy with Skandia Liv. The ITP 2 Plan is partly closed, which means that only new employees born before 1979 that previously are included in the ITP 2 Plan has the opportunity to continue within the ITP 2 solution. The ITP 2 Plan is insured with Alecta. According to a statement from the Swedish Financial Reporting Board, UFR 10 Recognition of the ITP 2 Plan Funded through Insurance with Alecta, this is a defined benefit plan covering several employers. For the 2024 financial year, the company has not had access to information that would enable it to account for its proportionate share of the plan's obligations, assets and expenses. It has therefore not been possible to recognise the plan as a

defined benefit plan. The ITP 2 pension plan secured through an insurance policy with Alecta is therefore recognised as a defined contribution plan. The premium cost for the defined benefit age and family pension plan is calculated on individual basis and depends on such factors as salary, previous pension earnings and expected remaining worktime. Forecasted premium cost for the next reporting period for the ITP-2 plan with Alecta is expected to be SEK 0 million (17). The company's share of the combined fees to the plan, and the company's total number of active members in the plan is considered to be an insignificant share.

The collective consolidation level comprises the market value of Alecta's assets as a percentage of insurance commitments calculated in line with Alecta's actuarial methods and assumptions, which do not comply with IAS 19. The collective consolidation level is normally permitted to vary between 125 percent and 175 percent. If Alecta's collective consolidation level falls below 125 percent or exceeds 175 percent, measures must be taken to create the requisite conditions for the level of consolidation to return to normal. One possible measure to address a low consolidation level is to raise the contractual price for new subscriptions and expansion of existing benefits. One possible measure to address a high consolidation level is to introduce reduced premiums. At year-end 2024, Alecta's surplus in the form of the collective consolidation level was 162 percent (158).

The company's defined benefit obligations in the Group's annual report that are presented below have been calculated based on the salary levels applying at each end of the reporting period and using a discount rate of 3.0 percent. During the 2024 financial year, all obligations and nominating assets have been transferred to Ellevio Sverige AB. Assumed annual returns are defined by the company.

Defined benefit pension plans in the consolidated balance sheet

	31 Dec 2024	31 Dec 2023
Total present value of defined benefit obligations	–	64
Fair value of plan assets	–	114
Net amount, defined benefit pension plans	–	50

Defined contribution pension plans

The company pays fixed premiums to a number of different insurance companies. Upon payment of the premiums, the company has fulfilled its obligation in respect of pension payments. Defined contribution plans are charged to income statement in the period in which the employee performs his or her services.

Total premiums paid during the year in respect of defined benefit and defined contribution plans

	31 Dec 2024	31 Dec 2023
Cost in profit/loss for the year		
Costs relating to services during current period	–37	–69
Total	–37	–69

Accounting policies and notes

Note 12

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

	2024	2023
Amortisation of intangible assets	-432	-433
Depreciation of buildings and land improvements	-41	-40
Depreciation of machinery and other technical plant	-1,533	-1,436
Depreciation of equipment, tools and facilities	-20	-23
Total	-2,026	-1,931

Note 13

Interest income and similar items

	2024	2023
External interest income	75	58
Intra-Group interest income	575	440
Total	650	498

Note 14

Interest expense and similar items

	2024	2023
Other external interest expense	-1,607	-1,251
Intra-Group interest expense	-1,446	-1,462
Interest rate derivatives	-13	18
Other financial expenses	-17	-20
Total	-3,083	-2,714

Note 15

Appropriations

	2024	2023
Group contributions paid	-203	-5
Dissolvement of tax allocation reserve	130	145
Total	-73	141

Note 16

Tax

	2024	2023
Current tax		
Current tax on profit for the year	-	-87
Current tax attributable to prior years	-1	-
Deferred tax		
Deferred tax attributable to temporary differences	-293	-307
Deferred tax attributable to other years	-1	0
Total	-295	-394
Reconciliation, tax expense for the year	2024	2023
Profit/loss before tax	2	618
Tax calculated at Swedish rate (20.6%)	-0	-127
Tax effect, permanent items:		
Non-deductible depreciation on goodwill	-62	-62
Non-deductible interest rate	-224	-195
Other items	-6	-9
Current tax attributable to prior years	-1	-
Tax effect, temporary items:		
Depreciation of fixed assets	295	304
Other items	-3	3
Change in deferred tax	-293	-307
Deferred tax attributable to other years	-1	0
Total	-295	-394
Recognised tax expense for the year	-295	-394

Deferred tax assets and deferred tax liabilities

The company's deferred tax assets and deferred tax liabilities refer to the following items:

	2024	2023
Deferred tax assets		
Derivatives	6	3
Provision for credit losses	1	1
Other	0	1
Deferred tax assets	7	5
Deferred tax liability		
Surplus value concessions	7,974	7,974
Buildings and land improvements	111	116
Residual value depreciation, machinery and equipment	6,594	6,293
Deferred tax liability	14,679	14,383
Net deferred tax liabilities	14,672	14,378

Deferred tax assets are measured at the highest amount that is likely to be recovered based on current and future taxable profits. Deferred tax assets and tax liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, when the deferred taxes relate to the same taxation authority and the taxes can be settled on a net basis.

Accounting policies and notes

Note 17

Intangible assets

2024	Goodwill	Concessions	IT systems	Other rights	Projects in progress and advance payments	Total
Cost at 1 January 2024	6,064	40,560	971	880	78	48,552
Costs incurred during the year	-	-	-	-	213	213
Disposals/retirements	-	-	-2	-	-	-2
Reclassifications	-	-	-	-	20	20
Classification of capitalised costs	-	-	70	23	-93	-
Accumulated cost at 31 December 2024	6,064	40,560	1,039	902	219	48,784
Depreciation at 1 January 2024	-2,590	-1,849	-634	-58	-	-5,132
Disposals/retirements	-	-	2	-	-	2
Reclassifications	-	-	-	-	-	-
Depreciation for the year	-303	-	-103	-25	-	-432
Accumulated depreciation at 31 December 2024	-2,893	-1,849	-736	-84	-	-5,563
Carrying amount at 31 December 2024	3,171	38,710	302	819	219	43,221

At the end of the reporting period, there were commitments to acquire intangible fixed assets amounting to SEK 2 million (12). The useful life of a part of IT investments related to systems for monitoring the operation of the electricity network and measurement values collection has been defined as 8 and 10 years and are based on the minimum expected life of the systems. The cost amounts to SEK 111 million (112) and the residual value per 2024-12-31 amounts to SEK 59 million (71).

2023	Goodwill	Concessions	IT systems	Other rights	Projects in progress and advance payments	Total
Cost at 1 January 2023	6,064	45,560	902	832	62	48,421
Costs incurred during the year	-	-	-	-	142	142
Disposals/retirements	-	-	-20	-	-	-20
Reclassifications	-	-	-	-	9	9
Classification of capitalised costs	-	-	88	47	-135	-
Accumulated cost at 31 December 2023	6,064	45,560	971	880	78	48,552
Depreciation at 1 January 2023	-2,286	-1,849	-552	-31	-	-4,719
Disposals/retirements	-	-	19	-	-	19
Reclassifications	-	-	-	-	-	-
Depreciation for the year	-303	-	-102	-27	-	-433
Accumulated depreciation at 31 December 2023	-2,590	-1,849	-634	-58	-	-5,132
Carrying amount at 31 December 2023	3,474	38,710	336	821	78	43,420

Impairment test

The company's non-financial assets excl. goodwill are divided into three cash-generating units and equated with the regulated entities into which the company is divided pursuant to its reports to the Swedish Energy Markets Inspectorate (Ei). Goodwill is based on synergies among the cash-generating units and are attributable to the company's overall earnings capacity. Accordingly, goodwill is allocated to the company level when testing for impairment requirements.

31 Dec 2024	Goodwill	Concessions
Local networks	-	35,458
Regional networks	-	3,252
Common	3,171	-
Carrying amount	3,171	38,710

The recoverable amount is the higher of the fair value of the asset less selling costs and its value in use. The recoverable amount for a cash-generating unit is determined by calculating the value in use. In measuring value in use, the calculation is based on estimated future cash flows based on financial forecasts approved by management covering a period of 40 years, of which the first five years are based on detailed business plans. The 40-year forecast period corresponds approximately with the regulatory lifetime of the electricity distribution assets, which also conforms well with the investment cycle. Determination of future cash flow is made by calculating how allowed revenue is expected to evolve over time.

The calculations are based on the company's long-term investment plans, assumptions concerning the company's evolution of costs for both investments and operating costs in relation to regulatory norm-/reference costs and regulatory rate of return (WACC).

In December 2023 Ei decided on the permitted revenue for the regulatory period 2024–2027. The decision is based on a weighted average cost of capital (WACC) of 4.53 percent where the risk-free interest rate is calculated on the basis of an average for a forward-looking period of nine years. Based on Ei's decision for the period 2024–2027, Ellevio has assumed that the rate of return should return to a long-term more stable and sustainable level. After the 40-year period, a growth rate of 2 percent is applied, which coincides with the company's long-term assumptions about inflation and long-term growth.

The company's future cash flow is discounted to its value of use with a discount factor of 5.6 percent after tax. Assumptions of the discount rate are based on external observable market information for similar assets. The discount rate is consistently used for all cash-generating units, based on the notion that they all adhere to the same regulatory framework. The annual test for possible impairment performed in the fourth quarter of 2024 shows that there is no need for impairment.

Accounting policies and notes

Note 17 cont.

The company has evaluated the sensitivity in the assumptions on which the impairment test is based. The calculations mainly depend on assumptions related to the regulatory rate of return and discount rate. Since these two parameters are strongly connected it does not provide a true or fair outcome to adjust these parameters independently of each other. Sensitivity analysis shows that a 5 percent reduction in the long-term regulatory rate of return, all other factors remaining equal, does not cause any need for impairment. Sensitivity analysis including an increase of the discount rate by 0.5 percentage points after tax, all other factors remaining equal, does not cause any need for impairment.

Note 18

Tangible fixed assets

	Buildings and land	Machinery and other technical plant	Equipment, tools and facilities	Assets under construction and advance payments	Total
2024					
Cost at 1 January 2024	2,026	61,054	247	3,764	67,091
Costs incurred during the year	–	–	–	4,025	4,025
Disposals/retirements	–5	–266	–35	–	–306
Reclassifications	–	–	–	–20	–20
Classification of capitalised costs	33	3,086	3	–3,122	–
Accumulated cost at 31 December 2024	2,053	63,874	215	4,647	70,790
Depreciation at 1 January 2024	–683	–25,201	–194	–	–26,078
Disposals/retirements	3	153	29	–	185
Reclassifications	–	–	–	–	–
Depreciation for the year	–41	–1,533	–20	–	–1,594
Accumulated depreciation at 31 December 2024	–722	–26,581	–184	–	–27,466
Carrying amount at 31 December 2024	1,332	37,294	31	4,647	43,304

	Buildings and land	Machinery and other technical plant	Equipment, tools and facilities	Assets under construction and advance payments	Total
2023					
Cost at 1 January 2023	1,961	59,602	279	4,128	65,970
Costs incurred during the year	–	–	–	3,521	3,521
Disposals/retirements	–8	–2,347	–36	–	–2,391
Reclassifications	–	–	–	–9	–9
Classification of capitalised costs	73	3,800	4	–3,877	–
Accumulated cost at 31 December 2023	2,026	61,054	247	3,764	67,091
Depreciation at 1 January 2023	–651	–26,045	–207	–	–26,903
Disposals/retirements	8	2,279	36	–	2,323
Reclassifications	–	–	–	–	–
Depreciation for the year	–40	–1,436	–23	–	–1,499
Accumulated depreciation at 31 December 2023	–683	–25,201	–194	–	–26,078
Carrying amount at 31 December 2023	1,342	35,853	53	3,764	41,013

At the end of the reporting period, there were commitments to acquire intangible fixed assets amounting to SEK 4,819 million (3,381).

Accounting policies and notes

Note 19

Investments in associates

	31 Dec 2024	31 Dec 2023
Cost at 1 January	0	0
Carrying amount at 31 December¹⁾	0	0

¹⁾The carrying amount was SEK 32 thousand (32).

Name	Share of equity ²⁾	Share of votes	Number of shares	Value Dec 2024
Triangelbolaget D4 AB	25%	25%	525	0

Name	Corp. ID no.	Reg. office
Triangelbolaget D4 AB	556007-9799	Stockholm

²⁾The share of equity is the same as share of votes.

Note 20

Other long term investments

	31 Dec 2024	31 Dec 2023
Interest bearing liquidity reserve	-	253
Capitalised interest	-	2
Total	-	254

Liquidity reserve refers to blocked bank funds that constitute security in accordance with Ellevio's Common terms agreements. Liquidity reserves and related bank loans have been repaid during the year.

Note 21

Trade receivables

	31 Dec 2024	31 Dec 2023
Trade receivables, gross	1,174	1,000
Provision for credit losses	-7	-7
Trade receivables, net after provisions for credit losses	1,168	993

Management deems the carrying amount of trade receivables, net after provisions for credit losses, to be the same as fair value.

Changes in provisions for credit losses

	31 Dec 2024
Provisions for credit losses at 1 January	-7
Provisions for credit losses for the year	-6
Write-offs	2
Reversal of unused amount	4
Provisions at 31 December	-7

31 Dec 2024	Gross	Provision for credit losses	Net
Not yet payable	1,076	-1	1,076
30 days past due	76	-1	75
31-60 days past due	9	-1	8
61-90 days past due	4	-1	4
> 90 days past due	9	-4	5
Total	1,174	-7	1,168

The company's assessment is that payment will be received for trade receivables that are due but have not yet been impaired, as the customers' payment history is good.

Note 22

Other receivables

	31 Dec 2024	31 Dec 2023
Settlement account for taxes and fees	6	7
Other current receivables	5	3
Total	11	10

Note 23

Prepaid expenses and accrued income

	31 Dec 2024	31 Dec 2023
Accrued distribution revenue	839	944
Accrued relocation income	72	147
Accrued energy tax	525	549
Accrued interest income	368	188
Prepaid rents	17	34
Other items	33	37
Total	1,854	1,899

Note 24

Cash and cash equivalents

	31 Dec 2024	31 Dec 2023
Available balances with banks and other credit institutions	24	6
Customer deposits	57	26
Total	80	32

Note 25

Untaxed reserves

	31 Dec 2024	31 Dec 2023
Tax allocation reserve	347	476
Total	347	476

Note 26

Non-current liabilities

	31 Dec 2024	31 Dec 2023
Maturity within 1-5 years	22,766	20,357
Maturity within 5-10 years	45,877	16,985
Maturity over 10 years	2,652	27,553
Total carrying amount	71,296	64,896

The nominal amount of the long-term loans at the end of the reporting period was SEK 66,896 million (61,005).

The company's utilised overdraft facilities totalled SEK 0 million (368) and are included in the item "Current liabilities to credit institutions". The limit on the overdraft facility is SEK 1,000 million (1,000).

Accounting policies and notes

Note 27

Other current liabilities

	31 Dec 2024	31 Dec 2023
Liability, VAT	235	205
Energy tax	1,346	1,352
Employer contributions and deduction of withholding tax	–	22
Repayments to customers	10	16
Advances received	55	79
Periodised connection services	256	142
Other current liabilities	4	8
Total	1,906	1,824

Note 28

Accrued expenses and deferred income

	31 Dec 2024	31 Dec 2023
Accrued interest	782	605
Accrued salaries	–	86
Accrued social security contributions	–	32
Deferred income	2	2
Accrued investment expenses	97	201
Accrued transmission costs	142	165
Accrued measurement value costs	9	9
Accrued rents	34	32
Accrued field services	41	40
Accrued customer service costs	3	4
Other items	25	44
Total	1,136	1,218

Note 29

Reconciliation of liabilities from financing activities

	31 Dec 2023	Cash flows	Non-cash items			31 Dec 2024
			Capitalised interest	Unrealised contracts/Reclassification	Periodised financing costs	
Liabilities to Group companies	25,078	–556	–	–	–	24,522
Current liabilities to credit institutions	722	–722	–	388	–	388
Current bonds	4,208	–4,208	–	947	–	947
Non-current liabilities to credit institutions	7,955	–1,820	–	–388	9	5,756
Bonds	27,860	9,484	–	–947	23	36,420
Derivatives	16	18	–	13	–1	45
Total liabilities from financing activities	65,838	2,197	–	13	30	68,078

	31 Dec 2022	Cash flows	Non-cash items			31 Dec 2023
			Capitalised interest	Unrealised contracts/Reclassification	Periodised financing costs	
Liabilities to Group companies	24,616	–	462	–	–	25,078
Current liabilities to credit institutions	567	–199	–	354	–	722
Current bonds	1,000	–1,000	–	4,208	–	4,208
Non-current liabilities to credit institutions	6,046	2,252	–	–354	12	7,955
Bonds	31,348	696	–	–4,208	24	27,860
Derivatives	34	–	–	–18	–	16
Total liabilities from financing activities	63,611	1,748	462	–18	36	65,838

Accounting policies and notes

Note 30

Pledged assets

	31 Dec 2024	31 Dec 2023
Floating charges	136	136
Property mortgages	468	468
Bank deposits	80	32
Total	684	636

Note 31

Related-party transactions

The company's balances with Group companies mainly consist of interest-bearing liabilities and related interest expenses to the Parent company, Ellevio Holding 4 AB and receivables related to group contributions and shareholder contributions from Ellevio Holding 1 AB. The company has not been involved in any significant transactions with board members or with members of the management team. No loans exist for any member of the board or management team as at 31 December 2024. Information on transactions with related parties is provided in notes 4, 13 and 14.

Note 32

Group structure

Company	Corp. ID No.	Share (%)
Ellevio Holding 1 AB	559005-2444	100
Markbygden Net Väst AB	556942-1935	100
Ellevio Energy Solutions AB	559366-8600	100
Ellevio Holding 2 AB	559001-1937	100
Ellevio Holding 3 AB	559005-2436	100
Ellevio Holding 4 AB	559005-2451	100
Ellevio Sverige AB	559414-0542	100
Markbygden Net AB	556875-9632	100
Ellevio AB (publ)	556037-7326	100

Note 33

Proposed allocation of retained earnings

The following earnings are at the disposal of the Annual General Meeting:

Retained earnings	9,758
Profit/loss for the year	-293
Total	9,466

The Board of Directors proposes:

retained earnings to be carried forward	9,466
Total	9,466

Note 34

Significant events after the end of the financial year

No significant events have occurred after the end of the financial year.

Alternative performance measures

The company presents alternative performance measures in the annual report that are not defined according to IFRS nor the Swedish annual accounts act. These financial measures should not be regarded as substitutes for measures defined according to IFRS. The company considers that these measures provide valuable supplementary information for investors and company management, as they enable an assessment of the company's performance, the ability to carry through strategic investments and fulfil financial obligations. Below are definitions as well as calculation and reconciliation of alternative performance measures.

Definition	Calculation	2024	2023	2022	2021	2020
EBITDA						
Operating profit plus depreciation, amortisation and impairment	Operating profit	2,509	2,694	2,085	1,973	1,781
	Depreciation, amortisation and impairment	2,026	1,931	1,833	1,727	1,833
	EBITDA	4,535	4,625	3,918	3,700	3,614
Items affecting comparability						
Gains/losses from sales of fixed assets	Gains/losses from sales of fixed assets	10	6	1	-	6
Gains/losses from sales of fixed assets, scrapping of fixed assets and restructuring costs	Scrapping of fixed assets	-112	-58	-41	-28	-51
	Restructuring costs	-	-	-	-	-
	Items affecting comparability	-102	-52	-40	-28	-45
Comparable EBITDA						
EBITDA less items affecting comparability	EBITDA	4,535	4,625	3,918	3,700	3,614
	Items affecting comparability	102	52	40	28	45
	Comparable EBITDA	4,637	4,677	3,958	3,728	3,659
External financial items						
Net of external financial interest income and interest expense plus other financial expenses excluding net debt of Stand still facility, liquidity reserve and transaction costs related to financing activities	External interest income	75	58	2	2	1
	External interest expense	-1,607	-1,251	-1,160	-1,155	-1,141
	Other financial expenses	-17	-20	-16	-16	-16
	Interest expense, Stand still facility	11	11	-	-	-
	Interest income, Liquidity reserve	-7	-7	-	-	-
	Transaction costs related to financing activities	35	41	38	37	36
	External financial items	-1,510	-1,168	-1,136	-1,132	-1,118
External financial items, Class A						
External financial items less Class B interest expense	External financial items	-1,510	-1,168	-1,136	-1,132	-1,118
	Interest expense, Class B	116	111	111	111	99
	External financial items, Class A	-1,393	-1,057	-1,025	-1,021	-1,019
Free cash flow						
Cash flow from operating activities less paid capital expenditure	Cash flow from operating activities	5,268	5,228	4,798	4,784	4,100
	Capital expenditure in property, plant and equipment	-3,979	-3,694	-3,023	-3,176	-3,226
	Capital expenditure in intangible assets	-233	-151	-226	-414	-223
	Free cash flow	1,057	1,383	1,549	1,194	651
Capital expenditure						
Cost incurred during the year related to capital expenditure	Capital expenditure in tangible fixed assets	4,005	3,521	3,118	3,176	3,192
	Capital expenditure in intangible assets	233	142	227	414	223
	Capital expenditure	4,238	3,663	3,345	3,590	3,415

Alternative performance measures

Definition	Calculation	2024	2023	2022	2021	2020
Adjusted cash						
Cash and cash equivalents less customer deposits	Cash and cash equivalents	80	32	14	12	14
	Customer deposits	-57	-26	-12	-12	-13
	Adjusted cash	24	6	2	0	1
External net debt						
External interest-bearing liabilities excluding transaction cost related to financing activities less liquidity reserve and adjusted cash	Bond loans	37,367	32,068	32,348	32,329	32,309
	Liabilities to credit institutions	6,144	8,677	6,613	7,150	6,829
	Transaction cost related to financing activities	198	112	140	175	205
	Liquidity reserve	-	-254	-	-	-
	Adjusted cash	-24	-6	-2	-0	-1
	External net debt	43,685	40,597	39,100	39,654	39,342
External net debt, Class A						
External net debt less Class B debt	External net debt	43,685	40,597	39,100	39,654	39,342
	Class B debt	-4,947	-4,005	-4,010	-4,014	-4,018
	External net debt, Class A	38,738	36,592	35,090	35,640	35,324
Interest cover ratio						
Comparable EBITDA less income tax paid divided by external financial items	Comparable EBITDA	4,637	4,677	3,958	3,728	3,659
	Income tax paid	-25	-62	-15	-44	-13
	Total	4,612	4,616	3,943	3,683	3,646
	External financial items	1,510	1,168	1,136	1,132	1,118
	Interest cover ratio (times)	3.1	4.0	3.5	3.3	3.3
Interest cover ratio, Class A						
Comparable EBITDA less income tax paid divided by external financial items, Class A	Comparable EBITDA	4,637	4,677	3,958	3,728	3,659
	Income tax paid	-25	-62	-15	-44	-13
	Total	4,612	4,616	3,943	3,683	3,646
	External financial items, Class A	1,393	1,057	1,025	1,021	1,019
	Interest cover ratio, Class A (times)	3.3	4.4	3.8	3.6	3.6
Leverage ratio						
External net debt divided by comparable EBITDA	External net debt	43,685	40,597	39,100	39,654	39,342
	Comparable EBITDA	4,637	4,677	3,958	3,728	3,659
	Leverage ratio (times)	9.4	8.7	9.9	10.6	10.8
Leverage ratio, Class A						
External net debt, Class A divided by comparable EBITDA	External net debt, Class A	38,738	36,592	35,090	35,640	35,324
	Comparable EBITDA	4,637	4,677	3,958	3,728	3,659
	Leverage ratio, Class A (times)	8.4	7.8	8.9	9.6	9.7
Adjusted equity						
Total equity plus equity capitalization of untaxed reserves	Total equity	9,512	10,304	10,080	9,086	8,069
	Equity capitalization of the untaxed reserves	274	376	485	749	1,032
	Adjusted equity	9,786	10,681	10,564	9,835	9,101
Equity/assets ratio						
Adjusted equity divided by total assets multiplied with 100	Adjusted equity	9,786	10,681	10,564	9,835	9,101
	Total assets	101,711	98,977	95,659	92,972	89,253
	Equity/assets ratio (%)	9.6	10.8	11.0	10.6	10.2

Appendix and index

Contents

Appendix

EU taxonomy and tables.....	100
In-depth information on Ellevio's climate-related risks.....	105
Description of Ellevio's policies.....	107
List of data points from other EU legislation.....	110

Index

Content index.....	114
TCFD index.....	117



EU taxonomy and tables

Electricity grids important for the transition to a fossil-free society

The EU Taxonomy for sustainable investments is a regulatory framework that defines which economic activities are classified as environmentally sustainable. The taxonomy is an important tool in achieving the EU's climate targets and the objectives of the EU's green growth strategy – the Green Deal.

In order for an economic activity to be classified as environmentally sustainable according to the taxonomy, it must make a significant contribution to at least one of the six established environmental targets, not cause significant harm to any of the other targets and meet certain minimum requirements relating to social sustainability. In addition, the activity is required to comply with more detailed conditions, known as technical screening criteria, in order to be aligned with the taxonomy.

Economic activities eligible for and aligned with the EU taxonomy

Ellevio is subject to the taxonomy and has analysed and calculated the extent to which its operations are aligned with it.

The taxonomy

Transmission and distribution of electricity	Percentage eligible ¹⁾ %	Percentage non-eligible ²⁾ %	Percentage aligned with the taxonomy ³⁾ %	Percentage aligned with the taxonomy, of percentage eligible ⁴⁾ , %
Net sales	100	–	100	100
Capital expenditure	99	1	99	100
Operating expenses	95	5	95	100

¹⁾ Eligible ²⁾ Non-eligible ³⁾ Aligned ⁴⁾ Aligned of eligible

Electricity grids are classified as an “enabling activity” in terms of limiting climate change (goal 1), and Ellevio’s operations are categorised under Section 4.9 of the taxonomy: “Transmission and distribution of electricity”, mainly as “Construction and operation of distribution systems that transport electricity on high-voltage, medium-voltage and low-voltage distribution systems.”

Ellevio's reporting of economic activities in 2024 shows that large parts of the activities are aligned with the climate targets of the Taxonomy. For the financial year 2024, we determined that 100% (100) of Ellevio's sales, 99% (99) of its capital expenditure and 95% (94) of its operating expenses are eligible and aligned with Chapter 4.9 of the Taxonomy Code.

Several environmental objectives and reporting points within the taxonomy

The EU has published regulations for additional environmental targets and criteria for environmentally sustainable activities. Individual minor activities within Ellevio's operations could be covered by the new targets, but to a very limited extent in relation to its overall operations.

Ellevio has no activities in nuclear energy or fossil-related operations.

Assessment of how Ellevio’s economic activities are aligned with the taxonomy

Section 4.9 of the taxonomy, “Transmission and distribution of electricity” states that an activity can significantly contribute to limiting climate change (goal 1) as an enabling activity if the transmission and distribution infrastructure or equipment is part of an electricity system that is interconnected with the European system, i.e. the interconnected control areas of the member states plus Norway, Switzerland and the United Kingdom, and their subordinate systems (criterion 1 a).

Exception 1: if the activity includes infrastructure used to establish a direct connection or extend an existing direct connection between a substation or grid and a production facility that is more greenhouse gas-intensive than 100 g of CO₂e/kWh calculated on a life-cycle basis, that part is not aligned with the taxonomy.

Exception 2: if the activity includes installation of metering infrastructure that does not meet the requirements for smart metering in Article 20 of Directive (EU) 2019/944, then that part is not aligned with the taxonomy.

Ellevio’s grid comprises regional and local networks that could be considered subordinate systems to Svenska kraftnät’s national grid and other companies’ regional networks. Ellevio’s regional networks are connected to the European electricity system both directly and via Svenska kraftnät. This therefore fulfils criterion 1 a). During the year, Ellevio connected new wind and solar power to the network. Some hydro and thermal power has also been added. These production facilities have greenhouse gas (GHG) emissions intensity far below 100g of CO₂e/kWh based on the life cycle. Ellevio normally installs electricity meters that fulfil the specifications for smart metering set by the EU directive. In individual cases, some customers can demand a meter that does not meet all of the specifications for security reasons. In 2024,

Appendix

Ellevio exclusively installed meters that fulfil the specifications for smart meters, without any exceptions.

Ellevio's assessment is therefore that operations in 2024 fulfilled the technical conditions set out in Section 4.9, criterion 1a.

Do No Significant Harm

A number of criteria are set out in the framework that must be fulfilled to ensure that operations within the scope of target 1, section 4.9 do not cause any significant harm to other environmental targets. When assessing the alignment of its operations, Ellevio has ensured that requirements to not cause any significant harm have been fulfilled. A short summary of these assessments is set out below.

Operations are impacted by multiple physical climate risks, such as storms, flooding and elevated risk of fire. An in-depth climate risk and vulnerability analysis was conducted in 2021 and 2022 to supplement the existing risk analyses and measures that are carried out to ensure robust and outage-free facilities. Climate risks are also continuously analysed when planning new facilities.

Ellevio's operations give rise to waste, both in project and maintenance operations and our office-based operations. Ellevio has ensured that processes, procedures, agreements and plans for waste management are in place to achieve maximum reuse or recycling at the end of the life cycle. To describe these processes, procedures, agreements and plans for waste management, a separate overall plan for Ellevio's waste management has been compiled.

Ellevio has a certified environmental management system (ISO14001), which means that environmental aspects and risks as well as environmental legislation are managed and followed up systematically. In line with Ellevio's environmental plan, environmental aspects and risks are evaluated for projects at the inquiry stage, with initial measures drawn up. Potential location-specific measures are also included in the environmental plan. Overhead line projects are carried out by procured contractors. To ensure these contractors comply with laws and other requirements and have robust environmental governance,

they are required to have environmental management systems that include all relevant aspects. This is checked at the contractor qualifications stage in the beginning of the procurement process. Through this comprehensive and project-specific management, Ellevio's environmental issues and risks are managed in a structured way and in line with IFC EHS Guidelines.

With regard to applicable standards and regulations to limit the effects of electromagnetic radiation on human health, recommendations have been implemented in Swedish legislation through the Swedish Radiation Safety Authority's general advice (SSMFS 2008:18), with which Ellevio complies for both new construction and existing overhead lines.

All new usage of PCBs has been banned since 1978, so Ellevio does not use any such PCBs in its operations today. However, there is a small risk that some PCBs remain in older facilities and that small amounts may also be introduced in transformers installed even after 1978 due to contamination from another transformer oil or oil container during refilling. Ellevio deems this risk within its operations to be small. Ellevio has long included PCBs as an identified environmental aspect. To manage the small risk that PCBs may still be found, robust procedures are in place to test, handle, eradicate and scrap in the correct manner.

Ellevio complies with the Electricity Act and the Environmental Code and produces the required environmental impact assessments, for example for regional network projects for overhead lines. We also carry out "12:6 consultations" (referring to Chapter 12, Section 6 of the Swedish Environmental Code) for other projects at risk of making significant changes to the natural environment.

There is also a biodiversity policy that governs our work in that area.

Also refer to our description of material environmental issues under chapters E1 – Climate change, E4 – Biodiversity and ecosystems and E5 – Resource use and circular economy on pages 38–54.

In 2024, Ellevio conducted a review of previous evaluations and assessments and found that the company remains compliant.

Minimum Safeguards

In 2024, Ellevio reviewed previous evaluations and assessments of compliance. Our assessment is that requirements regarding Minimum Safeguards have been fulfilled. For a summary, see the Social Information chapter.

COMMENTS ON THE TAXONOMY TABLES

Net sales

Ellevio AB's net sales for 2024 amounted to SEK 8,331 million (8,231) and were both 100 percent (100) eligible for and aligned with the EU taxonomy. Net sales in Ellevio AB are by definition solely attributable to the regulated electricity network operations, which in 2024 consisted of: revenue from distribution of electricity to customers (network services) of SEK 8,030 million (8,001), revenue attributable to network connections of SEK 157 million (128) and other network-related services (mainly related to remuneration for physical relocation of electricity network facilities) of SEK 145 million (102).

NET SALES DEFINITION

The taxonomy uses the same definition of sales as stated in the Accounting Directive (2013/34/EU) concerning annual accounts, consolidated accounts and reports (Article 2 (5)), meaning it is based on the company's reported net sales (see also Note 6, page 88).

Capital expenditure

Capital expenditure refers to investments in tangible and intangible assets. In 2024 these amounted to SEK 4,238 million (3,663), of which 99 percent (99) were eligible for and aligned with the taxonomy. The investments covered by the taxonomy included: direct investments in the electricity network of SEK 3,919 million (3,293), investments in electricity meters of SEK 142 million (137), investments in IT systems and data communication relating to operation, maintenance and measurement of SEK 135 million (145). The 1 percent (1) of investments that are not aligned with the taxonomy mainly refer to investments linked to general IT infrastructure and administrative systems such as customer service and invoicing.

CAPITAL EXPENDITURE DEFINITION

Capital expenditure according to the taxonomy is based on the IFRS definition of investments, i.e. costs incurred during the year relating to investments in tangible fixed assets and intangible assets (see also Notes 17 and 18 on pages 92–93).

Operating expenses

Ellevio's operating expenses as defined in the taxonomy amounted in 2024 to SEK 707 million (669), of which 95 percent (94) were eligible for and aligned with the taxonomy. The operating expenses aligned with the taxonomy consisted of rental costs for network assets and utilisation of land, tunnels and premises for placement of electricity network facilities of SEK 125 million (114), direct costs for troubleshooting and maintenance of the electricity network, meters and data communication equipment of SEK 506 million (481) and costs linked to planning and project management of maintenance of SEK 40 million (34). These expenses are directly attributable to ensuring the continuous and efficient functioning of the electricity network, i.e. maintaining transmission capacity and security of supply in the electricity network. Operating expenses not covered by the taxonomy amounted to SEK 36 million (40) and consisted of office rents of SEK 31 million (36) as well as operation and maintenance of assets not included in the regulated electricity network operations (for example rental of extra capacity in optical fibres and space in masts for placement of data communication equipment).

OPERATING EXPENSES DEFINITION

The taxonomy uses its own definition of operating costs, referred to as operating expenses. According to the taxonomy, operating expenses refers to direct costs that are not reported as assets and which relate to:

- a) research and development,
- b) building renovation,
- c) short-term leases,
- d) maintenance and repairs, and
- e) all other direct expenses relating to the daily maintenance of tangible fixed assets (carried out by the company or a third party engaged for this purpose) and required to ensure the continuous and efficient functioning of those assets.

Further EU guidance on the interpretation of the definition is limited. Ellevio has placed great emphasis on the content of points d) and e) and has – in addition to rental costs – only included direct costs related to maintenance and troubleshooting of network assets, meters and data communication equipment. At Ellevio AB, both operational and financial leasing agreements are reported as operational, as IFRS16 Leasing is only applied in the consolidated accounts and not in a legal entity. Ellevio AB has therefore also included long-term leases in the definition of operating expenses as these are part of the company's reported direct operating expenses.

Appendix

Proportion of taxonomy-eligible activities defined as environmentally sustainable

Net sales				Significant contribution criteria						Do No Significant Harm (DNSH) criteria						Minimum protective measures	Taxonomy-aligned percentage of sales, 2023	Category (enabling activity)	Category (transitional activity)
				Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems				
Financial activities	Code/ codes	Absolute sales	Percentage of sales	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	O
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable (taxonomy-aligned) activities																			
Transmission and distribution of electricity	4.9	8,331	100%	100%						-	Y	-	Y	Y	Y	Y	100%	E	-
Sales of environmentally sustainable (taxonomy-aligned) activities (A.1)		8,331	100%	100%													100%	E	-
A.2. Activities eligible for the taxonomy but not environmentally sustainable (non-taxonomy-aligned)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Transmission and distribution of electricity	4.9	0	0%																
Sales of activities eligible for the taxonomy but not environmentally sustainable (non-taxonomy-aligned) (A.2)		0	0%																
Total (A.1 + A.2)		8,331	100%														100%		
B. NON-TAXONOMY-ELIGIBLE ACTIVITIES																			
Sales of activities that are non-taxonomy-eligible (B)																			
		0	0%																
Total (A + B)		8,331	100%																

Capital expenditure				Significant contribution criteria						Do No Significant Harm (DNSH) criteria						Minimum protective measures	Taxonomy-aligned percentage of capital expenditure, 2023	Category (enabling activity)	Category (transitional activity)
				Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems				
Financial activities	Code/ codes	Absolute capital expenditure	Percentage of capital expenditure	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	O
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable (taxonomy-aligned) activities																			
Transmission and distribution of electricity	4.9	4,196	99%	100%						-	Y	-	Y	Y	Y	Y	99%	E	-
Capital expenditure on environmentally sustainable (taxonomy-aligned) activities (A.1)		4,196	99%	100%													99%	E	-
A.2. Activities eligible for the taxonomy but not environmentally sustainable (non-taxonomy-aligned)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Transmission and distribution of electricity	4.9	0	0%																
Capital expenditure on activities eligible for the taxonomy but not environmentally sustainable (non-taxonomy-aligned) (A.2)		0	0%																
Total (A.1 + A.2)		4,196	99%														99%		
B. NON-TAXONOMY-ELIGIBLE ACTIVITIES																			
Capital expenditure on activities that are non-taxonomy-eligible (B)																			
		42	1%																
Total (A + B)		4,238	100%																

Proportion of taxonomy-eligible activities defined as environmentally sustainable

Operating expenses	Code/ codes	Absolute operating expenses	Percentage of operating expenses	Significant contribution criteria						Do No Significant Harm (DNSH) criteria						Minimum protective measures	Taxonomy- aligned percentage of operating expenses, 2023	Category (enabling activity)	Category (transitional activity)	
				Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems					
Financial activities		SEK m	%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	O
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable (taxonomy-aligned) activities																				
Transmission and distribution of electricity	4.9	671	95%	100%							-	Y	-	Y	Y	Y	Y	94%	E	-
Operating expenses for environmentally sustainable (taxonomy-aligned) activities (A.1)		671	95%	100%														94%	E	-
A.2. Activities eligible for the taxonomy but not environmentally sustainable (non-taxonomy-aligned)																				
Transmission and distribution of electricity	4.9	0	0%	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Operating expenses for activities eligible for the taxonomy but not environmentally sustainable (non-taxonomy-aligned) (A.2)		0	0%																	
Total (A.1 + A.2)		671	95%															94%		
B. NON-TAXONOMY-ELIGIBLE ACTIVITIES																				
Operating expenses for activities that are non-taxonomy-eligible (B)		36	5%																	
Total (A + B)		707	100%																	

Share of net sales/total net sales

	Taxonomy-alignment per target	Percentage eligible in the taxonomy
CCM	100%	100%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Percentage of capital expenditure/total capital expenditure

	Taxonomy-alignment per target	Percentage eligible in the taxonomy
CCM	99%	99%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Percentage of operating expenses/total operating expenses

	Taxonomy-alignment per target	Percentage eligible in the taxonomy
CCM	95%	95%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Nuclear energy-related activities

The company carries out, finances or is exposed to research, development, demonstration and expansion of innovative electricity production facilities that produce energy from nuclear energy processes with minimal waste from the fuel cycle.	No
The company carries out, finances or is exposed to the construction and safe operation of new nuclear installations for the production of electricity or process heating, including district heating or industrial processes such as hydrogen production, and their safety upgrades, using the best available techniques.	No
The company carries out, finances or is exposed to the safe operation of existing nuclear installations producing electricity or process heating, including for district heating or industrial processes such as hydrogen production from nuclear energy, and their safety upgrades.	No

Fossil gas-related activities

The company carries out, finances or is exposed to the construction or operation of electricity production facilities that produce electricity using fossil gaseous fuels.	No
The company carries out, finances or is exposed to the construction, renovation and operation of combined heat and power plants using fossil gaseous fuels.	No
The company carries out, finances or is exposed to the construction, renovation and operation of heat production plants that produce heat/cooling using fossil gaseous fuels.	No

In-depth information on Ellevio's climate-related risks

A comprehensive approach to identifying and assessing climate-related risks was taken in 2021 through a series of internal workshops and analyses, in which employees participated from areas such as operations and maintenance, facilities, network planning, technical development and sustainability. The report *Klimatförändringarnas inverkan på elnätet* ("The impact of climate change on the electricity network", 2021) produced by Energiforsk also contributed important expertise to this work. Energiforsk's project included about 15 leading researchers from Chalmers University of Technology, IVL Swedish Environmental Institute, Profu and SMHI.

In our analysis, we assumed Energiforsk's scenario of a temperature increase of 1.5 degrees – a scenario in which Sweden's climate is expected to be impacted sometime between the next 10–30 years through:

- More weather-related extremes such as intense rainfall, increased precipitation in connection with low pressure and a greater risk of heat waves.
- Higher average temperatures – mainly in winter, but also in summer.
- Shorter winter season with more precipitation.
- Longer summer season.

Based on the potential consequences of climate change for the electricity grids, we are making assessments of how technical infrastructure at our facilities may be affected and what measures will be required.

A range of other warming levels were studied in Energiforsk's report, including a rise of 2.0 and 2.5 degrees. From the electricity grid perspective, risks and measures are judged to be relatively similar whichever scenario occurs, apart from changes in probability and consequence. Our most important task is to constantly supply outage-free electricity to our customers. For this reason, weather-related risks have always been managed in Ellevio's operations. Our networks and their components are

always planned and designed to be disruption-resistant and to have a long lifespan.

Climate-related risks and opportunities

The climate transition and electrification of multiple sectors across society entails major opportunities for Ellevio's operations, while at the same time requiring them to be continuously and increasingly adapted to manage the risks that accompany a changing climate. Ellevio therefore regularly analyses climate-related risks – both physical and adjustment risks – and identifies measures that need to be taken to minimise the risks of a negative impact on operations.

Ellevio's operations are affected both by adjustment risks related to society's energy transition and physical risks linked to changes due to global warming. Our business faces climate-related risks, but these are generally minor or already well-managed as part of operations.

Adjustment risks and physical risks

The adjustment risks we have identified are mainly linked to Ellevio's long-term conditions being able to meet future demands on the electricity network, while society's increasing electricity consumption is leading to new demands and changing market conditions.

In terms of physical risks, strong winds, floods, heat waves leading to forest fires, extreme temperatures and extensive lightning strikes are the climate-related phenomena that are deemed to have the greatest impact on Ellevio's electricity network. Our risk management in this area is well established and ensured through continuous investments and maintenance, which guarantee reliability of supply and capacity throughout the network. Taking extreme weather into account during new construction is an integral part of this process. We also have a contingency perspective involving efficient troubleshooting processes and a major disruption organisation, which have always been natural

parts of Ellevio's work to fulfil our core mission: to ensure a reliably supply of electricity to our customers.

Ellevio's infrastructure is built to last today, tomorrow and in 50 years, and must therefore be able to withstand extreme weather events. A site-specific risk inventory and sustainability analysis are therefore produced for major projects, which also tackle climate-related risks relating to flooding, landslides, mudslides and storms.

Climate-related opportunities

Both climate change and the energy transition needed in connection with it lead to opportunities for companies that can offer solutions, such as Ellevio. The electricity network operations themselves are a prerequisite and an enabler of climate change, which is also clearly shown in the EU taxonomy which identifies electricity grids as an important enabler. Electrification is also increasingly being highlighted as an opportunity in itself. This entails several growth opportunities for Ellevio, in part as a result of the extensive need for investment as the capacity of the electricity network must be strengthened, modernised, digitalised and expanded to transition into the energy system of tomorrow. This transition will also pave the way for collaboration with partners to develop new services that support customers in the energy transition and strengthen the customer experience. In its ambition to contribute to the energy transition, Ellevio has identified further opportunities. Connections of fossil-free electricity production and flexibility services are part of Ellevio's core mission and are also increasing. Customers' growing interest in energy issues as a result of the climate crisis also creates opportunities for a strengthened customer experience through closer contact to support them in the energy transition.

Climate-related risks

Risk area	Risk description and potential impact	Risk management
<p>Adjustment risks</p>	<p>Regulatory and technical risks in the form of legal requirements and policy instruments that change the conditions for our operations, for example:</p> <ul style="list-style-type: none"> • Long permit processes that lead to the expansion of the electricity network not taking place at the desired pace. • New taxes and price of emissions allowances. • New requirements on the use and release of SF₆. • Further increased demand for new electricity production, potentially also fossil-based. • Risk that climate policy is altered as a result of the new situation in Europe. • Changes to network regulation that do not provide long-term and predictable conditions. <p>Market and branding risks linked to not being able to meet society's and customers' expectations of electricity distribution, for example:</p> <ul style="list-style-type: none"> • Long permit processes that lead to the expansion of the electricity network not taking place at the desired pace • Capacity shortages on the national network • Lack of staff with the right skills, including contractor capacity • Difficulties obtaining materials and equipment • Lack of understanding in society about the costs of electrification. 	<p>Ellevio works actively on external monitoring and analysis as well as lobbying efforts, and closely monitors regulatory and technical developments. Correct prioritisation of network investments and maintenance is ensured through active asset management. Through continuous process development, we reduce internal lead times and strengthen the capacity for change management in order to adapt the business to changing requirements and new legislation.</p> <p>Through active lobbying efforts, Ellevio works to ensure sustainable regulations and efficient processes over the long term and contributes to social acceptance of the energy transition and its costs.</p> <p>Confidence-building communication efforts, branding, industry partnerships, regional dialogues, network development plans and active interaction with contractors and suppliers strengthen the company's position.</p> <p>Internal training initiatives, sector collaborations, efforts to attract students to courses in energy and electric power, Ellevio's internal recruitment skills and purchasing strategy all help to ensure the supply of skills.</p>
<p>Physical climate risks</p>	<p>Weather-related events that may cause outages or damage to facilities and equipment:</p> <ul style="list-style-type: none"> • Storms – trees can fall on power lines. • Lightning – flashes and fires. • Fires (related to drought or thunder) – poles and substations could be ignited. • Floods – risk of power outages if network and substations end up under water and risk of contaminated water leaking from protective trenches • Ice and snow – could lead to hanging cables and in the worst scenario snap poles. 	<p>Through active asset management, Ellevio ensures the correct prioritisation of network investments and maintenance and reduces risks associated with weather-related events. Weather-proofing linked to strong winds and hanging ice and snow has long been under way by burying power lines. The risk of trees falling on lines is reduced through repeated clearing of power line corridors and trees lining them.</p> <p>In terms of fire risks, power lines are assessed based on the risk of being knocked out in forest fires. To avoid redundant lines being affected by the same fire, new construction and upgrades are planned with this aspect in mind.</p> <p>To avoid floods, active work is being carried out to enable substations to be built in safe places, such as at higher altitudes. By installing automatic pumps with sensors, level gauges and alarm functions, the risk of flooding in transformer pits that could lead to leakage of contaminated water or damage to equipment is reduced.</p> <p>Good crisis and disruption preparedness with an established crisis management organisation and recurring crisis drills.</p>

Description of Ellevio's policies

Policy	Main content and purpose	Material impacts, risks and opportunities to which the policy relates	Scope	Level of responsibility	Links to standards and third-party initiatives	Possible consideration of stakeholder interests	Accessibility of the policy
Sustainability policy	The purpose of the sustainability policy is to define overall principles for managing and working on environmental, social and economic sustainability at Ellevio. The policy covers the areas of climate and environment, health and safety, sustainable working life, customers and stakeholders.	<ul style="list-style-type: none"> - Climate change mitigation - Climate change adaptation - Energy - Direct impact drivers of biodiversity loss - Impacts on the state of species - Resource inflows, including resource use - Sustainable development of local communities - Working conditions in the value chain - Security of supply for social inclusion 	The policy covers Ellevio Holding 1 AB along with its subsidiaries and includes its own operations as well as upstream and downstream operations.	The policy is approved by the Board. It is reviewed, updated as necessary and adopted annually.	<ul style="list-style-type: none"> - The ten principles of the UN Global Compact. 	The policy is based on Ellevio's material impacts, risks and opportunities, which have been identified with the interests of Ellevio's stakeholders in mind.	<ul style="list-style-type: none"> - The policy is available on the Ellevio website
Code of Conduct	As a responsible company, we do more than just comply with relevant legislation. Ellevio's Code of Conduct clarifies this by setting out the general principles for how we treat others, how we do business and how we protect company assets. Our values form the basis of the Code of Conduct. All Ellevio employees, Board members and others representing Ellevio are expected to act in accordance with the Code of Conduct.	<ul style="list-style-type: none"> - Climate change mitigation - Sustainable development of local communities - Corruption and bribery 	The policy covers our own operations as well as upstream and downstream activities.	The policy is approved by the Board. It is reviewed, updated as necessary and adopted annually.	<ul style="list-style-type: none"> UN Universal Declaration of Human Rights - International Labor Organization (ILO) fundamental conventions - OECD Guidelines for Multinational Enterprises - The ten principles of the UN Global Compact. 	Employee representatives also sit on Ellevio's Board.	<ul style="list-style-type: none"> - The policy is available on the Ellevio website - Ellevio employees must undertake an annual online training course in, and commit to, the Code of Conduct as part of their employment contract
Anti-corruption policy	The purpose of the anti-corruption policy is to prevent and counteract corruption in Ellevio's operations and to specify the principles that apply at Ellevio for receiving and giving benefits and to facilitate employees' assessment of whether a benefit is permitted or not.	<ul style="list-style-type: none"> - Corruption and bribery 	The policy is applicable to Ellevio Holding 1 AB and its subsidiaries. This means all Ellevio employees and everyone who is contracted by Ellevio (including consultants and temporary employees).	The policy is approved by Ellevio's CEO and is revised annually and as necessary.	<ul style="list-style-type: none"> - The ten principles of the UN Global Compact. 		<ul style="list-style-type: none"> - Training is offered to all staff and is compulsory for all new recruits. - Part of the annual Ellevio Code of Conduct training course - Available to all employees on Ellevio's intranet

Appendix

Policy	Main content and purpose	Material impacts, risks and opportunities to which the policy relates	Scope	Level of responsibility	Links to standards and third-party initiatives	Possible consideration of stakeholder interests	Accessibility of the policy
Biodiversity policy	<p>Ellevio's electricity network must receive and distribute energy in a reliable manner while also taking responsibility for preventing negative impacts on the environment, people and society.</p> <p>Ellevio's policy states that we will work to minimise the negative environmental impact of construction, operation and maintenance by acting responsibly. At the same time, we will work to ensure that our power line corridors' value and function as green links in the landscape's ecological network are maintained and developed.</p>	<ul style="list-style-type: none"> – Direct impact drivers of biodiversity loss – Impacts on the state of species 	The policy applies to all employees and hired consultants and those working on behalf of Ellevio	The policy is approved by Ellevio's CEO. The policy is reviewed annually and updated as necessary			– The policy is available on the Ellevio website
Code of Conduct for suppliers and partners	<p>The purpose of Ellevio's Code of Conduct for Suppliers and Partners is to define the basic sustainability requirements for all parties in Ellevio's value chain.</p> <p>The Code contains basic sustainability requirements in four areas:</p> <ul style="list-style-type: none"> – Human rights – Labour law – Environment – Business ethics 	<ul style="list-style-type: none"> – Climate change mitigation – Direct impact drivers of biodiversity loss – Resource inflows, including resource use – Working conditions in the value chain – Corruption and bribery 	The policy applies to all Ellevio operations (Ellevio Holding 1 AB and its subsidiaries) and anyone supplying goods, services, works and other activities to Ellevio, from any part of the world.	The policy is approved by Ellevio's CEO.	<ul style="list-style-type: none"> – UN Guiding Principles on Business and Human Rights – International Labor Organization (ILO) fundamental conventions – OECD Guidelines for Multinational Enterprises – The UN's Global Compact 		<ul style="list-style-type: none"> – The policy is part of Ellevio's supplier agreement – The policy is available on the Ellevio website
Purchasing policy	<p>The purpose of the purchasing policy is to clarify the connection between governing documents and processes that together form the basis for Ellevio's approach to sustainable purchasing and procurement.</p> <p>The policy contains information on the responsibilities of different roles in the purchasing process and in purchasing-related activities. The policy also contains information and links to the governing documents on procurement.</p>	<ul style="list-style-type: none"> – Corruption and bribery 	The policy regulates the governance of purchasing within the Ellevio Group (Ellevio Holding 1 AB with all its subsidiaries) and its activities relating to suppliers, partners, customers, owners and other relevant stakeholders. The policy relates to and includes purchasing in terms of all forms of procurement, direct awards and call-offs from existing framework agreements.	The policy is approved by Ellevio's CEO and is reviewed annually.			

Appendix

Policy	Main content and purpose	Material impacts, risks and opportunities to which the policy relates	Scope	Level of responsibility	Links to standards and third-party initiatives	Possible consideration of stakeholder interests	Accessibility of the policy
Policy to limit use and release of the SF₆ greenhouse gas	The purpose of the policy is to set out Ellevio's approach and ambition in relation to the use of SF ₆ and how Ellevio works to reduce the use and negative impact on the climate associated with the use of SF ₆ .	– Climate change mitigation	The policy applies to all employees and hired consultants and those working on behalf of Ellevio.	The policy is approved by Ellevio's CEO. The policy is reviewed annually and updated as necessary.			– Available on the Ellevio website.
Whistleblowing policy	The purpose of this policy is to encourage employees to report suspicions of non-compliance with our Code of Conduct, without risk of reprisal. The policy contains information on when and how the whistleblowing service can be used, the investigation process and the legal basis on which the policy is based.	– Corruption and bribery	The service is open to all employees and people with a work-related connection to Ellevio, such as agency staff, consultants, trainees and board members.	The policy is approved by Ellevio's CEO.			– Available via the reporting tool on the Ellevio website.
Network policy	The purpose of Ellevio's network policy is to establish at a general level the principles under which the electricity network should be built, maintained and operated. This must all be done in accordance with Ellevio's strategy and business plan, while complying with applicable legislation, industry standards and Ellevio's internal instructions.	– Climate change mitigation – Sustainable development of local communities – Security of supply for social inclusion	The policy applies to all employees and hired consultants and those working on behalf of Ellevio.	The CEO of Ellevio is responsible for the policy. The CEO of Ellevio has delegated responsibility to the Ellevio Network Committee to ensure the development and maintenance of technical instructions in line with this policy.		Indirectly, the policy is entirely based on the interests of our customers.	– Technical instructions available in Ellevio's management system and in contract documents.
Outage policy	This policy regulates how Ellevio and Ellevio's contractors work on outage planning and information to affected customers at all voltage levels throughout Ellevio's network.	– Security of supply for social inclusion	The policy applies to all employees and hired consultants and those working on behalf of Ellevio.	The policy is approved by Ellevio's management team through the SVP, Asset Management and Operations and is reviewed and updated as necessary.		The policy is based on aspects including the interests of customers.	– The policy is available on Ellevio's intranet and Ellevio's website for contractors. – Instructions related to outage planning and ordering are available on Ellevio's contractor page for both employees and contractors and otherwise in Ellevio's management system.
Risk policy	The policy addresses Ellevio's operational risk management, including business continuity, internal control, credit management, insurance management, safety issues and crisis preparedness.	The policy covers how Ellevio should manage all risks within its operations.	The policy applies to all companies within the Ellevio Group (Ellevio Holding 1 AB with all its subsidiaries)	The policy is approved by Ellevio's CEO.			– The policy is available on Ellevio's intranet

List of data points in horizontal and topical standards stemming from other EU legislation

Disclosure requirements and related data point	Reference in the regulation on sustainability disclosures	Pillar three reference	Reference in Benchmarks Regulation	Reference in EU climate legislation	Material/ not material/ not relevant	Page
ESRS 2 GOV-1 Gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (5), Annex II		Material	18
Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Material	18
ESRS 2 GOV-4 Statement on due diligence paragraph paragraph 30	Indicator number 10 of Table #3 of Annex I				Material	36
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (6), Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not relevant	–
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not relevant	–
Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 of Table #1 of Annex I		Delegated Regulation (EU) 2020/1818, Article 12(1) (7), Delegated Regulation (EU) 2020/1816, Annex II		Not relevant	–
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not relevant	–
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Material	41
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity		Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		Material	–
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Material	46
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Material	47
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Material	47
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Material	47

Appendix

Disclosure requirements and related data point	Reference in the regulation on sustainability disclosures	Pillar three reference	Reference in Benchmarks Regulation	Reference in EU climate legislation	Material/ not material/ not relevant	Page
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Material	48
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate Change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8.1		Material	48
ESRS E1-7 GHG removals and carbon credits, paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Material	48
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Material but being phased in	–
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk			Material but being phased in	–
Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Material but being phased in	–
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Material but being phased in	–
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Not material	–
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Not material	–
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table #2 of Annex 1				Not material	–
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 of Table #2 of Annex I				Not material	–
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 of Table #2 of Annex I				Not material	–
ESRS E3-4 ESRS E3-4 Total water consumption in m ³ per net revenue on own operations paragraph 29	Indicator number 6.1 of Table #2 of Annex I				Not material	–
ESRS 2-SBM 3-E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex I				Material	49
ESRS 2-SBM 3-E4 paragraph 16 (b)	Indicator number 10 of Table #2 of Annex I				Material	49
ESRS 2-SBM 3-E4 paragraph 16 (c)	Indicator number 14 of Table #2 of Annex I				Material	49
ESRS E4-2 Sustainable land/agriculture practices or policies paragraph 24 (b)	Indicator number 11 of Table #2 of Annex I				Not relevant	–
ESRS E4-2 Sustainable oceans/seas practices or policies paragraph 24 (c)	Indicator number 12 of Table #2 of Annex I				Not relevant	–

Appendix

Disclosure requirements and related data point	Reference in the regulation on sustainability disclosures	Pillar three reference	Reference in Benchmarks Regulation	Reference in EU climate legislation	Material/ not material/ not relevant	Page
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 of Table #2 of Annex I				Not relevant	-
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 of Table #2 of Annex I				Not material	-
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 of Table #1 of Annex I				Not material	-
ESRS 2-SBM3 -S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 of Table #3 of Annex I				Not material	-
ESRS 2-SBM3-S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 of Table #3 of Annex I				Not material	-
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Not material	-
Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Not material	-
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 of Table #3 of Annex I				Not material	-
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				Not material	-
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				Not material	-
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not material	-
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Not material	-
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not material	-
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 3 Table #3 of Annex I				Not material	-
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				Not material	-
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator no. 10 Table #1 and Indicator no. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Not material	-
ESRS 2-SBM - S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and 13 Table #3 of Annex I				Material	56
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Material	58, 107-109
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator no. 11 and no. 4 Table #3 of Annex I				Material	58, 107-109
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Material	58
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material	58

Appendix

Disclosure requirements and related data point	Reference in the regulation on sustainability disclosures	Pillar three reference	Reference in Benchmarks Regulation	Reference in EU climate legislation	Material/ not material/ not relevant	Page
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex I				Material	60–61
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Material	65, 107–109
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Material	65, 107–109
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex I				Material	66
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Material	68, 107–109
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Material	68, 107–109
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex I				Material	69–70
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex I				Not relevant	–
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				Not relevant	–
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material	76
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex I				Material	76

Content index

List of material disclosure requirements

	Page
General information	
ESRS 2: General disclosures	
BP-1 General basis for preparation of sustainability statements	24
BP-2 Disclosures in relation to specific circumstances	Topical ESRS, where relevant
GOV-1 The role of the administrative, management and supervisory bodies	35
GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	35
GOV-3 Integration of sustainability-related performance in incentive schemes	36
GOV-4 Statement on due diligence	36
GOV-5 Risk management and internal controls over sustainability reporting	37
SBM-1 Strategy, business model and value chain	25–27
SBM-2 Interests and views of stakeholders	27–28
SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	31, 40, 49, 52, 56, 64, 67, 73
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	33–34
IRO-2 Disclosure requirements in ESRS standards covered by the corporate sustainability statement	114–116
Environmental information	
ESRS E1: Climate change	
Article 8, Taxonomy Regulation	39, 100–104
ESRS 2 GOV-3-E1 Integration of sustainability-related performance in incentive schemes	36
E1-1 Transition plan to reach climate neutrality by 2050	41
ESRS 2 SBM-3-E1 Material impacts, risks and opportunities and their interaction with strategy and business model	40
ESRS 2 IRO-1-E1 Description of the processes to identify and assess material impacts, risks and opportunities	33–34
E1-2 Policies related to climate change mitigation and adaptation	42, 107–109
E1-3 Actions and resources in relation to climate change policies	42–45
E1-4 Targets related to climate change mitigation and adaptation	46
E1-5 Energy consumption and mix	47
E1-6 Gross scopes 1, 2, 3 and Total GHG emissions	48
E1-7 GHG removals and GHG mitigation projects financed through carbon credits	48
E1-8 Internal carbon pricing	48
E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	n/a

Index

Environmental information, cont.	Page
ESRS E4: Biodiversity and ecosystems	
E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model	–
ESRS 2 SBM-3-E4 Material impacts, risks and opportunities and their interaction with strategy and business model	49
ESRS 2 IRO-1-E4 Description of the processes to identify and assess material biodiversity and ecosystems-related impacts, risks and opportunities	33–34
E4-2 Sustainable land/agriculture practices or policies	50, 107–109
E4-3 Actions and resources related to biodiversity and ecosystems	50–51
E4-4 Targets related to biodiversity and ecosystems	51
E4-5 Impact metrics related to biodiversity and ecosystems change	51
E4-6 Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities	n/a
ESRS E5: Resource use and circular economy	
ESRS 2 SBM-3-E5 Material impacts, risks and opportunities and their interaction with strategy and business model	52
ESRS 2 IRO-1-E5 Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities	33–34
E5-1 Policies related to resource use and circular economy	53, 107–109
E5-2 Actions and resources related to resource use and circular economy	53–54
E5-3 Targets related to resource use and circular economy	54
E5-4 Resource inflows	54
E5-6 Anticipated financial effects from material resource use and circular economy-related risks and opportunities	n/a
Social information	
Comments on S1 Own workforce	56
ESRS S2: Workers in the value chain	
ESRS 2 SBM-2-S2 Interests and views of stakeholders	27–28
ESRS 2 SBM-3-S2 Material impacts, risks and opportunities and their interaction with strategy and business model	56
S2-1 Policies related to value chain workers	58, 107–109
S2-2 Processes for engaging with value chain workers about impacts	58–59
S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns	59–60
S2-4: Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	60–61
S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	62

Index

Social information, cont.	Page
ESRS S3: Affected communities	
ESRS 2 SBM-2-S3 Interests and views of stakeholders	27–28
ESRS 2 SBM-3-S3 Material impacts, risks and opportunities and their interaction with strategy and business model	64
S3-1 Policies related to affected communities	65, 107–109
S3-2 Processes for engaging with affected communities about impacts	65–66
S3-3 Processes to remediate negative impacts and channels for affected communities to raise concerns	65–66
S3-4 Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	66
S3-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	66
ESRS S4: Consumers and end users	
ESRS 2 SBM-2-S4 Interests and views of stakeholders	27–28
ESRS 2 SBM-3-S4 Material impacts, risks and opportunities and their interaction with strategy and business model	67
S4-1 Policies related to consumers and end-users	68, 107–109
S4-2 Processes for engaging with consumers and end-users about impacts	68–69
S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	68–69
S4-4 Taking action on material impacts, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users and effectiveness of those actions and approaches	69–70
S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	71
Governance information	
ESRS G1: Business conduct	
ESRS 2 SBM-3-G1 Material impacts, risks and opportunities and their interaction with strategy and business model	73
ESRS 2 GOV-1-G1 The role of the administrative, supervisory and management bodies	35
ESRS 2 IRO-1-G1 Description of the processes to identify and assess material impacts, risks and opportunities	33–34
G1-1 Corporate culture and business conduct policies and corporate culture	74, 107–109
G1-3 Prevention and detection of corruption and bribery	75
G1-4 Confirmed incidents of corruption or bribery	76

TCFD index

For Ellevio, the methodology within TCFD (Task Force on Climate Related Financial Disclosures) is an important part of creating a systematic approach to climate adaptation and developing relevant climate targets for our operations. Ellevio has been reporting in accordance with TCFD since 2021. The analysis is based on Ellevio's own operations.

In the table, we describe the scope of the reporting and indicate page references for each area. That so much of the Annual and Sustainability Report deals with climate-related risks and opportunities reflects the major role that climate change plays in terms of Ellevio's strategy and operations.

Recommended information

Governance	Strategy	Risk management	Indicators and targets
A. The Board's monitoring of climate-related risks and opportunities. <i>Pages: 16 and 35</i>	A. Climate-related risks and opportunities identified by the organisation. <i>Pages: 31, 40–41 and 105–106</i>	A. The organisation's processes for identifying climate-related risks. <i>Pages: 16, 33–34 and 105–106</i>	A. The organisation's indicators for evaluating climate-related risks and opportunities. <i>Pages: 46–48</i>
B. Management's role regarding the assessment and management of climate-related risks and opportunities. <i>Pages: 16 and 35</i>	B. Impact of risks and opportunities on the organisation's operations, strategy and financial planning. <i>Pages: 40–43 and 105–106</i>	B. The organisation's processes for managing climate-related risks. <i>Pages: 16, 32, 35 and 42–45</i>	B. Emissions of scope 1, 2 and, if applicable, scope 3 under the Greenhouse Gas Protocol. <i>Page: 48</i>
	C. Resilience in the organisation's strategy regarding various climate-related scenarios. <i>Pages: 41 and 105–106</i>	C. Integration of the above processes into the organisation's general risk management. <i>Pages: 16 and 35</i>	C. Objectives for managing climate-related risks and opportunities. <i>Page: 46</i>

Approval of the Board and CEO

The Annual and Sustainability Report was approved for publication by the Board of Directors and the Chief Executive Officer on 22 April 2025, with the income statement and balance sheet adopted by the Annual General Meeting on the same day. The Board of Directors and the CEO certify that the annual report has been prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and RFR 2 Accounting for Legal Entities, issued by the Swedish Financial Reporting Board and generally accepted accounting principles, and that it gives a true and fair view of the company's financial position and results. The Directors' Report gives a true and fair account of the development of the company's business, position and performance, and describes the principal risks and uncertainties that it faces. Furthermore, it is assured that the statutory Sustainability Report has been prepared in accordance with the Annual Accounts Act.

Stockholm, 22 April 2025

Fredrik Persson
Chair of the Board

Anna Belfrage

Lars Clausen

Göran Hägglund

Karin Jarl Månsson

Michael McNicholas

Anna-Karin Stenberg

Johan Lindehag
Chief Executive Officer

Our Auditor's Report was submitted on 22 April 2025

Ernst & Young AB

Henrik Jonzén
Authorised Public Accountant

Auditor's report

To the general meeting of shareholders in Ellevio AB (publ), corporate identity no. 556037-7326

Report on the annual accounts

Opinions

We have audited the annual accounts of Ellevio AB (publ) except for the corporate governance statement on pages 17–21 and the statutory sustainability report on pages 22–76 and 99–117 for the financial year 2024-01-01 – 2024-12-31. The annual accounts of the company are included on pages 11–117 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of Ellevio AB (publ) of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 17-21 and the statutory sustainability report on pages 22-76 and 99-117. The statutory administration report is consistent with the other parts of the annual accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet.

Our opinions in this report on the annual accounts are consistent with the content of the additional report that has been submitted to the company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the company in accordance with professional ethics for accountants in

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Valuation of intangible assets

Description

Reported value of intangible assets as per December 31, 2024 amounts to 43 221 MSEK, which equals 44% of the company's total assets. Of the reported value, 3 171 MSEK relates to goodwill and 38 710 MSEK relates to concessions. As described in note 2 impairment testing is performed on an annual basis and on the indication of a need for impairment. In order to determine the value of a potential impairment loss an asset's recoverable amount is calculated. With the aim of determining a need for impairment, the assets are grouped together based on the lowest levels for which there are identifiable cash flows (cash-generating units). The recoverable amount is determined by calculating the value in use and in note 17 the main assumptions used when calculating the value in use are described. Intangible assets constitute a significant part of the company's total assets and the valuation of these are dependent of management's assumptions and judgments. Hence, we have assessed the valuation of intangible assets as a key audit matter in our audit

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

How our audit addressed this key audit matter

In the course of our audit, we have evaluated the company's process for impairment testing. We have audited how cash-generating units are identified compared to set criteria and compared this with how the company internally monitors its business. We have evaluated the company's valuation methods and calculation models, assessed the reasonability of assumptions and sensitivity analyses over changes in assumptions with the assistances of our internal valuation specialists and made comparisons against historical results and the precision of prior projections. We have assessed the reasonability of the discount rate and the terminal growth rate through benchmarking to market data and, where applicable, companies in the same industry. We have also assessed whether the information disclosed is appropriate.

Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

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

Other information than the annual accounts

This document also contains other information than the annual accounts and is found on pages 1–10 and 118–125. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is neces-

sary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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 these annual accounts.

A further description of our responsibilities for the audit of the annual accounts is located at the Swedish Inspectorate of Auditors website. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors and the Managing Director of Ellevio AB (publ) for the financial year 2024-01-01 – 2024-12-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the loss be dealt with in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the company in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

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

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's financial situation and ensuring that the company's

Auditor's report and opinions

organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibilities for the audit of the administration is located at the Swedish Inspectorate of Auditors website. This description forms part of our auditor's report.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 17–21 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts are in accordance with the Annual Accounts Act.

The auditor's opinion regarding the statutory sustainability report

The Board of Directors is responsible for the statutory sustainability report on pages 22–76 and 99–117, and that it is prepared in accordance with the Annual Accounts Act according to the prior wording that was in effect before 1 July 2024.

My (Our) examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

Ernst & Young AB, was appointed auditor of Ellevio AB (publ) by the general meeting of the shareholders on the 24 April 2024 and has been the company's auditor since the 26 April 2018.

Stockholm 22 April 2025
Ernst & Young AB

Henrik Jonzén
Authorized Public Accountant

Contact and more information

More information and contact

Sarah Östberg
Head of Financial and Sustainability Communications

Anna-Karin Käck
SVP, Finance

Karolina Viksten
Head of Sustainability

firstname.lastname@ellevio.se
Address: Ellevio, Box 242 07, 104 51 Stockholm, Sweden
ellevio.se



Production:

Ellevio in collaboration with Addira
Photo: Emil Nordin, Johanna Hanno, Johnér



ELLEVIO

ellevio.se