Statnett

Electrification for a new era

Annual report 2025

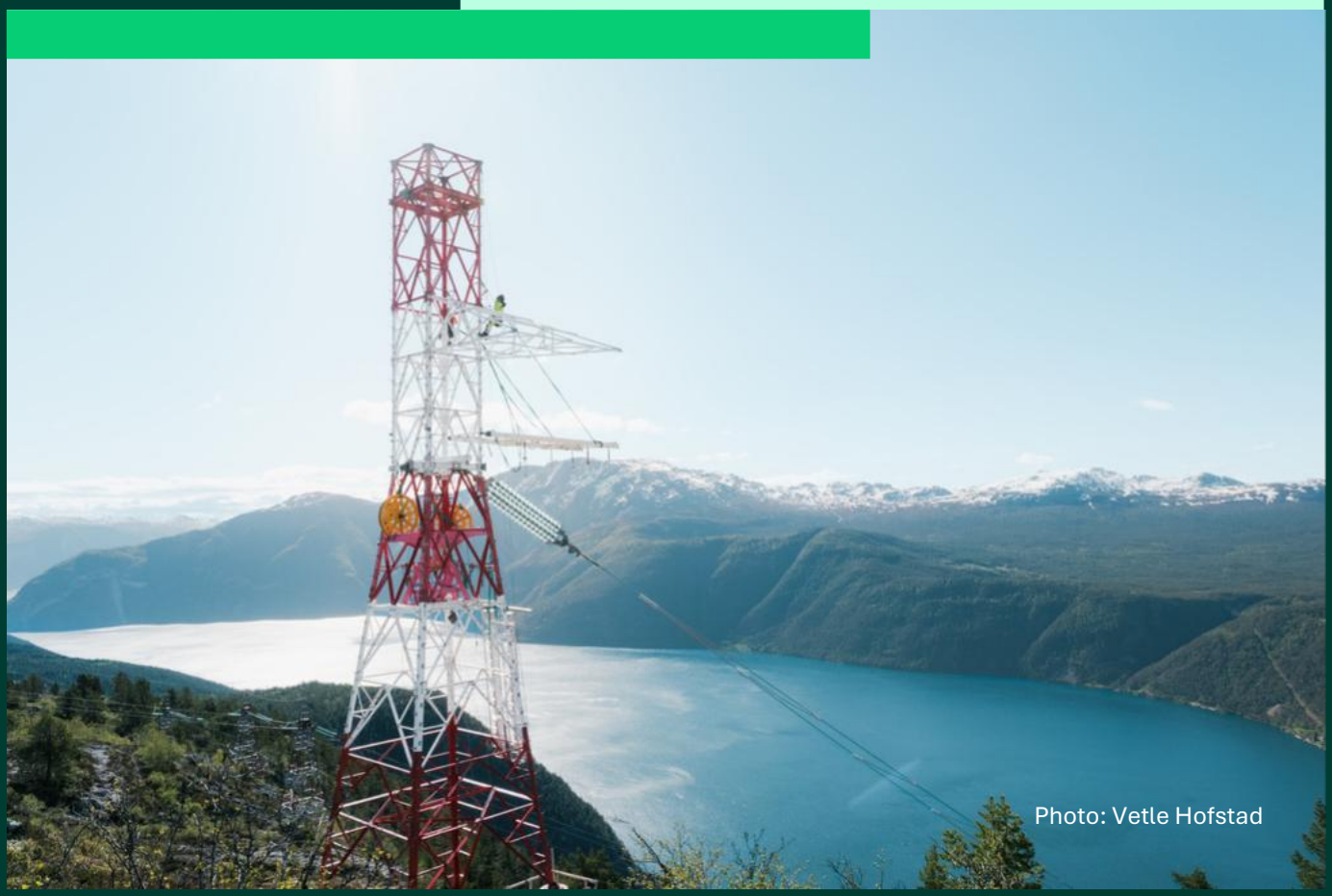

Photo: Vetle Hofstad

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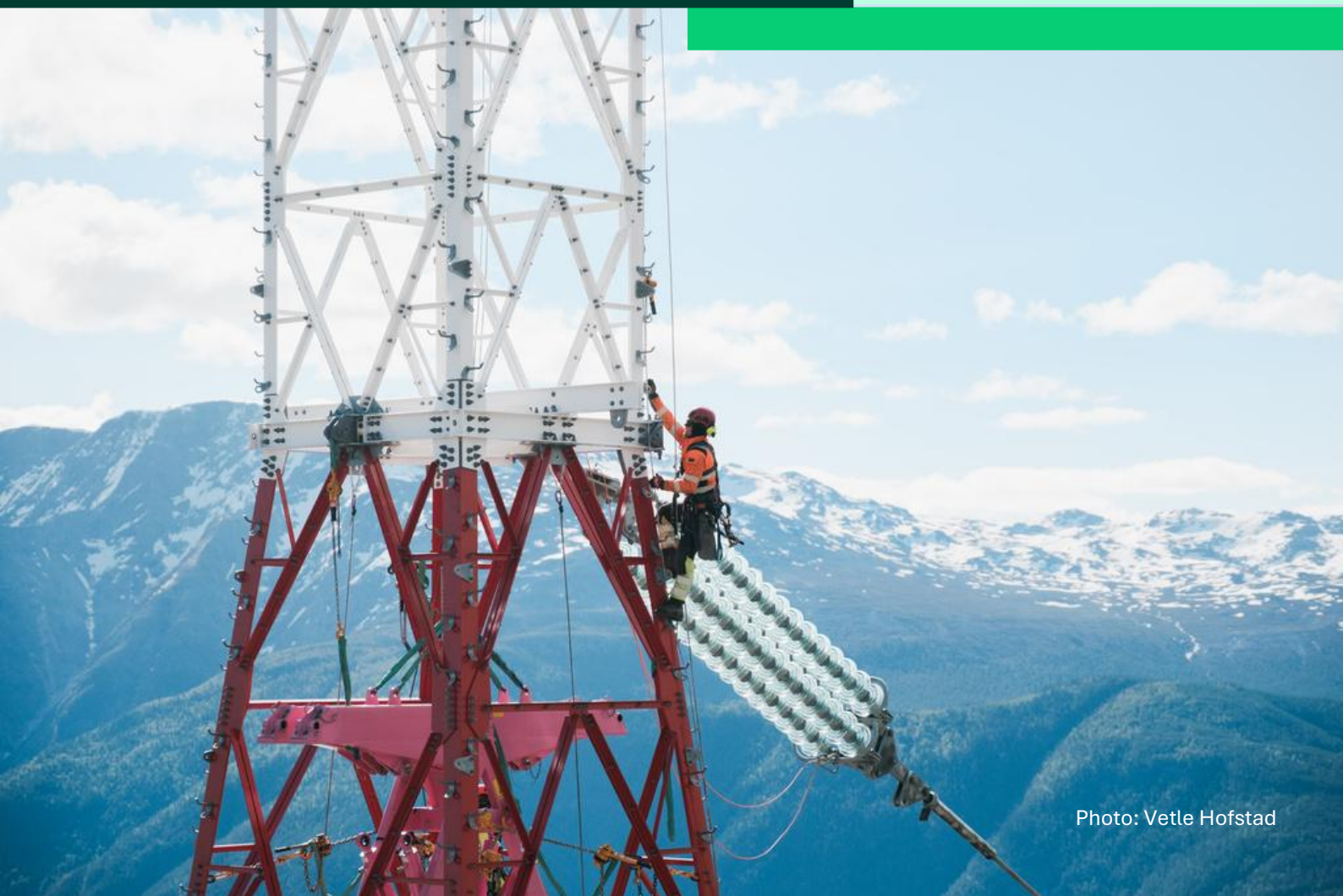


Photo: Vetle Hofstad

Letter from the CEO

We are strengthening our preparedness and safeguarding the electricity supply

The power system is a vital part of Norway's critical national infrastructure (CNI) and Statnett plays a key role in our total defence. We must be prepared for the possibility that war and sabotage could impact Statnett's facilities and systems. The most important task for all of us who work at Statnett is to safeguard the electricity supply, whether we are facing extreme weather, complex threats, or, in the worst-case scenario, war. To mark the start of Norway's Total Defence Year 2026, we are strengthening the robustness of the power system and our emergency response capability. Reliable electricity supplies safeguard us all.

Increased exchange of power between the north and south

At the end of 2025, Statnett had 248 grid-related projects actively underway. This is 37 more than the year before, and the number of projects under construction increased to 87. In 2025, Statnett invested a total of NOK 10.6 billion in the grid and power system, an increase of NOK 3 billion compared with 2024. A significant NOK 9.3 billion was invested in the power grid alone.

In the autumn of 2025, the new power transmission line between Aurland and Sogndal was commissioned, establishing a continuous 420 kV grid from north to south. This power transmission line is one of several initiatives towards 2040, which will significantly strengthen Norway's capacity to transfer electricity back and forth between the north and south.

Another important milestone in 2025 was the breakthrough in the cable tunnel being constructed between Sogn and Ulven in Oslo. The breakthrough was marked on 18 December, ahead of schedule and below estimated cost. The tunnel runs beneath five city boroughs and will contribute to more secure electricity

supplies and increased grid capacity across the entire capital region.

Over the coming decade, Statnett will more than double its investments in the power system. Growth in the number of projects in the overall portfolio, combined with more projects under construction, shows that we are well on our way.

However, despite the substantial increase in activity, the progress of Statnett's grid projects is affected by uncertainty relating to licensing and permitting processes. This will impact the development of our grid portfolio going forward.

We get more out of the grid we already have

In 2025, in addition to planning and constructing new grid infrastructure, we increased our efforts to better utilise the existing power system. Improvements to the existing grid and power system expand grid capacity more quickly, are more sustainable and cost less than building from scratch.

In 2025, we in total increased the capacity of the existing grid and power system by over 1,000 MW – equivalent to

the entire annual power consumption of Buskerud county.

Over a period of 10–15 years, Statnett will upgrade the temperature rating of more than 100 power lines nationwide. This measure is expected to increase grid capacity by an estimated 20–30 per cent. When more electricity is transmitted in the overhead lines, the temperature increase. This requires greater clearance between the lines and the ground. In 2025, we upgraded the temperature rating of the main power line between bidding zone NO1 and NO2 in Buskerud and Vestfold. With increased capacity, this important line between Flesaker in Buskerud and Hof-Tveiten in Vestfold helps ensure better flow and more stable prices in large parts of Norway's eastern region.

Automation makes more effective use of the power system

Automated balancing of the power system was introduced in March 2025. Combined with flow-based market coupling and a switch to 15-minute time resolution in the energy market, this represents the most significant change in the power system in decades. Flow-based market coupling enables more efficient use of the grid by directing power where it is needed most. This increases the overall value of the electricity production and reduces price differences. Automated balancing ensures that reserves can be activated more rapidly and at shorter intervals, allowing the power system to stabilise sooner than what is possible with manual balancing. This is necessary when flow changes occur more quickly and there is a greater exchange of power between bidding zones and countries.

Norway is part of an integrated European electricity market through the EEA Agreement. Close cooperation and partnerships with our neighbouring countries makes the power system more efficient and robust. We are particularly closely linked to the other Nordic countries: Sweden, Denmark and Finland. In the years ahead, this collaboration will be even more important, not only to utilise our shared Nordic power system, but also to strengthen security and preparedness.

We keep costs down and increase operating efficiency

Successful cost control is crucial to enable us to deliver on our societal mandate. We must manage public funds as efficiently as possible. In other words, we must ensure reliable electricity supplies, pave the way for business and industry, and operate the power system in a way that provides the greatest socio-economic benefits.
In 2024, we established a benefit realisation programme in Statnett. In 2025, we realised significant results in the form of both costs savings and costs avoided. We have achieved this in part through successful contract negotiations when purchasing equipment and services, as well as through more efficient operation and maintenance of our grid infrastructure facilities. In addition, we have implemented measures to reduce the cost of ancillary services, which resulted in lower expenses in the second half of the year. Our efforts to improve efficiency and optimise our operations will be further reinforced in 2026.

Positive underlying profit after compensation

Costs associated with ancillary services rose sharply over the last few years, largely due to factors beyond Statnett's control. Against this backdrop the Norwegian Energy Regulatory Authority (RME) in January 2026 decided to compensate Statnett in the amount of NOK 5.2 billion.

Supported by this compensation for increased cost of ancillary services in the period 2021–2024, Statnett achieved a positive underlying profit after tax of NOK 2.8 billion in 2025. RME's decision to grant Statnett compensation is important and strengthens our capacity to complete our planned investments in the power system.

Cost of ancillary services have stabilised at a high level. They were especially high in parts of the first half-year, but have decreased somewhat since then. This is partly

due to Statnett having initiated measures to optimise the bidding process in the reserve power market.

Safety first

Everyone working for us should get home safely. On 3 March 2026, a fatal incident unfortunately occurred in which an employee of a contractor lost their life while working on one of our construction projects. The incident is under investigation and is being followed up in line with established procedures. Statnett always puts safety first, and going forward we must work even harder to reduce the number of serious incidents and injuries.

In the course of 2025, we had one incident resulting in a serious personal injury. In addition, we had 25 other incidents that could have led to severe injury, and 11 of these were related to work at height. This number is too high. The incidents underline the importance of measures directed at leaders, employees, and our suppliers to ensure that those working for Statnett are not exposed to danger.

Climate transition plan

In 2025, we prepared a comprehensive transition plan that will systematise Statnett's efforts to protect the climate, nature and people. In 2025, as one of the first companies in Norway, we set targets for reducing greenhouse gas emissions caused by land-use changes. We have also introduced science-based climate targets. Statnett is working to increase the capacity of the Norwegian transmission grid's , while keeping our imprint on the landscape as limited as possible.

Our objective is to establish a robust supply of electricity across the entire country, while at the same time mitigate climate change, and promote health, safety and the environment.

CEO Elisabeth Vike Vardheim

Group Management

Elisabeth Vike Vardheim

CEO

Employed since 2007 and a member of Group Management since 2014. CEO since 2024.
Previous positions: Various management positions in construction projects, construction client organisations, operational activities and public administration. Since 2014, responsible for planning, engineering and expansion of the transmission grid in Norway. Since 2021, also responsible for operation and management of the transmission grid, as well as emergency preparedness.
Education/qualifications: Master's in Engineering from the Norwegian University of Science and Technology (NTNU), diploma in Business Administration and post-graduate course in Board Governance from BI Norwegian Business School.
Directorships: Board member at Oslobygg KF.

Anne Wilhelmine Flagstad

EVP People & Sustainability

Employed and a member of Group Management since 2022.
Previous positions: Former HR Director at Telenor Norway and Telenor Denmark. Management positions and experience as a consultant and researcher in the field of organisation and HR in Norway and internationally.
Education/qualifications: PhD in Strategy and Organisation from BI Norwegian Business School and Master's in Sociology from the University of Oslo. Further education in digital transformation and management from the International Institute for Management Development (IMD).

Christian Færø

EVP Project Development and Construction

Employed since 2009 and a member of Group Management since 2024.
Previous positions: Background in public administration and consultancy, project management and leadership positions in construction projects, construction client organisations and operational activities. Director of operational preparedness since 2021.
Education/qualifications: Master's in Resource Economics and Land Planning from the Norwegian University of Life Sciences (UMB). Postgraduate studies in Pedagogy and Psychology at the Norwegian University of Science and Technology (NTNU), and Risk & Project Management at SBS.
Directorships: Board member at Nordlink Norge AS.

Tore Langeland

EVP Asset Operations & Emergency Preparedness

Employed since 2014 and a member of Group Management since 2025.
Previous positions: Various leadership positions in Statnett since 2015, Director of Asset Operations (2021–2024), Director of Technical Consulting and Engineering (from 2024). Senior researcher and head of department at Det Norske Veritas (2009–2014).
Education/qualifications: Master's degree in Energy and Environment from the Norwegian University of Science and Technology (NTNU) and a Master of Technology Management, Business and Technology from the same university.
Directorships: Board Chair at Nordlink Norge AS.

Group Management

Cathrine Lund Larsen

CFO and EVP Finance & Corporate Affairs

Employed and a member of Group Management since 2022.

Previous experience: Background in consulting industry and various management positions at Statkraft and DNB.

Education/qualifications: Master's in Business and Economics (*Siviløkonom*) from the Norwegian School of Economics (NHH) and board competence from BI Norwegian Business School.

Directorships: Board member at Shearwater GeoServices.

Gunnar G. Løvås

EVP System Planning & Customers

Employed as a member of Group Management since 2019, and previously from 2007 to 2014.

Previous positions: Deputy Director General and member of Group management at the Norwegian National Rail Administration.

Independent consultant. Over 25 years of experience at Statnett in various roles.

Education/qualifications: Master's in Engineering from the Norwegian University of Science and Technology (NTNU) and a Doctorate in Mathematical Statistics from the University of Oslo.

Directorships: Board Chair at Elhub AS and board member at Globeleq Ltd.

Ingeborg Øfsthus

EVP Technology & Innovation

Employed and a member of Group Management since 2024.

Previous positions: Leadership experience from a variety of roles, including CTO and CEO in various parts of the Telenor Group, including in Thailand, Serbia/Montenegro and Norway. Was Nordic CTO at Telenor immediately prior to joining Statnett.

Education/qualifications: Master's in Engineering in Electronics from the Norwegian University of Science and Technology (NTNU).

Directorships: Board Chair at Fifty AS and board member at Sykehuspartner.

Peer Olav Østli

EVP Systems Operations & Markets

Employed and a member of Group Management since 2007.

Previous positions: Director at Telenor, Schibsted Nett and Scandinavia Online AB. Head of Technology at the Norwegian Broadcasting Corporation NRK.

Education/qualifications: Master's in Computer Science and postgraduate studies in management from Henley Business School.

Statnett's Board of Directors

Nils Kristian Nakstad

Board member since 2022, Chair since 2022.

Chair of the Remuneration Committee.

Employment: CEO of Enova from 2008 until February 2026. Previously a researcher and head of section at SINTEF, in addition to positions with Norsk Hydro, Trondhjem Preserving and Revolt Technology.

Wenche Teigland

Board member since 2020. Elected Deputy Chair in 2022.

Chair of the Audit Committee.

Employment: CEO of Fount AS since 2023. EVP at BKK 2006–2020. Also served as CEO of Naturgass Vest and held management positions at Shell/Gasnor, Aibel and Aker Engineering.

Directorships: Enova, Wergelandsgruppen AS, Really! AS and Aragon AS.

Mette Helene Bjørndal

Board member since 2025.

Member of the Audit Committee.

Employment: Professor and former vice-rector at the Norwegian School of Economics and Business Administration.

Offices: Member of the Petroleum Price Board and the Gas Pipeline Network Dispute Resolution Mechanism

Egil Gjesteland

Board member since 2012.

Head of the Project Committee.

Employment: Owner of Gjesteland Consulting. Project consultant, IT Director and Project Director for a number of Equinor's oil and gas projects.

Steinar Jøråndstad

Employee-elected Board member since 2004, employee since 1980.

Member of the Project Committee.

Employment: Team coordinator in Grid Infrastructure North and East at Statnett. Chairs Statnett's Working Environment Committee. Branch Convenor of the Norwegian Electrician and IT Workers Union.

Statnett's Board of Directors

Børre Langgård

Employee-elected Board member since 2024, employee since 2014.

Member of the Audit Committee

Employment: Senior construction manager, substation construction management, member of the Statnett Working Environment Committee. Leader of the Statnett branch of the Norwegian Association of Engineers and Technologists (NITO Statnett). Prior to working at Statnett, management of infrastructure projects since 1994.

Ingeborg Ligaarden

Employee-elected Board member since 2020, employee since 2015.

Member of the Remuneration Committee.

Employment: Head of Section for Data Science at Statnett. Previously senior consultant at LR Consulting/Scandpower and a researcher at SINTEF. Experience from key elected positions with Tekna – the Norwegian Society of Graduate Technical and Scientific Professionals.

Christian Reusch

Board member since 2020.

Member of the Remuneration Committee.

Employment: Lawyer with the Attorney General's Office, Specialist Director at the Office of the Prime Minister, Lawyer/Partner at the law firm Simonsen Vogt Wiig.

Maria Sandsmark

Board member since 2013.

Member of the Project Committee.

Employment: Researcher at Møreforskning and ECON Analyse. Also lectured on the environment and resource economy at Molde University College.

Offices: Member of the government-appointed Expert Committee to review the cost-benefit analysis framework for public works (2011).

Financial key figures

For definitions, see the section on alternative performance measures (APM) towards the end of this report.

For information about how Statnett is regulated, see the section headed "Financial regulation of Statnett".

Key figures *(Amounts in NOK million)*	**2025**	**2024**	**2023**
Accounting profit/ loss			
Operating revenue	20 205	18 961	11 600
EBIT	3 068	4 621	-1 547
Net profit/loss for the year	792	1 720	-2 617
Adjustments			
Change in accumulated higher/lower revenue (-/+) before tax	2 629	-644	5 387
Change in accumulated higher/lower revenue (-/+) after tax	2 052	-502	4 202
Accumulated higher/lower revenue (-/+) after tax	-1 487	-3 537	-3 035
Net profit for the year (adjusted for change in higher/lower revenue)			
Underlying operating revenue	22 834	18 317	16 987
Underlying EBIT	5 697	3 977	3 840
Underlying net profit for the year	2 843	1 218	1 585
Key figures balance sheet			
Investments (additions, assets under construction and construction interest)	10 582	7 619	6 078
Total assets	108 701	105 533	90 303
Financial key figures			
Adjusted EBITDA	6 734	8 124	1 744
Adjusted Underlying EBITDA	9 363	7 480	7 131
Regulatory asset base (RAB) and assets under construction	90 065	82 958	79 041
EBIT to RAB and assets under construction	3,5 %	5,7 %	-2,0 %
EBIT to RAB and assets under construction, underlying	6,6 %	4,9 %	4,9 %
Equity ratio	23,5 %	24,1 %	26,7 %
Equity ratio, underlying	22,1 %	20,8 %	23,3 %
Funds from operations to net debt*	7,1 %	10,8 %	-0,7 %
Funds from operations to net debt*, underlying	11,4 %	8,9 %	10,1 %
Standard & Poor's and Moody's Investors Service long term ratings	A+ / A2	A+ / A2	A+ / A2

*This KPI was previously adjusted for change in working capital. Statnett has now chosen to show "Funds from operations, FFO/Net debt", without change in working capital. The reason for change is to harmonize KPIs here with the KPIs shown in the internal reports. The KPI "Funds from operations, FFO/Net debt, underlying", changes from 10,2 % to 8,9 % in 2024 and from 9,9 % to 10,1 % in 2023. The KPI is shown in the Annual report for 2024 and 2023.

Board of Directors' Report

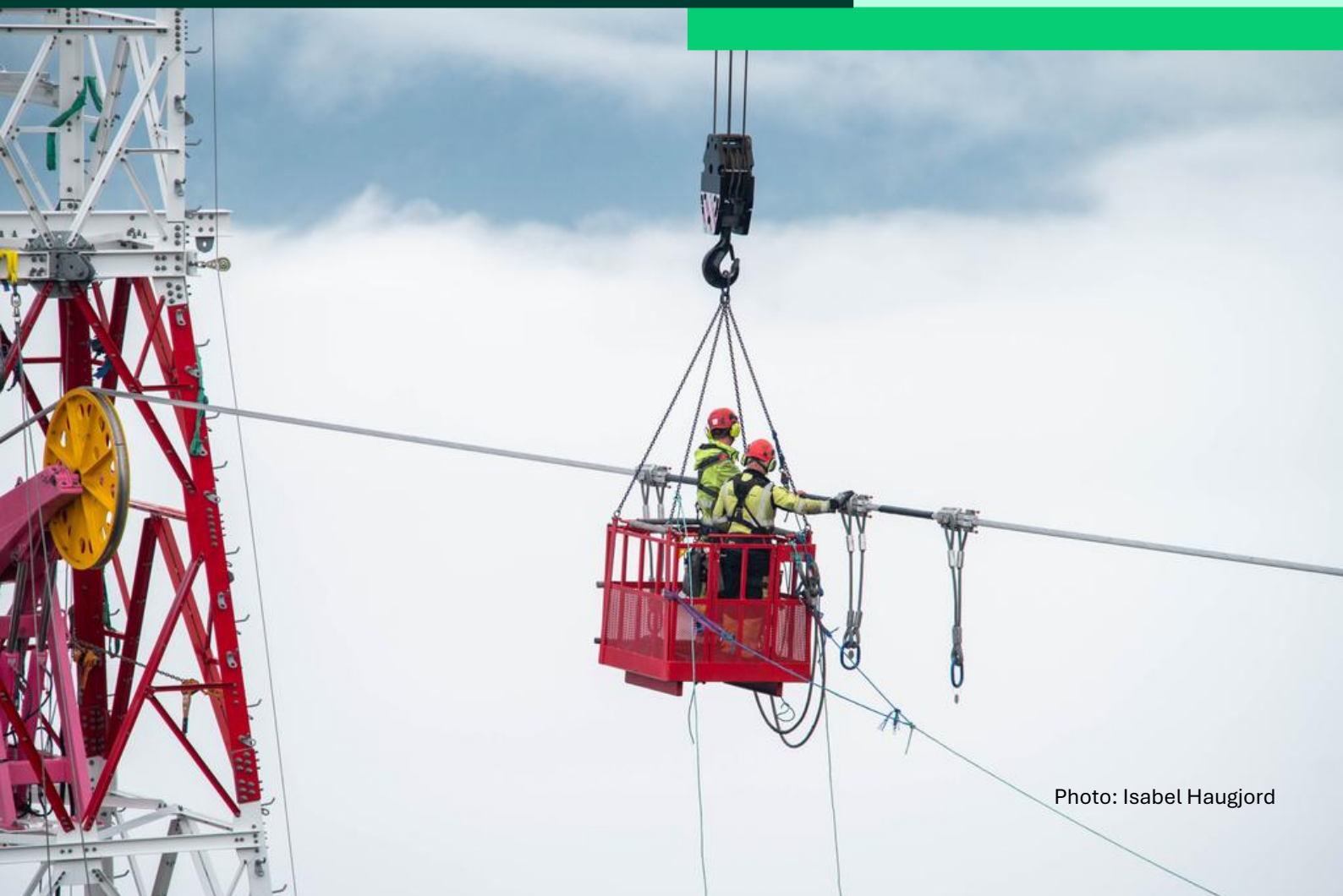


Photo: Isabel Haugjord

Performance and outlook

Fluctuations in the energy balance and price levels in 2025

Major price differences between bidding zones

Both prices and hydrological conditions varied considerably through 2025. Record-full hydropower reservoirs in the north combined with reduced transmission capacity out of northern Norway resulted in record-low prices in bidding zone NO4 (Northern Norway). Prices in bidding zone NO3 (Central Norway) were also low, partly due to the robust hydrological balance in both northern Norway and northern Sweden, and partly due to the limited transmission capacity between the north and south in the Nordic region. Due to hydrological conditions, outages and congestions, there were sometimes major price differences also between the bidding zones NO1, NO2 and NO5 in southern Norway in 2025, but they were considerably higher than prices in the north. However, towards the end of 2025, electricity prices in central and northern Norway increased, and the price difference to the south decreased somewhat. On average, electricity prices on the Continent were higher than the electricity prices in southern Norway.

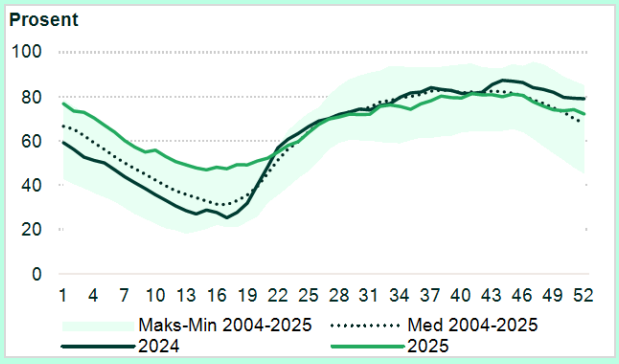
Change in system operations

During the year, automated balancing and congestion management was introduced, along with 15-minute Market Time Units (MTUs) in the intraday and 24-hour market. Flow-based market coupling allows the grid to be utilised more efficiently. It leads to greater flow, lower price differences and higher socioeconomic benefits. The change in system operations adresses today's challenges and facilitates the developments we see ahead. At the same time, the cost of maintaining the balance in a power system subject to greater volatility and more intensive use of the grid becomes more visible. In the spring of 2025, cost of ancillary services were unusually high, but they were reduced significantly in the second half of the year. Looking ahead, we expect that they will stabilise at a lower level than in the first half of 2025. However, the changes in the power system and in system operations will result in higher and more variable costs than before.

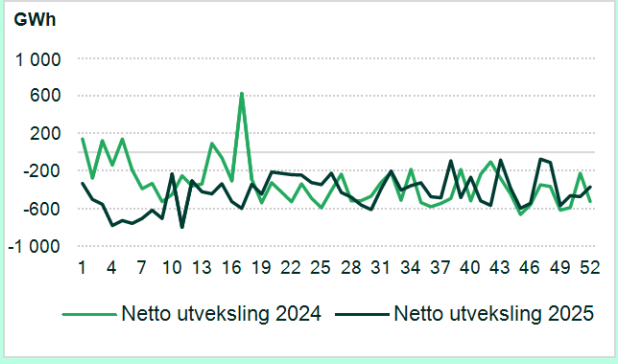
Substantial power exchange with other countries

Total power production in Norway was around 162 TWh in 2025, up 3 per cent from the year before. Consumption remained at the same level as in 2024, ending at 139.2 TWh in 2025 (131.5 TWh without grid losses). A considerable amount of electricity was exchanged between Norway and other countries in both 2025 and 2024. In 2025, exports totalled approx. 34 TWh, while imports totalled approx. 11.5 TWh. The corresponding figures for 2024 were 33 TWh and 15 TWh, respectively. As for the year before, we exchanged most power with Sweden, with imports making up the bulk of the volume.

Norwegian reservoir water levels – per week



Net power exchange in Norway per week



Strong preparedness reduced the impact of challenging weather

There were several challenging weather events in 2025. During a polar low on 18 March, three of Statnett's 420-kV transmission lines in the north of Norway were damaged by avalanches. Thanks to effective preparedness and good cooperation with our neighbouring countries and regional grid companies, the electricity supply was restored after around two hours.

At the beginning of October, the extreme weather event Storm Amy hit parts of southern and central Norway, with heavy rains and strong gusts of wind. Statnett has long experience of handling bad weather and emergency situations. Although Storm Amy disrupted Statnett's grid operations, it had no impact on the electricity supply.

The world around us – uncertainty is the new normal

In the face of change and uncertainty, Statnett must become even more flexible, robust and capable of dealing with unpredictable environments.

Geopolitical tensions on the rise

War, conflicts and geopolitical tensions have sharpened threat assessments and pushed energy security and power supply preparedness higher up on the agenda in Europe and Norway. Over the past year, there have been several indications of hybrid threats by unknown actors targeting critical infrastructure assets, including energy and water supply. Sweden's Transmission System Operator (TSO), Svenska kraftnät, was subject to cyberattacks, and illegal drone activity has been observed near airports and military installations in the Nordic region.

The power system is closely integrated with our neighbouring countries

Norway is closely integrated with the Nordic and European power system. We are connected to our neighbouring countries and to the rest of Europe, both physically through interconnectors and through market solutions and regulations.

As part of a common power system, we are mutually interdependent. Developments in consumption, production and infrastructure affect electricity flow and cross-border electricity trade.

Cooperation with our neighbours is crucial to ensure robust security of supply, effective use of resources and stable and reliable operations. At a time of growing geopolitical tensions and emerging threats, the value of international cooperation is growing. A common market and close cooperation with our neighbouring countries strengthen the effectiveness and resilience of the power system.

Interconnectors with Sweden and Finland are particularly important for operational security. The Nordic countries form a joint synchronous area with the same frequency. Statnett therefore works closely with our Nordic neighbours to develop system operations and joint solutions to safeguard the stability of tomorrow's power system.

The European energy transition remains strong

The European energy transition continues at a rapid pace, driven by war on the European continent, trade barriers and heightened industrial competition. This has strengthened political support for the energy transition and increased focus on regional self-sufficiency.

Production of renewable power is expanding rapidly. Statnett's long-term market analysis for the period 2024–2050 and short-term market analysis for 2025 assume substantial growth in power production in Europe going forward. In Norway, there are currently plans for up to around 10 GW increased effect of additional hydropower capacity. Beyond this, however, there are few concrete plans for development of new production capacity towards 2030.

While we still expect significant growth in electricity consumption, both in Norway and continental Europe, part of this growth in consumption may materialise later than previously anticipated. In Europe, growth in consumption is primarily driven by electrification and datacentres, while there is greater uncertainty relating to industrial demand and hydrogen production.

The Norwegian electricity consumption has remained largely unchanged in recent years, while the number of

plans for new consumption has increased. Electricity consumption from data centres increased by 1 TWh in 2025, nearly doubling from the previous year, and many new data centres are currently under construction. Electrification of the petroleum industry, transport and datacentres are strong drivers for increased electricity consumption and contribute to the queue of customers wishing to connect to the grid.

We must adapt to a challenging supplier market
Statnett plans to substantially increase investments in the grid in the years ahead. At the same time, constrained supplier markets for key components and installation services impacts costs and delivery times. To mitigate risk and improve predictability, we are strengthening standardisation, adopting portfolio-based procurements, and considering early purchasing and long-term contracting for long lead time equipment.

Statnett promotes responsible project execution
Societal expectations regarding the protection of nature, people and local communities are increasing. Early assessments of natural assets and involvement of local communities and other stakeholders are necessary to ensure we adopt good solutions, reduce conflict levels in the transition and ensure effective project execution. However, despite the substantial increase in activity, the progress of Statnett's grid development projects is affected by uncertainty and long lead times related to licence conditions and permitting processes. This will influence the development of the grid portfolio going forward.

Statnett's societal mission

Statnett's societal mission is to develop and operate the transmission grid in a socio-economically efficient manner. We must ensure that the production and consumption of electrical power is always in balance. Statnett must ensure a good security of supply, a well-functioning power market and a socio-economically rational development of the grid. The social utility of the solutions chosen must exceed their costs and disadvantages.

Statnett aims to fulfil its societal mission effectively, in a way that creates value over time. Our societal mission is inscribed in our Articles of Association and complies with the government's sectoral policy goals. We will act in a responsible and sustainable manner, in line with the Norwegian government's expectations as our owner. These expectations are communicated through the White Paper on Ownership Policy, the state's climate goals and targets for increased power production and new business activities.

Sectoral policy goals and indicators
Statnett bases all significant decisions regarding system operation and grid development on socioeconomic calculations. Every year, the company submits a report to the Norwegian Ministry of Energy on its sectoral policy performance using indicators for security of supply, capacity reservations, price differences and cost developments.

For an overview of these indicators, along with definitions, ambitions and results, please see the chapter on other information and indicators for sectoral policy goals.

Reliability of supply in the grid was high in 2025, exceeding the target figure of 99.995 per cent. Statnett reserved 1,718 MW of net capacity in the transmission grid for customers this year (both new consumption and new production). This is down from 3,144 MW in 2024. The decrease is primarily attributable to several customers in the hydrogen sector withdrawing their plans.

Statnett is working with a long-term perspective to reduce bottlenecks in the grid and power system. The introduction of flow-based market coupling in the autumn of 2024 has resulted in more efficient use of the grid. 2025 was the scheme's first whole year in operation, and we see that the average and maximum flow have increased interface capacity. This has led to a reduction in price differences. In addition, the opening of the Aurland–Sogndal transmission line in 2025 has given Norway its first continuous 420-kv link between Finnmark in the north and Agder in the south. Combined with the upgrades to the substations in Sogndal and Aurland, this transmission line paves the way for increased electricity generation in the area around and north of Sognefjord. Overall, these measures will help to reduce the

difference in electricity prices between Central, Western and Eastern Norway.

Despite this, the price gap within Norway, measured as the difference between the annual average price in the most expensive and least expensive bidding zones, rose to 130 per cent in 2025, up from 70 per cent the year before. In 2025, a large power surplus in the north of the country contributed to low prices in the region, while a weaker hydrological balance in the south in addition to higher costs for thermal power production in Europe boosted prices in the south. Electricity prices are affected by several factors, and the price differences must be tracked over time to see their development. Compared to previous periods, the last two years has had unusually large price differences.

Costs, measured via permitted revenue over total power production and consumption, were slightly down in 2025 compared to 2024. This is primarily attributable to lower costs for ancillary services in the cost base for permitted income.

Key intangible assets

Statnett's most important intangible asset is its role as the owner and operator of Norway's transmission grid. Licences are required to own and develop the power transmission grid. Statnett's income is therefore regulated. Statnett also serves as the system operator for the Norwegian power system – a role that is assigned by means of statutory instruments. Statnett's employees, with their expertise and experience, are also an intangible resource that is material for the company's operation.

Statnett delivers on its strategy

In 2024, Statnett decided on a new and more focused strategy to deliver on its societal mission under changing framework conditions and increased uncertainty. This strategy ensures that we keep our eyes on the most critical tasks ahead.

The strategy emphasises three key areas:

1) Increase utilisation of the existing grid and power system
2) Plan and construct the grid and power system faster and more efficiently
3) Enhance resilience and preparedness in operations and development

Across these focus areas, we aim to improve efficiency without compromising sustainability and safety. We will prioritise initiating the right projects at the right time and at the right cost, delivering solutions that are socio-economically profitable.

In 2025, Statnett made significant progress across all three focus areas.

1) Increase utilisation of the existing grid and power system

Building new grid infrastructure is time-consuming and costly, and has impacts on both people and nature. It is therefore sensible to make the most of the existing grid and power system. Increased prices and long lead times for grid components further reinforce the need to intensify the utilisation of the current power system. In 2025, we have increased capacity by more than 1,000 MW. Our aim is to achieve more uniform prices, increased capacity for both consumption and production, and ensure secure and efficient operation of the power system.

In 2025, we implemented significant changes in system operations and market solutions. These changes affect how we operate and have a significant impact on market participants. Overall, it represent the most extensive transformation of the power system in decades. During the year, automated balancing and congestion management were introduced, along with 15-minute time resolution in the intraday and day-ahead markets. This enables faster and at more frequent activation of reserves, allowing the system to stabilise more quickly than with manual balancing. This is necessary when changes in power flows occur more rapidly and there is a greater exchange of power between bidding zones and countries. These changes are closely linked to the introduction of flow-based market coupling in the day-ahead market in 2024. This method makes better use of the transmission grid and moves more power to where it is most needed. As a result, the overall value of the electricity production increases, while price differences are reduced.

Going forward, Statnett will continue to develop these solutions further to improve the utilisation of the power system. Connecting to European balancing markets is a key priority. We are currently implementing multiple changes across several markets and systems in parallel. For this reason, we are constantly analysing the new operating procedures and how the changes implemented across markets impact each other. In cooperation with market participants and the other Nordic transmission system operators (TSOs), we are improving our understanding and further developing the solutions.

Conditional grid connection agreements provide better utilisation of the power system and make it possible to connect more customers. Statnett therefore makes considerable efforts to accommodate customers at individually tailored terms and conditions within the power system's operations. This is in addition to the work we are doing to upgrade the temperature rating of our transmission lines and expand the use of dynamic line rating (DLR), which are technical measures to improve the utilisation of the existing grid.

Bidding zones are important to manage grid constraints and ensure efficient use of resources, correct price signals and balanced power flow. Changes in power production, consumption and grid development influence flow patterns and bottlenecks in the grid. It has therefore become necessary to reassess the current bidding zone structure. In 2025, Statnett therefore asked the Norwegian Energy Regulatory Authority (RME) to investigate whether the bidding zone NO4 should be divided.

2) Plan and construct the grid and power system faster and more efficiently

Increased capacity in the existing grid is not sufficient to meet future power consumption. To accommodate the expected growth in consumption, further grid expansion is needed. In 2025, we strengthened the development of the transmission grid.

The system development plan is Statnett's overarching plan for the development of the power system. A new version of the plan was published in the autumn of 2025. The plan details our strategy and priorities in the years ahead.

In the autumn of 2024 and spring of 2025, we published all ten grid development area plans. Together, these set out our plans to develop the grid nationwide. As part of this work, we have conducted several dialogue meetings with stakeholders in the various regions. The area plans describe the measures required to meet the grid's need for investment and form the basis for design choices and project development. The area plans are drawn up in close collaboration with the regional grid operators.

Compared with the previous 10-year period, Statnett plans to more than double its investments in the grid and power system up to 2035. By the end of 2025, we had a total of 248 active projects in our grid portfolio, up from 211 projects in 2024. 131 of our projects are in the planning phase, 33 more than last year, and we have submitted notices and applied for licences for several of these. Over the past year, an additional six projects have moved into the construction phase. By year-end, we had a total of 87 projects under construction.

Several important projects were completed during the year. In the autumn of 2025, the 420-kVtransmission line between Sogndal and Aurland was commissioned. The line strengthens security of supply and contributes to more uniform electricity prices in central, western and eastern Norway. The Aurland–Sogndal line is one of several initiatives that, towards 2040, significantly will increase Norway's north south transmission capacity. Other projects finalised in 2025 includes the Vinnelys substation, the Haugsvær–Lindås transmission line, the Ørskog substation and the new transformer station at Åsen. Increased capacity in Snildal has strengthened security of supply in the local area.

At the same time, several major projects are under construction. Facilities that will contribute to strengthen the power system in the years ahead are: Blåfalli–Gismarvik (Haugalandet), Sogndal–Modalen-Kollsnes (Bergen area), Surna–Viklandet (Central Norway), Sogn-Ulven (Greater Oslo), Liåsen Substation (Greater Oslo) and Skaidi Hammerfest (Finnmark).

Work on the transmission line across Sognefjord, towards Hove, commenced in 2025. The project has progressed further than planned and the line will play an important role in meeting consumption growth in the Bergen area.

In Oslo, the Sogn–Ulven project passed a major milestone with breakthrough in the cable tunnel currently under construction. The project will strengthen security of supply and increase grid capacity across the Norwegian capital.

The portfolio is affected by uncertainty related to licensing and permits, as well as rising costs due to high demand in the supplier market. We are working with the Norwegian Water Resources and Energy Directorate (NVE) and the Norwegian Ministry of Energy to reduce the time it takes for the authorities to grant licences and mitigate related uncertainties.

3) **Enhance resilience and preparedness in operations and development**

A robust and resilient transmission grid is essential for a secure power system. Increased digitalisation and automation, combined with a more tense global security situation, set new demands to Statnett.

In 2025, we raised our ambition in the area of security and preparedness. Statnett will strengthen both physical and digital resilience, as well as its emergency response capability. Our plans emphasise prevention and the ability to manage extraordinary incidents. In a changed global security situation, we are planning and scaling for incidents at the upper end of the conflict scale.

We work cost-efficiently

Statnett has established a benefit realisation programme to ensure that investments, operations and system services are delivered efficiently. Technology standardisation, strategic procurement and supplier management, optimisation of the reserve markets and more effective work processes to increase speed and improve resource utilisation are some of the aspects we are working on.

Future costs development is highly uncertain. Changes in needs, technology choices and market prices may affect both investment levels and operating costs. Statnett closely monitors these developments and continue to improve our methodology for risk analyses, estimation and forecasting. Improvement measures are constantly adjusted to ensure the power system is both sustainable and efficient.

We work sustainably

Statnett's societal mission means we have a responsibility to contribute to the energy transition while safeguarding individuals, local communities, nature and the climate. In 2025, in line with the new sustainability reporting requirements and the expectations of our owner, the Norwegian state, we operationalised our strategy through the adoption of a transition plan for reducing greenhouse gas emissions and safeguarding people and nature. By implementing the transition plan, we are adopting a more standardised and systematic approach to sustainability in order to better identify solutions and execute our projects more efficiently.

Statnett's sustainability report forms an integral part of the Board of Directors' Report and complies with the Norwegian Accounting Act, including the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). This is the second year that we have reported in accordance with these requirements. The sustainability report is presented in Part 2 of the Board of Directors' Report.

Statnett's activities and reporting obligations under the Norwegian Equality and Anti-Discrimination Act is described here People | Statnett: on statnett.no. Statnett's work on due diligence in accordance with the Norwegian Transparency Act is included in the sustainability report. For more information, see statnett.no.

We work safely

We work continuously to prevent any serious incident or injury to personnel, and we place particular emphasis on this because our activities involve a high risk of personal injury. On 3 March 2026, a fatal incident unfortunately occurred in which an employee of a contractor lost their life while working on one of our construction projects. The incident is under investigation and is being followed up in accordance with established procedures. Our ongoing safety efforts include all leaders, employees, and

suppliers, and consist of systematic measures across many levels and areas of the organisation.

In 2025, there was an increase in the number of incidents with serious injury potential (SIF). Eleven of the 26 incidents were related to work at height. The SIF value remained stable at 4.5, which is higher than the 2025 target. One SIF incident resulted in a serious personal injury, which is described in more detail in the sustainability report.

Overall, the sickness absence rate remained at a consistently low level. At year-end, the rate was 3.5 per cent, slightly lower than in 2024.

Research and innovation are key to a sustainable, efficient and secure power system

Our R&D efforts are organised in a portfolio of projects, which are undertaken in collaboration with external partners and with the support of the Research Council of Norway, Enova, the Skattefunn scheme and the EU. The projects support our strategic objectives.

The portfolio helps to increase capacity in the existing grid and promotes faster and more climate-friendly grid development, greater resilience and better preparedness. Within the portfolio, there are projects focusing on flexibility and risk-based grid operations, the development of SF_6-free components, more cost-effective grid connectivity for offshore wind farms, new construction methods, as well as technology for more efficient inspection and protection of critical infrastructure.

Financial performance

Statnett's operating revenue is regulated by the Norwegian Energy Regulation Authority (RME), which sets a cap on permitted revenue. Recognised revenue may deviate from permitted revenue in individual years but must align with permitted revenue over time. The underlying profit is based on permitted revenue and the difference between accounting and underlying profit is referred to as higher/lower revenue.

Underlying profit

Statnett made a consolidated underlying profit after tax of NOK 2,843 million in 2025. This is an increase of NOK 1,625 million from NOK 1,218 million in 2024. The Group made an underlying operating profit of NOK 5,697 million in 2025, compared with NOK 3,977 million in 2024.

The improvement in Statnett's underlying profit is attributable to the financial compensation from the Norwegian Energy Regulatory Authority (RME) to cover permanent losses relating to increased costs for ancillary services in the period 2021–2023. The amount of compensation awarded to Statnett for high costs for ancillary services totalled NOK 5.2 billion. Its effect on the underlying profit for 2025 came to NOK 4.9 billion. See Note 4 Operating Revenue for further details. Adjusted for this extraordinary compensation, underlying profit in 2025 was lower than the year before, primarily due to increased costs for ancillary services and other operating costs.

Accounting profit

Accounting profit was NOK 792 million in 2025, compared with NOK 1 720 million the year before. The lower accounting profit for the year is primarily attributable to increased costs for ancillary services. Other operating costs also rose, while higher congestion revenues offset some of this effect.

The accounting operating profit for 2025 was NOK 3,068 million, down from NOK 4,621 million in 2024.

Operating revenue

The Group generated a recognised operating revenue of NOK 20,205 million in 2025, compared with NOK 18,961 million in 2024. The higher operating revenue is attributable to increased congestion revenues. To balance out previous years' higher revenue, the consumer tariff was halved with effect from 1 July 2025. This reduced operating revenues in 2025 by NOK 312 million compared with 2024.

Higher electricity prices in southern Norway and lower prices in Central and Northern Norway boosted domestic congestion revenues by NOK 2,289 million. International congestion revenues were NOK 95 million lower than the year before. Due to high congestion revenues, NOK 1,329

million was paid in compensation to underlying grids in 2025, compared to NOK 781 million in 2024.

All in all, this resulted in Statnett recording a lower revenue of NOK 2,629 million in 2025, compared with higher revenue of NOK 644 million in 2024. At the end of 2025, Statnett had accumulated higher revenue amounting to NOK 1,906 million. Accumulated higher or lower revenue may not be recognised in the balance sheet under the IFRS accounting standard. See Note 4 on operating revenue and the section on the financial regulation of Statnett for further details.

Operating expenses

The Group's operating expenses in 2025 amounted to NOK 17,137 million, up from NOK 14,341 million in 2024. The increase was driven by higher costs for ancillary services due to a substantial rise in volume in the capacity market for tertiary reserves and higher prices particularly in the first half of 2025. Transmission loss was higher than the year before due to higher electricity prices.

Salary and payroll costs rose due to an increase in the headcount. Other operating costs were higher than the year before due to more extensive digital projects, higher activity relating to early-phase grid projects and an increase in the scale of maintenance costs.

Financials

In 2025, the Group had net financial items of NOK -2,063 million, compared with NOK -2,432 million in 2024. This improvement is primarily attributable to changes in value resulting from movements in exchange rates. However, increased interest expenses due to a higher average net debt had a negative impact on the figure.

Cash flow and balance sheet

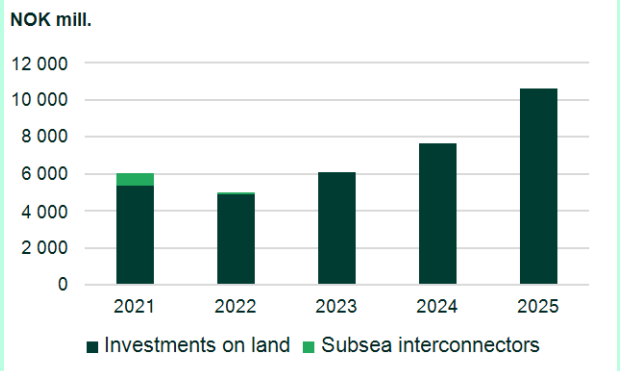
The Group generated a net negative cash flow of NOK 1,328 million in 2025, compared with NOK 4,495 million the year before.

Cash flow from operating activities in the Group was lower in 2025 than the year before, primarily due to increased costs for ancillary services, which was partly offset by higher congestion revenues. Changes in current receivables and payables reduced cash flow. Collateral posted to Nasdaq related to EPAD contracts in the power market was significantly higher in 2025 than in 2024, contributing to reduced cash flow. In 2025 it was decided that the EPAD scheme would become permanent with effect from March 2026 to strengthen liquidity in the futures market.

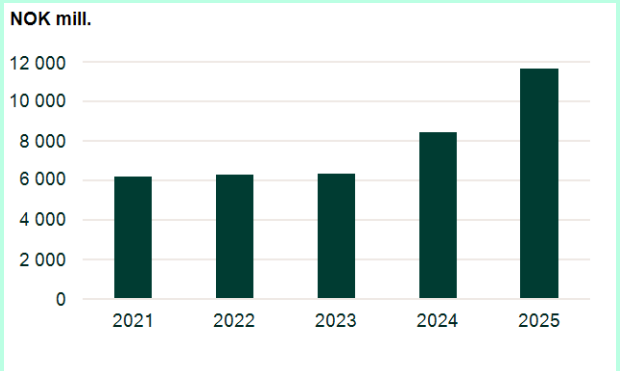
Increased activity relating to grid projects increase negative cash flow from investing activities. The sale of market-based securities, primarily fixed income funds, drew in the opposite direction and resulted in a higher net cash flow from investing activities in 2025 than the year before.

Cash flow from financing activities was positive in the amount of NOK 3.6 billion in 2025. NOK 18,683 million of new interest-bearing debt was raised and NOK 12,074 million of interest-bearing debt was repaid. In addition, a dividend of NOK 609 million was paid.

Investments Statnett, Group



Facilities under construction, group



In February 2026, prior to the presentation of the Board of Directors' Report, Statnett issued bonds worth a total of NOK 5,952 million (NOK 3,900 million and SEK 1,900 million) with tenors of between three and 15 years. Furthermore, in March 2026, a NOK 1,000 million commercial paper was repaid in full.

Statnett SF has a high credit rating. Standard & Poor's and Moody's Investors Services have assigned Statnett SF long-term credit ratings of A+ and A2, respectively. This strong credit rating provides Statnett SF with favorable borrowing opportunities.

The Group's total assets rose to NOK 108,701 million in 2025, compared to NOK 105,533 million in 2024. Interest-bearing debt increased from NOK 67,563 million in 2024 to NOK 70,433 million in 2025, mainly due to new loans for grid investments and digital projects. At the end of 2025, Statnett's equity totalled NOK 25,542 million, compared with NOK 25,482 million at the end of 2024.

The Group's equity ratio decreased from 24.1 in 2024 to 23.5 per cent in 2025. Underlying equity ratio increased from 20.8 per cent to 22.1 per cent.

Investments
Statnett invested a total of NOK 10,582 million in 2025, up from NOK 7,619 million the year before.

The investments included both completed and ongoing grid infrastructure projects, the purchase of grid facilities and digital development.

Investments in grid infrastructure are increasing as a result of major projects in the execution phase and projects relating to the upgrading of existing facilities. In 2025, Statnett completed several major grid investments which have contributed to security of supply and reduced electricity price differences between Central, Western and Eastern Norway.

Corporate management and internal control

Statnett adheres to the recommendations of the Norwegian Code of Practice for Corporate Governance (NUES) to the extent relevant for state-owned enterprises and aligns with the state's principles for corporate governance. For further details about corporate management at Statnett and the Board's role and responsibilities, please see the chapter on corporate management in the annual report.

Sound risk management and a high level of emergency preparedness are critical to maintain reliable operation of the transmission grid. The biggest risks relate to personnel safety, physical and digital security, security of supply, project portfolio risk, sustainability, and financial and regulatory conditions.

For further details concerning financial risk, see the section headed Financial Risk in the chapter on risk management and internal control in the annual report.

The framework for risk management and internal control builds on the recommendations issued by NUES, the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and on guidelines for risk management given in ISO 31000 Risk Management. Risk management also complies with guidelines given in ISO 55001, Asset Management.

For further details, please see the section on risk management and internal control in the annual report.

Organisation

At the end of 2025 the Group employed 2,372 people. Statnett is headquartered in Oslo and has administrative offices in Alta, Trondheim, Sandnes, Bergen and Sunndalsøra. In addition, we have a number of assembly points nationwide. From 1 June 2025, the Group is organised in three business areas, in addition to two support areas and two staff functions. See notes 20 and 22 for further information about Statnett's subsidiaries.

Outlook

Demand for grid capacity remains high. This underpins Statnett's strategic focus on increasing capacity in the existing transmission grid and power system, while also planning and develop the grid at a faster pace. Statnett's

strategic focus areas align with our most important challenges.

Geopolitical tensions, the energy transition, a challenging supplier market, a substantial need for reinvestments in the grid, responsible transition efforts and an integrated power system will continue to shape the operations going forward.

Statnett has increased the focus on technology development across digital and physical systems to

enable cost-efficient, secure and sustainable solutions. Artificial intelligence will provide new insights and more accurate predictions, as well as streamlining work processes. At the same time, the secure and ethical deployment of AI solutions will be essential.

In its forthcoming long-term plan for civil preparedness, the Norwegian government has designated the electricity supply as one of three priority areas in society. This increase expectations regarding the resilience of the power system in the years to come. In Norway's Total Defence Year 2026, greater national emphasis is expected to be placed on the role of the power supply in national contingency planning.

Experience from Ukraine has demonstrated that the power system is a key military target in times of war, as power outages affect the entire society – including the armed forces. For this reason, Statnett is reinforcing both its physical and digital resilience.

The energy transition is taking place in a challenging market characterised by high demand and complex global supply chains. Strategic partnerships with suppliers will become increasingly important to mitigate the risk of human rights violations. Climate change is one of the defining challenges of our time. Energy security increasingly depends on facilities being safeguarded against intensifying climate change and more frequent and severe extreme weather events.

Statnett is facing a period of significantly increased investments in the transmission grid and power system. The number of active and ongoing projects is increasing along with the overall level of investment. The investments in 2026 are expected to exceed the previous year. Investments in the grid and power system will help to reduce bottlenecks, pave the way for increased consumption and production of electricity, and connect all parts of Norway together. The substantial increase in investments going forward will also lead to higher grid tariffs for customers over time.

The Government has set an ambition to allocate areas corresponding to 30 GW of offshore wind by 2040. Statnett has been designated as the offshore system operator and is responsible for planning the future grid.

We will prepare the onshore power system to accommodate the offshore wind capacity that may be developed. This work is long-term and strategic and includes clarifying the regulatory framework and developing cost-effective grid solutions.

Changes to the Board and management during the year

Mette Helene Bjørndal was elected to the Board of Directors as a new member in June 2025. She replaced Hilde Singsaas, who had been a member of Statnett SF's board since 2022.

In connection with Statnett's reorganisation, the following changes were made in Statnett's Group Management:

- From 1 May, Tore Langeland became EVP Asset Operations & Emergency Preparedness
- From 1 May, Christian Færø became EVP Project Development & Constructions
- From 1 June, Ingeborg Øfsthus became EVP Technology & Innovation

The Board thanks all employees

The Board of Directors would like to thank all of Statnett's employees for their successful efforts in 2025 to keep the electricity flowing in fair wind and foul, and for contributing to the day-to-day operation and development of the power system at a time of enormous change.

Directors and Officers (D&O) liability insurance

Statnett SF has taken out liability insurance for directors and officers at both Group and subsidiary level. See Note 20 for further details. This insurance covers the personal liability that board members or the CEO may incur in connection with the exercise of their offices. It also covers employees who incur an independent management liability. The D&O liability insurance is placed with insurers with a solid rating.

Allocation of profit for the year

The Group made a net profit for the year of NOK 792 million in 2025. The parent company recorded a net profit for the year of NOK 772 million.

In line with the government's national budget for 2025, it is proposed that the dividend for 2025 equal 50 per cent of the dividend basis. The dividend basis is defined as the Group's net profit/loss for the year, adjusted for the change in the year's post-tax higher/lower revenue. In 2025, the dividend basis and the underlying profit were NOK 2,843 million. The proposed dividend is consistent with the adopted dividend policy for the company and is deemed reasonable based on Statnett's equity and liquidity. At the close of 2025, the company had total equity of NOK 25,542 million (23.5 per cent), while underlying equity wat NOK 24,055 million (22.1 per cent). Accordingly, the Board proposes the following appropriation of the parent company Statnett SF's net profit for the year (figures in NOK million):

Proposed dividend	1 422
Transferred to other equity	-650
Total allocations	772

Sustainability report

Photo: Vetle Hofstad

Contents

Summary

Statnett's activities affect the climate, nature and people. This year Statnett has developed a holistic transition plan for these three areas, reflecting its material sustainability topics. This represents an important milestone for Statnett. The transition plan operationalises Statnett's corporate strategy on sustainability and will guide our sustainability work in the years ahead.

As part of the transition plan, we have set science-based climate targets in line with the 1.5-degree goal of the Paris Agreement. By 2030, we aim to reduce our Scope[1] 1 and 2 location-based emissions by 42 per cent and Scope 3 emissions by 25 per cent. For 2050, our ambition is a 90 per cent reduction. As one of the first companies in Norway, Statnett has set targets for reducing greenhouse gas emissions from land-use change (FLAG[2] targets). For FLAG emissions we have set a target of a 30.3 per cent reduction by 2030 and 72 per cent by 2050. The plan also outlines the actions we have already initiated, as well as those we are assessing, to reach these targets.

Within nature, the plan follows up key objectives in the Global Biodiversity Framework (GBF) and provides clear direction for how Statnett will safeguard nature while expanding the power grid. Among other things, we will avoid vulnerable, valuable and untouched nature and limit land use and negative impacts by complying with the mitigation hierarchy in all project phases in Statnett's major projects.

The transition to a low-emission society and the actions in the transition plan affects jobs for our own workforce and workers in the value chain, as well as local communities and Indigenous peoples. People therefore have a clear place in the plan. For workers in the value chain and affected local communities, we have adopted new targets and strengthened actions. Targets and actions for our own workforce have been continued in the transition plan.

Read more about the actions we have implemented this year for climate, nature and people in the sustainability report. This year's report is the second report prepared in accordance with the Corporate Sustainability Reporting Directive (CSRD).

Reader's guide

- The first chapter of the report, European Sustainability Reporting Standards (ESRS) 2 General disclosures, describes the process for identifying Statnett's material sustainability topics and how governance systems and strategy address these topics.
- The report then proceeds into three main sections: Climate and environment, People and Governance (corresponding to ESG[3])
- Within these three main sections we have included our eight material topics. Reporting on the material topics follows a defined structure and describes how they are reflected in strategy, governing documents, actions and targets.
- Many of the requirements in the topical standards are consolidated in ESRS 2, and the topical standards frequently refer to disclosures in ESRS 2.

[1] Scope 1 (direct emissions), Scope 2 (indirect emissions from purchased electricity), Scope 3 (indirect emissions)
[2] Forest, Land and Agriculture
[3] Environmental, Social, Governance

Summary of the report

ESRS 2 General disclosures

In line with the Norwegian Accounting Act and CSRD, Statnett is only required to report on information related to the company's material sustainability topics. Therefore, in 2025, Statnett conducted a new double materiality assessment (DMA) to identify which topics are material for the company. Statnett's social mission and scale mean that the company affects, and is exposed to, risks and opportunities within several sustainability areas.

Selected results 2025:

- We have identified eight material topics: E1 Climate change, E2 Pollution, E4 Biodiversity and ecosystems, E5 Resource use and circular economy, S1 Own workforce, S2 Workers in the value chain, S3 Affected communities and G1 Business conduct

Selected actions 2025:

- Governing documents have been developed and updated to address material impacts, risks and opportunities
- We have developed our first holistic transition plan
- We have strengthened internal control procedures

The way forward:

- The DMA will be updated in 2026
- We will improve reporting in line with CSRD requirements and take into account any changes resulting from the Omnibus[4]

EU taxonomy for sustainable activities

The EU taxonomy is a classification system for sustainable economic activities. The environmental objectives defined in the taxonomy correspond to the sustainability topics related to the environment in the CSRD, and taxonomy reporting is an integral part of the sustainability report.

Selected results 2025:

- 100 per cent of Statnett's operational and capital expenditures were taxonomy-aligned, the same as in 2024
- 99.8 per cent of Statnett's revenue was taxonomy-aligned, the same as in 2024

Selected actions 2025:

- We have assessed our activities against the taxonomy criteria and identified no relevant changes for 2025

The way forward:

- We will continuously improve Statnett's management of sustainability topics to maintain a high proportion of taxonomy-aligned activities

E1 Climate change

Statnett contributes to the transition to a low-emission society by facilitating electrification, strengthening the focus on optimising the existing grid and developing new technology. We are also planning significant reductions in our own greenhouse gas emissions, from material use to grid development, construction activities, sulphur hexafluoride (SF_6)

[4] The Omnibus comprises amendments to EU sustainability legislation, including the CSRD

leaks, grid losses and interventions in carbon-rich areas. Climate change also increases the physical risk to our infrastructure.
Through the work on the transition plan, Statnett has set science-based climate targets. The plan outlines the implementation of both existing and new climate actions.

Selected results 2025:

- We have set science-based climate targets and defined actions to achieve them
- Total greenhouse gas emissions increased by 22 per cent compared with 2024, mainly due to the construction of several new facilities in 2025, which increased Scope 3 emissions by 63 per cent. Actions in the transition plan will help reduce emissions from our grid development projects. We see a 30 per cent reduction in Scope 1 emissions due to fewer SF_6 leaks and a 23 per cent reduction in Scope 2 emissions due to lower emissions from grid losses
- For the first time we report emissions from land-use change (FLAG emissions), both in our own operations and in the value chain

Selected actions 2025:

- We continue to set climate requirements in procurement to reduce emissions
- We have gradually introduced the use of drones instead of helicopters for inspections
- We have introduced alternative gas in new 145 kV and 420 kV facilities with significantly lower climate impact

The way forward:

- We will continue working to achieve the adopted climate targets in line with the transition plan, strengthen the integration of climate considerations in relevant processes and improve data, reporting and performance evaluation

E2 Pollution

Pollution contributes to worsening the nature crisis. Pollution is strictly regulated and prohibited in Norway. Statnett's extensive construction work and operation of oil-insulated transformer stations across the country entail an inherent risk of unintended pollution, particularly in the potential incident of water pollution.
Two serious pollution incidents in 2025 related to transformer oil leaks demonstrate the need to strengthen preparedness related to pollution. Several actions have been implemented in 2025 to reduce pollution risk and strengthen emergency preparedness.

Selected results 2025:

- In 2025 we had two serious pollution incidents, up from zero in 2024. Read more about the incidents at the old Hamang and Stokkeland substations in Chapter E2

Selected actions 2025:

- We are strengthening preparedness to limit the consequences of pollution incidents, including installing oil-spill response equipment at substations and equipping machinery with absorbents for rapid spill collection
- We have improved practices and procedures in several areas to reduce pollution risk, including accelerating the emptying of disconnected transformers

The way forward:

- We will continue to further develop preventive actions against pollution and strengthen preparedness

E4 Biodiversity and ecosystems

Nature, ecosystems and the services they provide form the basis of value creation in society, but nature is under pressure. Statnett impacts nature through land use, construction activities and adopted solutions.
In 2025, we took several important steps towards systematically reducing nature impacts and integrated nature into the transition plan.

Selected results 2025:

- This year we report for the first time on project compliance with the mitigation hierarchy. Seventy per cent of Statnett's major projects documented compliance in 2025, well on the way towards the target of 100 per cent in 2026
- None of our new facilities were established in areas of undisturbed nature in either 2024 or 2025
- New facilities affected 1.36 km^2 of vulnerable or valuable nature, up from 0.033 km^2 in 2024. The main reason is the Sogndal–Aurdal project, which is built parallel to an existing line and therefore affects the Bleia–Storebotnen landscape protection area. When the old line is decommissioned, an equivalent area will be restored

Selected actions 2025:

- 150 employees participated in training on environmental actions in projects
- We implemented actions to select areas that have the least possible impact on nature and ecosystems
- We carried out a pilot on traceability in the value chain for steel to improve insight into nature impacts in the value chain

The way forward:

- We will strengthen risk assessments related to nature impacts in the value chain
- We will work to ensure that all projects document compliance with the mitigation hierarchy by the end of 2026

E5 Resource use and circular economy

Our activities affect resource use and the circular economy through choices made in project planning, material procurement and waste management. It is a priority for Statnett to contribute to more circular material flows.

Selected results 2025:

- In 2025, we achieved a source separation rate of 97 per cent, seven percentage points above our target
- We have seen a significant increase in the volume of materials used due to increased development activity

Selected actions 2025:

- We regularly implement actions to extend the lifetime of materials and equipment, either through reuse in our own operations or through resale
- We have begun the follow-up of contractual requirements for recycled steel from framework agreement suppliers procured in 2024

The way forward:

- We will continue and further develop actions for circular material flows

S1 Own workforce

Our employees are the foundation of our business, and their health, safety and engagement are essential for achieving Statnett's objectives. We promote equality, diversity and inclusion because it leads to better results and greater innovation. Our work entails inherent risks, and we strive to create a safe workplace and prevent any accidents or injuries, which are measured through the Serious Incident Frequency (SIF) rate.
As part of the transition plan, targets and actions for our own workforce have been continued.

Selected results 2025:

- Our quarterly organisational survey shows that employee engagement remains unchanged at 7.9 out of 10, close to the target of 8
- The share of women increased marginally to 28.6 per cent, still below the target of 30 per cent
- We have implemented actions to strengthen managers' follow-up of risk in the first line, but the SIF[5] of 4.5 remains above the ambition, partly due to several incidents related to working at height

Selected actions 2025:

- The leadership development programme for managers with personnel responsibility was completed in 2025, while the programme for managers without personnel responsibility continues and is expected to be completed in 2027
- We have provided training for managers and employees and trained five neurodiversity ambassadors to support the inclusion of employees with neurodiversity (neurological variations and challenges such as ADHD, autism, Tourette syndrome, dyslexia, dyspraxia and others)
- We have begun mapping HSE risks for employees to enable, amongst other things, targeted health examinations

The way forward:

- We will further develop the company's systematic HSE work by establishing a comprehensive strategic plan for health and personal safety and ensuring improved digital system support for HSE internal control to strengthen risk management, compliance and consistent follow-up across the organisation

S2 Workers in the value chain

Statnett will increase its level of activity and depends on workers in the value chain to deliver on its social mission. Increased activity can create positive ripple effects in the value chain, but may also put pressure on capacity and resources which, in turn, can increase the risk of suppliers with poorer working conditions and human rights violations.

As part of the transition plan, we have established a new target that all Statnett suppliers assessed as high risk must carry out due diligence assessments by 2028.

Selected results 2025:

- 75 employees have completed training in due diligence
- We report for the first time on lost-time injuries among supplier personnel working on Statnett's construction projects. In 2025, 16 lost-time injuries were recorded, one of which was considered serious, corresponding to an LTIFR (H1 value) of 8.2

[5]The SIF applies to our own employees, workers in the value chain through Statnett's role as construction client, and employees on service contracts

- On 3 March 2026, a fatal accident unfortunately occurred at one of Statnett's construction projects. The deceased was employed by one of our contractors. The incident is under investigation and is being followed up in accordance with established procedures.

Selected actions 2025:

- The final module of the safety culture programme "Safe construction site" has been implemented
- We have strengthened risk-based due diligence in the supply chain
- We have begun implementing a digital system to improve follow-up of safety, health and working conditions among Statnett's contractors

The way forward:

- We will continue strengthening our due diligence work in the value chain

S3 Affected communities

When planning and constructing the grid, we must do so as considerately as possible for the local communities affected, particularly where the interests of Indigenous peoples are involved. This is important in order to meet our obligations, build public trust, maintain good relations with stakeholders and enable efficient project execution. As part of the transition plan, we have set a target that all choice-of-concept studies must document the involvement of representatives from affected communities by 2027.

Selected results 2025:

- In 2024 and 2025, we held 14 dialogue meetings with affected communities in connection with updates to regional grid development plans, with around 1,500 participants

Selected actions 2025:

- A requirement has been introduced that all employees involved in projects affecting reindeer husbandry must complete reindeer husbandry courses
- Our handbook on reindeer husbandry has been updated and established as a governing document
- We have implemented a new scheme for covering costs for reindeer herders participating in meetings and processes related to Statnett's plans and projects

The way forward:

- We will further develop our work on stakeholder engagement and competence building

G1 Business conduct

Statnett has a responsibility to ensure that the societal transition happens in an ethically sound manner. This involves developing both a corporate culture and a governance system that facilitate ethical business conduct. We also participate in public debate on topics related to our social mission.

Selected results 2025:

- 13 cases were handled by the Ethics committee, up from ten in 2024

Selected actions 2025:

- Statnett participates continuously in public debate through analyses, assessments and fact-based contributions related to our social mission

The way forward:

- We will continue contributing responsibly to public debate and communicating with the media and the public as part of our social mission

ESRS 2 General Disclosures

Statnett plays a key role in the transition to a low-emission society through the transmission of the energy required for electrification. At the same time, this transition creates dilemmas because it requires increased development of infrastructure for the production and transmission of power.

Statnett is not only responsible for managing public funds, but also for managing public natural areas, climate obligations and local communities in a responsible manner for future generations. Early assessments of natural assets and involvement of local communities and other stakeholders are necessary to ensure we adopt good solutions, reduce conflict levels in the transition and ensure effective project execution.

To succeed in the transition to a low-emission society, the transition must safeguard nature and the people affected by it. Chapter ESRS 2 describes the basis for preparing the sustainability report, as well as the risk management and internal control related to sustainability reporting.

Furthermore, it addresses significant aspects of Statnett's business model and value chain, how sustainability is managed at Statnett and integrated into our strategy, as well as the development of our new double materiality assessment. This chapter also discusses the company's governing documents. We have engaged Deloitte AS to certify the sustainability report as part of our annual report. Their statement is attached.

Foto: Isabel Haugjord

Basis of preparation of the sustainability report

2025 is the second year Statnett is reporting in accordance with the requirements of the Norwegian Accounting Act on sustainability reporting, which include the Corporate Sustainability Reporting Directive (CSRD).

The directive includes, among other things, significantly more extensive and detailed requirements for sustainability reporting. The starting point for reporting under CSRD is a "double materiality assessment" (DMA). At Statnett, we carried out our first DMA in accordance with the CSRD in 2024, and in 2025, we conducted a new assessment, which was approved by Group Management and the Board.

The outcome of this work is a prioritised overview of our material impacts, risks and opportunities. This overview also forms the basis for our work on strategy, the transition plan[6] and actions, as well as for what Statnett includes in its sustainability report.

The sustainability report is consolidated and follows the same principles as the financial statements. This means that the consolidated financial statements cover Statnett SF and subsidiaries where Statnett SF alone has ownership interests that give a controlling influence over the business. Normally, Statnett SF is assumed to exert a controlling influence when its direct or indirect ownership interests account for more than 50 per cent of the voting shares.

The significant impacts, risks and opportunities identified by Statnett through the DMA process include assessments of whether these occur or may occur in both upstream and downstream parts of the value chain.

Statnett has not taken advantage of the opportunity to exclude certain information about intellectual property, expertise or results of innovation, cf. ESRS 1 Section 7.7.

Estimation and outcome certainty

Statnett's greenhouse gas inventory for Scope 3 (indirect emissions) contains a number of estimates, both in terms of activity level and emission value calculations. At present, approximately 23 per cent of emissions are covered by activity data, while the remaining 77 per cent are based on estimates. This primarily concerns emissions from construction activities related to grid infrastructure projects. See the reporting related to the greenhouse gas inventory in Chapter E1 – Climate change for a more detailed description of the calculation method, planned improvement actions and the impact of estimation uncertainty on the total reported figures.

We also use estimates to calculate the figures in E5-4 resource inflows; see Chapter E5 Resource use and circular economy for further details. Here, we have approximately 5 per cent activity data from suppliers. The remaining 95 per cent are estimates for resources such as concrete, sand and gravel used in grid development projects. These are based on our own life cycle analyses for standard projects at Statnett. We will work to obtain accurate activity data as part of project reporting.

Changes in the preparation and presentation of sustainability information

The sustainability report also includes information from other legislation, relevant frameworks and reporting standards beyond CSRD and ESRS. These are listed in Table 1 "Information from other legislation or frameworks".

Table 1: Information from other legislation or frameworks

Reporting standards/Framework/Legislation
The Norwegian Transparency Act
Task Force on Nature-related Financial Disclosures (TNFD)
Task Force on Climate-related Financial Disclosures (TCFD)

Managing sustainability

Statnett SF is owned by the Norwegian State through the Ministry of Energy. The Government's Ownership White

[6] Statnetts transition plan

Paper (Report to the Storting 6 (2022–2023): Greener and more active state ownership) clarifies the owner's expectations relating to sustainability. The Norwegian state emphasises the importance of Statnett conducting its activities in a responsible manner. This means that Statnett must act in an ethically responsible manner and identify and manage the company's impact on people, society and the environment.

Responsibilities

Statnett's sectoral policy targets are outlined in the company's Articles of Association. Statnett is organised in such a way that the Board of Directors is responsible for ensuring that "[...] business operations are conducted in accordance with the company's purpose, Articles of Association and guidelines established by the General Meeting (cf. Section 23 of the Norwegian Act relating to state-owned enterprises)". This includes ensuring that Statnett is properly organised with clear lines of responsibility.

The CEO reports to the Board and is responsible for organising operations in line with the Articles of Association, strategy and the framework set by the Board. The CEO works with the Board to develop a long-term strategy for sustainable and efficient attainment of its sectoral policy targets. The CEO is responsible for ensuring that the strategy is followed up appropriately and for leading the company's daily operations.

Several mandates, guidelines and other governing documents reflect the responsibilities of the Board and Group Management in the sustainability work.
Our governing documents are listed in Table 13 "Our governing documents".

The Board establishes frameworks for how much and what types of risk the company is willing to take, and the CEO is responsible for risk management and internal control at Statnett. Risk management is embedded in Statnett's management principles and further described in a dedicated policy for risk management and internal control. The principles set out in these documents also apply to the management of impacts, risks and opportunities. Risk management is a strategic tool that helps Statnett prioritise and make better decisions, as well as achieve the company's targets.

The ESRS highlight the importance of setting targets related to significant impacts, risks and opportunities. Statnett uses performance management to follow up target attainment and strategy. The CEO is responsible for the performance management process.

The Board and the CEO are primarily responsible for overseeing impacts, risks and opportunities. The Audit Committee (AC) prepares the Board's consideration of accounting and sustainability reporting and follows up with the external auditor in accordance with Section 6-43 of the Norwegian Public Limited Companies Act.

Statnett does not have compensation schemes related to sustainability for the Board, Group Management or other employees. Note 23 to the financial statements outlines the compensation for management and the Board.

Organisation of sustainability efforts

Statnett has a Sustainability Department that leads the sustainability work in the organisation at the Group level, in close collaboration with relevant professional environments across the organisation. Statnett has expertise across all material sustainability areas identified internally in the DMA. On behalf of the Group, relevant business areas follow up the management of material impacts, risks and opportunities. Statnett takes a targeted approach to training and competency building on sustainability within the organisation.

Relevant experience among Board members and Group Management

Statnett's Board and Group Management have diverse backgrounds from various sectors, industries and geographic locations. This includes experience from other state-owned enterprises, infrastructure businesses, the energy and power industry, banking and finance, as well as consulting, including legal services and consultancy firms. Some of the Board members have also served on government-appointed expert committees. This demonstrates that the Board and Group

Management have the qualifications to lead Statnett in line with sound business practices.

Statnett's Board of Directors consists of a total of nine members, of which six (67 per cent) are independent. Three of the Board members are employee-elected. Four of the nine Board members are women, meaning that the Board comprises 44 per cent women. In the Group Management team, four of eight Executive Vice Presidents are women, giving a gender balance of 50 per cent (five of nine Executive Vice Presidents in 2024, corresponding to 56 per cent).

For further information on the composition and background of the Board and Group Management, see the chapter on the Board and Group Management in the annual report.

Geographic location

To fulfil our social mission, we are present across Norway. Our head office is in Oslo, and we have administrative offices in Alta, Trondheim, Sandnes, Bergen and Sunndalsøra. In addition, we have a number of assembly points nationwide. The Group's business activities are organised in three business areas, in addition to two support areas and two staff functions. We have employees located near our facilities to ensure security of supply around the clock. Additionally, digital solutions enable other functions and expertise to perform their work from our offices throughout the country.
We currently number 2,372[7] (2,155 in 2024) employees, with 60 per cent working at the head office in Oslo and 40 per cent spread across the country – from Kristiansand in the south to Kirkenes in the north.

Treatment of sustainability matters in governing bodies

We regularly assess Statnett's impacts, risks and opportunities related to sustainability. Key topics, trends, improvement actions and potential conflicts of interest are discussed with the Group Management team and the Board of Directors. The CEO reports to the Board on the status of targets, risks, the project portfolio, sustainability efforts and financial matters.

In 2025, we carried out a new DMA, and this process resulted in an updated list of our material topics and material impacts, risks and opportunities. These findings were reviewed by Group Management, the Audit Committee and the Board, and the Board approved our material sustainability topics. For a complete overview of impacts, risks, and opportunities, please refer to the tables in ESRS 2 under the heading Material impacts, risks and opportunities.

In 2024, the Audit Committee and the Board received detailed briefings and training on specific sustainability matters, including key trends, the implementation of the CSRD and further actions related to our sustainability reporting. Our strategy is updated every second year in line with changes in the external environment, new information on material topics and new requirements and expectations. We adopted specific targets and actions in the area of sustainability in connection with the update of Statnett's strategy in 2024. In 2025, Group Management approved a holistic transition plan with targets for climate, nature, our own employees, workers in the value chain and affected communities. Group Management is kept informed about prioritised sustainability actions.

Statement on due diligence

Statnett conducts risk-based due diligence in line with the UN Guiding Principles on Business and Human Rights (UNGP) and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, including accompanying guidance. Table 2 "Key elements of due diligence" shows where the related topics in our due diligence processes are covered in the sustainability report.

Statnett's work on due diligence in accordance with the Norwegian Transparency Act is included in the sustainability report. For further information, see statnett.no.[8] Requirements for due diligence related to the Transparency Act have not been subject to the external auditor's attestation with moderate assurance.

[7] Includes Elhub

[8] Reporting in accordance with the Norwegian Transparency Act for the subsidiaries Elhub AS, Nordlink Norge AS and Statnett Forsikring AS are found here: Subsidiaries and associates | Statnett

Table 2: Key elements of due diligence

Key elements	Location in the sustainably report
Embedding due diligence in governance, strategy and business model	Chapters ESRS 2, S1, S2 and S3
Dialogue and involvement of affected stakeholders	Chapters ESRS 2, S1, S2 and S3
Identification and assessment of negative impacts	Chapters ESRS 2, S1, S2 and S3
Actions to address negative impacts	Chapters S1, S2 and S3
Follow-up on the effectiveness of actions and communication with affected stakeholders	Chapters S1, S2 and S3

Risk management and internal control of sustainability reporting

Risk management and internal control play a key role in maintaining the quality and accuracy of sustainability reporting. Statnett's risk management and internal control systems are organised in accordance with The Three Lines Model, COSO and ISO 31000. The internal control framework for sustainability reporting builds on established principles and existing financial reporting frameworks and clarifies how risks related to sustainability reporting are identified, assessed and managed. The framework also describes how internal control should be established, implemented and complied with, and supports complete, accurate and reliable reporting of sustainability data.

In 2024, we established a solid foundation and a plan for the further development of internal controls over sustainability reporting, with a step-by-step implementation of improvements in the coming years. In 2025, the main focus has been to further strengthen internal control in three key areas:

1. Implementation of a new system solution for data submission and related controls
2. Development of a complete process map with clearly defined roles and responsibilities
3. Further development of procedures and training

The complete process map for sustainability reporting provides a clearer and more detailed overview of roles, responsibilities, data flows and key controls. Controls identified in 2024 have been further formalised, and new controls have been established where needed where needs have been identified.

The risk assessments established in 2024 have been maintained and updated to reflect changes in processes, procedures and the new system solution for data submission. The systematic "cradle-to-grave" approach remains the foundation, and new assessments of the likelihood and consequences of errors have been carried out. This ensures that risk assessments, mitigation measures and control activities remain well integrated into established processes. Continuous improvement and adaptation to changing requirements and expectations will be central moving forward.

Key control activities, including peer reviews and quality assurance performed by subject-matter experts, have been maintained and documented with clearer requirements for execution and traceability. Training and user support have been prioritised for stakeholders involved in the process. This training has been adapted to updated processes and procedure descriptions, and the related guidance materials have been updated.

The most significant inherent risks of error in sustainability reporting, particularly related to the greenhouse gas inventory, are assessed to be 1) data quality and 2) the data collection process.
The following actions have been implemented to ensure that data is accurate, complete and consistent:

- A common process and system for data submission, quality assurance with mandatory controls and documentation of sustainability data has been developed and implemented. This has contributed to streamlining and standardising the data collection process, ensuring data quality and improving traceability
- Work is underway to further automate the processing of data relevant to sustainability reporting. Automated data is managed in accordance with Statnett's information management framework to ensure ownership,

information security and data quality. To improve the assessment of data quality, data flows for certain critical data have been mapped from the point of generation to storage in the source system

- Analyses and reasonableness assessments of quantitative sustainability data have been carried out. These assessments include checks of completeness, consistency and reasonableness of reported figures, as well as deviation analyses against historical data and relevant benchmarks

Reporting to management and governing bodies

For 2025, the status of the implementation of internal control of sustainability reporting has been reported to management and the Audit Committee. A preliminary annual cycle outlines the main activities in internal control, including periodic reporting to controlling and governing functions.

Business model, value chain and strategy

Our business model

Statnett is a state enterprise owned 100 per cent by the Norwegian state through the Ministry of Energy. Statnett's revenue is regulated by the Norwegian Energy Regulatory Authority (NVE-RME), which determines an annual permitted revenue for the company.

Statnett is responsible for the socio-economically beneficial development and operation of the transmission grid and operates almost 14,000 km of power lines and 230 substations. We build, maintain and operate the transmission grid. Statnett is also the system operator in the power system, which entails balancing electricity production and consumption. Furthermore, Statnett facilitates the power market by developing market solutions and operating various power markets. The Ministry of Energy has assigned Statnett the role of system operator for the offshore grid, in addition to responsibility for planning a future offshore grid. Together, this positions Statnett as a key player in the transition to a low-emission society. Our customers are producers and consumers of electricity.

Our value chain

Statnett's value chain is extensive and includes various upstream and downstream stakeholders. For the purposes of this report, the value chain has been simplified as shown in Figure 1.
Statnett's upstream value chain consists of:

- Input factors, products and services: Resources involved in the production process to produce a product or service that Statnett requires
- Contractors: Individuals or companies responsible for construction and grid infrastructure work on behalf of Statnett
- Power producers: Energy companies that own power plants and generate electricity

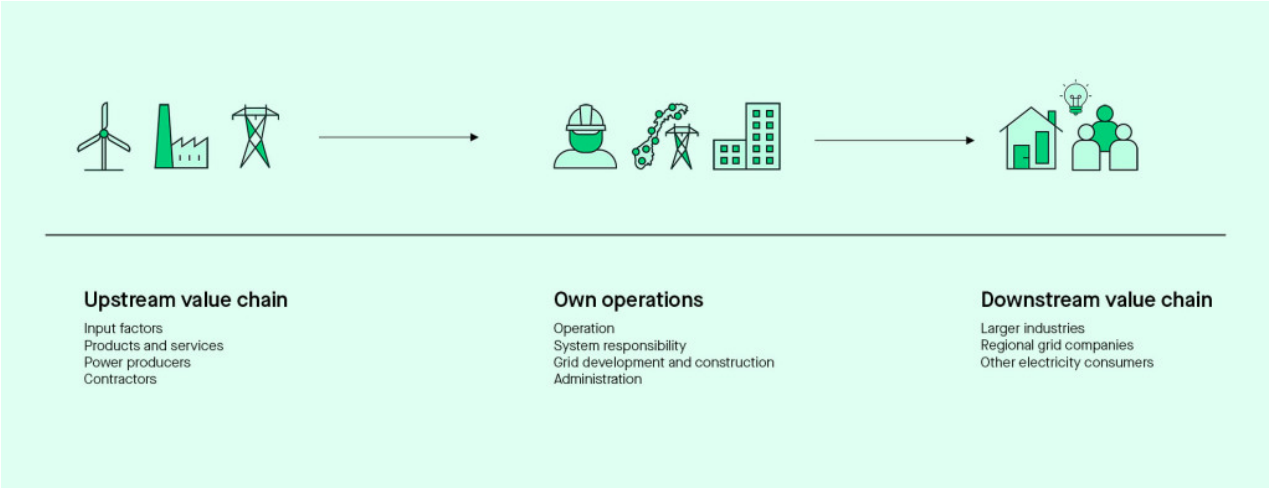
Statnett's core activities include:

- System responsibility: Planning and execution of operational system management, ensuring the balance of electricity production and consumption
- Grid development and construction: Long-term development of the transmission grid, system operations and market solutions
- Operation and maintenance: Managing the grid portfolio and carrying out necessary planned and unforeseen maintenance
- Administration: Functions that govern and support business operations to achieve Statnett's targets

Statnett's downstream value chain consists of:

- Regional grid companies: Owners and operators of lower-voltage transmission grids that transport electricity to end users
- Major industries: Major energy consumers in Norway directly conn ected to the transmission grid
- Other electricity consumers: Private individuals, businesses, municipalities and public institutions that use electricity and are indirectly connected to Statnett through the regional grid.

Figure 1: Statnett's value chain forms the basis of DMA



Our strategy

Statnett's market analyses indicate an increase in electricity consumption towards 2040, but this is contingent on expanding the grid, upgrading the existing grid and doing so faster and more efficiently.

Our strategy has three focus areas:

- Increasing capacity in existing grids and the power system
- Planning and constructing the grid and power system more quickly and efficiently
- Enhancing resilience and preparedness in operations and development

Statnett's facilities and systems constitute critical infrastructure. For this reason, ensuring a secure power supply is our highest priority, not least in periods of heightened geopolitical tensions. The strategy therefore prioritises robust solutions to manage climate change, extreme weather and challenges associated with cyber security. Furthermore, we are committed to working sustainably, safely and cost-effectively.

We are continuing to develop the organisation to deliver more and at a faster pace on increasingly complex tasks. To succeed, we must increase capacity in strategic areas through controlled staffing growth, outsourcing, supplier partnerships and targeted skills development. Increased tempo requires increased execution capacity. We have therefore developed a comprehensive strategy to attract, develop and retain critical expertise. At the same time, we must work systematically to optimise our existing capacity and improve the organisation, processes and working methods.

Material sustainability topics in Statnett's strategy

The most material sustainability topics identified in the DMA are integrated into our strategy and remain top priorities for current and future initiatives. "Sustainability" is positioned alongside "Safety" and "Cost-effectiveness" as fundamental principles guiding Statnett's operations. In 2025, Statnett also adopted a holistic transition plan that sets out actions for how we will achieve net zero emissions by 2050 while safeguarding both nature and people throughout the transition.

We aim to consider people, climate and nature in our choice of suppliers and materials, as well as in the locations and methods we use to build the grid.

Early assessments of nature values and involvement of local communities and stakeholders are necessary to ensure sound solution choices, reduce the level of conflict and support efficient project execution.

Our focus areas must be realised in a way that protects the climate, nature and people across the value chain. In line with the expectations set out in the state ownership report, we will reduce emissions in accordance with the Paris Agreement's goal of limiting global warming to 1.5 degrees and set targets and implement actions to reduce negative impacts on biodiversity and ecosystems. The state ownership report also expects that human rights and labour rights are respected, and that the company is a leader in ensuring decent working conditions for its own employees and the supply chain.

We will minimise land and material use, facilitate circular material flows and maintain a high source separation rate in our projects. Furthermore, we will work strategically and long term with our suppliers to access sustainable solutions and safeguard human rights.

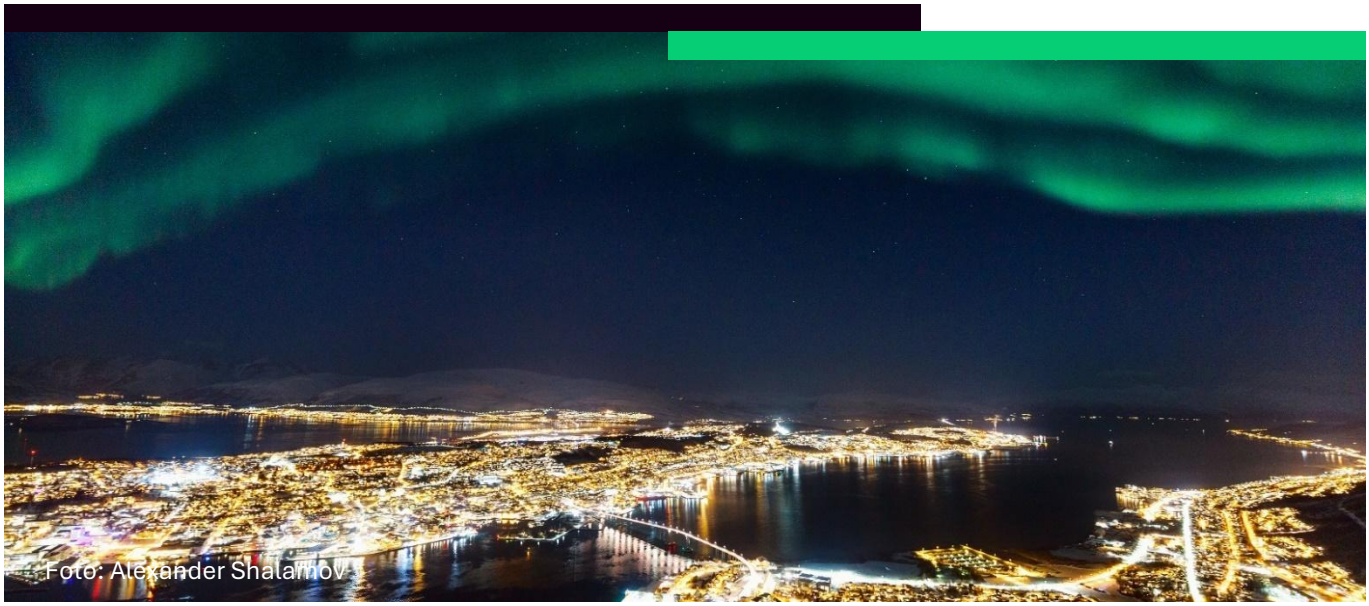


Foto: Alexander Shalamov

Stakeholder engagement in Statnett's strategy and DMA

Statnett engages with, and maintains a dialogue with, a wide range of stakeholders and stakeholder groups. In addition to entities in Statnett's value chain, important stakeholders include the state as owner, Indigenous peoples and our own employees.

Examples of key topics included in our dialogue with stakeholders include: security of supply, nature and land use, costs and tariffs, as well as coexistence and value creation.
The stakeholder engagement process related to strategy development and the DMA provides insight into stakeholders' perspectives and, through the DMA, their rights. This is crucial for Statnett as it provides important input to our work on material topics and strategy.

Collaboration with our employees is essential to strengthening the working environment and promoting equal opportunities. Employee perspectives are incorporated into our strategy through employee-elected Board members, expert interviews, discussions with subject-matter experts and direct feedback from employees to management or the strategy department.

Grid development area plans are a key component of the system development plan, which is Statnett's overarching plan for power system development. During the preparation of these plans and project execution, affected local communities are invited to dialogue meetings about development plans in their area, where they can provide input.

Statnett will, as part of its ongoing due diligence work, continue to strengthen dialogue and engagement with employee representatives throughout the value chain to safeguard their rights as effectively as possible.

Statnett's strategic choices are influenced by the world around us. We carry out thorough analyses of internal and external changes to identify areas of the strategy that may require adjustment. Stakeholder perspectives are incorporated through analyses of both external and internal factors. Examples of external factors include expected consumption trends (industry and electricity consumers), connection applications (producers and consumers), licensing processes (local communities), market analysis (developments in the supplier market) and geopolitical changes.

The perspectives of internal stakeholders are taken into account through internal analyses, interviews, conversations and discussions with subject-matter experts and within the Group Management team.

The strategic changes we implement will also affect our stakeholders. For example, grid planning and development may affect local communities, suppliers

and potential customers through land use and impacts on nature, but also by influencing when stakeholders gain access to grid connection.

A comprehensive stakeholder dialogue was conducted as part of the DMA to gain insight into impacts, risks and opportunities and how these may affect our stakeholders.

Through the review and approval of the 2025 DMA results, the Board, the Audit Committee and the Group Management team have gained insight into the perspectives of the affected stakeholders with regard to sustainability. Relevant Executive Vice Presidents have also contributed input to the analysis throughout the process.
This has been achieved through the Board and the Group Management team both reviewing and deciding on the results of the DMA, as well as providing input into the assessment along the way. We engage with different stakeholder groups because it provides Statnett with a more holistic view and understanding of our impact on our surroundings, and related risks and opportunities.

Table 3 provides an overview of the various stakeholder groups and briefly explains why each group is important for increasing our understanding, how we have engaged in dialogue and how Statnett has taken their perspectives into account.

Table 3: Stakeholder groups and collection of stakeholder perspectives*

Stakeholder group	Why we engage with this stakeholder group	How we engage	How we consider stakeholder perspectives
Own workforce	• Increase understanding of company operations • Identify solutions Strengthen the decision-making basis for business development	• Interviews • Workshops • Employee survey • Forums for involving union representatives and safety officers • Employee-elected Board members • Diversity group • Review of scorecards	• In strategy and governing documents, including the Code of Conduct, the Sustainability Policy, the Safety Policy and the Transition plan
Partners and industry	• Understand dependencies and overall impacts • Learn and share experiences • Calibrate standards	• Customer survey • Bilateral dialogue • Working with partners and suppliers on R&D • Participation in Norwegian and international industry forums such as Fornybar Norge (Renewable Norway), ENTSO-E (European Network of Transmission System Operators for Electricity), RGI (Renewables Grid Initiative), CIGRE (Council on Large Electric Systems)	• Provide insight into Statnett's assessments of actions and collaborations
Customers	• Increase understanding of priorities and limitations	• Continuous dialogue through case processing in the connection process • Customer survey • Strategic customer forum	• Understand and address customer needs in our processes
Civil society	• Increase understanding of, and collect data on, impacts on affected groups and silent stakeholders such as nature • Establish, maintain or strengthen dialogue and collaboration	• AI analysis of public reports/publications • Dialogue with organisations through, for example, projects • Scientific reports and tools to account for nature as a silent stakeholder • Bilateral dialogue	• Stakeholders' knowledge contributes to highlighting potential risks and/or opportunities that inform processes, decisions and remedial actions

Stakeholder group	Why we engage with this stakeholder group	How we engage	How we consider stakeholder perspectives
	• Nature is a silent stakeholder that is an essential part of our sustainability context and core business	• Dialogue via cooperation forums (e.g. RGI and NHO's sustainability forums) • Community and stakeholder survey	
Politicians and authorities	• Fulfil our social mission • Discuss sustainability-related issues	• Regular ownership dialogue • Regular regulatory dialogue • Participate in public debates on our areas of expertise	• Compliance with legislation, our mandate and strategy
Workers in the supply chain	• Increase understanding of a prioritised and vulnerable group	• AI analysis of public reports/publications • Assessment of any notifications via Statnett's digital whistleblowing channel "Mitt Varsel" (My Report) • Dialogue via cooperation forums (e.g. Fair Play Bygg, A-Krim (work-related crime)) • NGOs serve as sources of information on working conditions for groups with whom we have no established dialogue	• In strategy and governing documents, including the Code of Conduct, the Sustainability Policy, the Safety Policy and the Transition plan
Experts, analysts and academics	• Obtain knowledge on sustainability impacts • Provide opportunities for collaboration with other stakeholders through research	• Research as part of project development and in relation to relevant issues for Statnett • Collaboration with academic institutions	• Research and analyses serve as the basis for project assessments
Local communities	• Identify vision and conflict areas • Increase understanding of different perspectives within the group • Understand impacts on local communities through early	• Interviews with colleagues who have direct dialogue with individual or group stakeholders • Public hearings • Local dialogue meetings on grid development area plans • Grid development area plans	• In strategy and governing documents, including Code of Conduct, Sustainability Policy, System development plan and Transition plan

Stakeholder group	Why we engage with this stakeholder group	How we engage	How we consider stakeholder perspectives
	involvement in development projects	• Open planning processes	
Indigenous peoples	• Increase understanding of a vulnerable and prioritised group • Identify amicable solutions	• AI analysis of public reports/publications • Interviews with colleagues who have direct dialogue with the reindeer herding industry, County Governor and the Sámi Parliament of Norway • Open planning processes	• In strategy and governing documents, including Code of Conduct, Sustainability Policy, System development plan and Transition plan
Financial services industry	• Constructive dialogue with investors and access to funding	• Investor dialogue • Dialogue with rating agencies and banks	• Financing strategy and policy • Green Bond Framework • Financial reports and analyses
Other industry interests, including commercial fishing	• Increase understanding of the fishing industry, which may be affected by offshore wind projects	• DMA on Hav 2023 (Offshore 2023) • AI analysis of public reports/publications	• Identified as essential in the further strategy for Hav (Offshore)

* The table includes stakeholders with whom Statnett engages in dialogue, both those directly and indirectly affected by Statnett's activities and those who are not.

Our double materiality assessment (DMA)

In our DMA, we have examined the actual and potential material impacts, risks and opportunities our business has related to climate and the environment, social conditions and business conduct. The basis for determining which ESRS to report on is the principle of double materiality. Double materiality means that we assess and report both how sustainability matters impact Statnett and how Statnett impacts the environment and society. In this section of the sustainability report, we will review the process and results of Statnett's DMA.

Material impacts, risks and opportunities

Material impacts, risks and opportunities (IROs) refer to the most significant factors that can impact Statnett and that Statnett impacts. These may include economic trends, technological advancements, regulatory changes or environmental conditions. Risks are potential events or conditions that may have negative financial consequences for Statnett, while opportunities are potential events or conditions that may yield positive financial results. An effective strategy should identify and manage risks while exploiting opportunities, and the business model should be flexible enough to adapt to changes in the environment.

Statnett's material IROs, categorised by topic and where they occur in the value chain, are summarised in Tables 4 to 11.

Material topics for the year are the same as in 2024. The change in 2025 is that we have significantly reduced the number of IROs and clarified them. The number of impacts has been reduced from 44 to 28, risks from 18 to 8 and opportunities from five to two. The main reason is that several of the IROs identified in 2024 were, upon reassessment, considered overlapping and/or too specific. These have therefore been aggregated where appropriate. In addition, several IROs have been reassessed in light of new information and now fall below the materiality threshold.

All impacts arise as a result of Statnett's operations or activities within the upstream and/or downstream value chain, which Statnett's strategy and business model depends on. Our strategy and business model is described in the section on business model, value chain and strategy.

The world around us is constantly changing, particularly in relation to geopolitics, the economy and technological development. This affects the key assumptions on which our strategy is based. To understand the potential implications of the company's strategy, and to determine whether the strategy is robust or requires adjustments, it has been tested against a set of scenarios.
These scenarios were selected based on trends that could have significant consequences for Statnett should they materialise.

The robustness testing has been carried out in parallel with the scenario analysis in the DMA, where several of the same trends with the greatest potential impact on Statnett were identified and used as assumptions in the analyses. It should be noted that the scenario process in the strategy incorporates elements beyond the sustainability perspective, and the outcome of this analysis does not take climate consequences into account. There have been several meeting points between the two processes for discussion and alignment during the development of the scenario testing.

The business model and project portfolio have been regularly assessed and discussed throughout the strategy process. Material sustainability elements are included as key inputs. For example, nature and climate must be integrated into project development on an equal footing with time and cost (which, in turn, may affect cost and future efficiency), and costs related to technology (e.g. SF_6-free GIS facilities) and coexistence (Indigenous peoples and local communities) have a significant influence on the project portfolio and are materially important for the business model. These factors help shape strategic priorities.

Financial effects

To assess the current financial effects, we have reviewed the risks and opportunities identified through the double

materiality analysis, focusing on identifying concrete financial effects for the 2025 financial year.

Climate change
As set out in the DMA, climate-related factors entail both transition risk and physical risk with potentially material financial effects for Statnett's assets.

Statnett manages nationwide, critical infrastructure of vital societal importance, with very long economic lifetimes and significant asset values. Climate change gives rise to both physical risk, linked to increased occurrences of extreme weather and changing climatic conditions, and transition risk, arising from the shift to a low-emission society.

Physical risk
Physical risk has not resulted in financial effects related to reduced economic lifetimes or impairment requirements for the current reporting year. To ensure robustness and value preservation, Statnett continuously assesses the financial consequences of a changing climate for the company's facilities.

Transition risk
Statnett's activities meet the criteria in the EU taxonomy for sustainable activities for climate change mitigation and adaptation. The transition to a low-emission society is essential to limiting an increase in global temperature to 1.5 degrees in line with the Paris Agreement. Electrification is key to reducing emissions in society, and Statnett plays a key role in enabling this transition.

Statnett works actively to identify actions and reduce its own emissions. In 2025, Statnett developed a holistic transition plan for climate, nature and people, published in February 2026. SF_6 leaks constitute a material share of Statnett's direct greenhouse gas emissions (Scope 1). Statnett's targets take into account the EU's new regulation on fluorinated greenhouse gases (including SF_6), published in 2024, which introduces a phased ban on SF_6 in new facilities.

For older facilities with lifetimes extending beyond 2050, no technological solution currently exists for using alternative gases. Statnett has set a target of not using SF_6 in any facilities by 2050. Several actions have been implemented to reduce SF_6 emissions, including work to introduce alternative gases and install sensor technology to prevent leaks.

To achieve Statnett's target of SF_6-free facilities by 2050 and the emission targets set out in the transition plan, it is considered likely that Statnett will need to accelerate the replacement of older SF_6 components. From an accounting perspective, this has resulted in a need to recognise a retirement obligation of approximately NOK 98 million, matched by an increase in the carrying amount of tangible assets and a reduction in useful life. Taken together, this results in increased depreciation of around NOK 33 million from 2026 onwards. A detailed description is provided in Note 3 "Estimates, management judgement and climate risk" in the financial statements.

Beyond this, the identified risks and opportunities can be grouped into two main areas:

- Market and suppliers
- How we consider environmental and climate factors in our project decisions

A textual description follows below:

Market and suppliers

Statnett operates in a global supplier market where geopolitical instability and climate change increase uncertainty in supply chains and drive up prices and delivery times. The supplier portfolio consists of both long-term framework agreements and purchases of products and services.

As the transition to a low-emission society accelerates, and as transmission grid development increases across Europe, combined with efforts of Statnett and many others to use lower emission materials (EAF steel, low-emission concrete and aluminium), this results in high demand, long delivery times and increased prices for components and raw materials.

The shift to low-emission materials leads to higher costs and longer delivery times, but is essential to reducing the climate footprint of transmission grid development.

Considerations for people, climate and nature must also be safeguarded through our supplier and material choices, and through where and how we build the grid. This requires a strategic and professional approach to supplier management, collaboration and innovation on sustainable technologies.

Statnett sets climate requirements in procurement processes to reduce emissions from purchased capital goods associated with grid development projects, and has implemented measures to reduce emissions at construction sites.

How we consider sustainability in our decisions

Statnett is responsible for operating and developing the transmission grid in a socio-economically beneficial manner. This means that when Statnett makes decisions, we must ensure that the socio-economic benefits outweigh the socio-economic costs. The assessments in the socio-economic analysis should aim to:

- Help explain the cause-and-effect relationships relevant to the action(s)
- Describe and consider the advantages and disadvantages of the studied alternatives and determine whether the expected overall benefits of an action outweigh the disadvantages
- Manage cost and benefit impacts that arise at different times during the lifespan of the action
- Include both monetised and non-monetised effects

Statnett follows guidelines for socio-economic analyses of measures in the power grid. The guidelines are based on the guidelines of the Norwegian Water Resources and Energy Directorate (NVE) and the Norwegian Agency for Public and Financial Management (DFØ). It provides information on when and how socio-economic analyses should be conducted in Statnett's project model and which monetised and non-monetised effects should be considered in our analyses.

Land use and environmental effects such as biodiversity, cultural heritage, outdoor recreation and landscape impacts are assessed as non-priced effects and are given weight in our concept selection and solution choices. Alternative land use is priced where possible.
For medium-sized and large concept studies, Statnett has a process for stakeholder involvement and conducts early-phase assessments of land use and environmental impacts based on map studies. When selecting solutions in projects, we assess land use and environmental impacts based on completed impact assessments.

Statnett's ten grid development area plans are updated on an ongoing basis and also include assessments of socio-economic rationality. In this work, we have conducted several dialogue meetings with stakeholders.

We strive to utilise existing facilities, and we upgrade and use existing corridors wherever possible.

Table 4: E1 Climate change – material IROs

Impacts			
Positive/ negative	**Actual/ potential**	**Description**	**Value chain**
Negative	Actual	Direct emissions from (SF_6) and fuel consumption	Own operations
Negative	Actual	Land-use-based greenhouse gas emissions in Statnett's projects	Upstream/Own operations
Negative	Actual	Indirect emissions related to grid losses	Upstream/Own operations/Downstream
Negative	Actual	Indirect emissions from procurements and investments	Upstream
Negative	Actual	Facilitation for electrification	Upstream/Downstream
Risks and opportunities			
Risk/ opportunity	**Description**		**Value chain**
Risk	Costs of grid investments deriving from pressure in the supplier chain		Upstream/Own operations
Risk	Costs deriving from extreme weather		Own operations
Risk	Pricing and regulation of greenhouse gas emissions varies and changes costs		Own operations
Risk	Costs associated with technology and solutions for reducing emissions		Upstream/Own operations

Table 5: E2 Pollution – material IROs

Impacts			
Positive/ negative	**Actual/ potential**	**Description**	**Value chain**
Negative	Actual	Significant accidental discharges of hazardous chemicals to soil and water arising from the construction and operation of grid infrastructure	Upstream/Own operations/Downstream

Table 6: E4 Biodiversity and ecosystems – material IROs

Impacts			
Positive/ negative	**Actual/ potential**	**Description**	**Value chain**
Negative	Actual	Land use changes, habitat fragmentation and fresh water use from raw material extraction and material production	Upstream
Negative	Actual	Land use changes, habitat fragmentation and bird collisions from electricity production	Upstream
Negative	Actual	Land use changes, habitat fragmentation and bird collisions from choice of solution and existing grid infrastructure	Own operations
Negative	Actual	Land use changes, habitat fragmentation, spread of foreign species, soil sealing and disturbances from building grid infrastructure	Own operations

Positive	Potential	Establishment of favourable habitats in conjunction with own infrastructure	Own operations
Negative	Potential	Disturbances and spread of foreign species from the operation and maintenance of grid infrastructure	Own operations/Downstream

Risks and opportunities		
Risk/ opportunity	**Description**	**Value chain**
Risk	Limited access to development areas	Own operations
Risk	Stricter requirements for mitigating actions, compensation and restoration	Own operations
Risk	Weakened ecosystems lead to disruptions in the supplier chain	Own operations

Table 7: E5 Resource use and circular economy – material IROs

Impacts			
Positive/ negative	**Actual/ potential**	**Description**	**Value chain**
Negative	Actual	Use of virgin materials for the construction of grid facilities	Upstream/Own operations
Positive	Potential	Use of recycled materials for the construction of grid facilities	Upstream/ Own operations
Negative	Actual	Waste generated throughout the life cycle of grid facilities	Own operations

Risks and opportunities		
Risk/ opportunity	**Description**	**Value chain**
Opportunity	Reduced consumption of virgin materials through increased utilisation of grid facilities	Own operations
Opportunity	Reduced consumption of virgin materials through reuse and recycling	Upstream/Own operations/Downstream

Table 8: Own workforce – material IROs

Impacts			
Positive/ negative	**Actual/ potential**	**Description**	**Value chain**
Negative	Actual	Employees exposed to incidents, serious injuries and accidents	Own operations
Negative	Potential	Instances of discrimination and barriers to equality	Own operations

Table 9: S2 Workers in the value chain – material IROs

Impacts			
Positive/ negative	**Actual/ potential**	**Description**	**Value chain**
Negative	Actual	Workers in the value chain exposed to incidents, serious injuries and accidents	Upstream
Negative	Potential	Workers in the value chain exposed to forced labour	Upstream

Negative	Potential	Workers in the value chain prevented from joining or establishing trade unions	Upstream
Negative	Potential	Workers in the value chain receive insufficient remuneration that does not cover their basic needs	Upstream
Negative	Potential	Workers in the value chain exposed to excessive use of planned overtime and long working hours	Upstream

Table 10: S3 Affected communities – material IROs

Impacts			
Positive/ negative	**Actual/ potential**	**Description**	**Value chain**
Negative	Potential	Local communities affected by raw material extraction and production	Upstream
Negative	Actual	Local communities affected by visual pollution, expropriation and loss of land areas	Upstream/Own operations
Negative	Actual	Indigenous people's right to practise their cultural traditions affected by the development of electricity production	Upstream
Negative	Actual	Indigenous people's right to practise their cultural traditions affected by the construction of grid infrastructure	Own operations
Negative	Actual	Indigenous people's right to practise their cultural traditions affected by operation and maintenance of grid infrastructure	Own operations
Risks and opportunities			
Risk/ opportunity	**Description**		**Value chain**
Risk	Delays and actions related to conflicts of interest with local communities		Own operations

Table 11: G1 Business conduct – material IROs

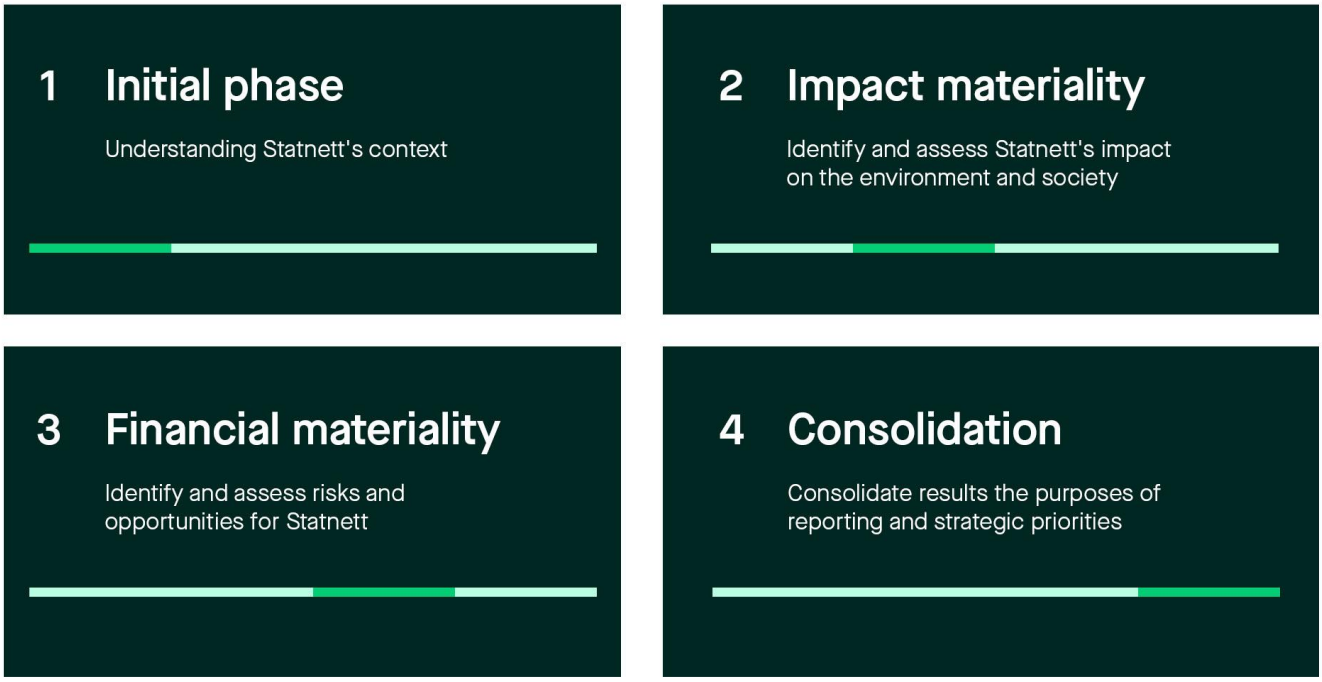
Impacts			
Positive/ negative	**Actual/ potential**	**Description**	**Value chain**
Positive	Potential	Transparency on sustainability issues through dialogue with the authorities	Own operations

The DMA process

The DMA provides the foundation for defining Statnett's material sustainability topics and what Statnett will report on.

The assessment was conducted as a four-step process to meet the ESRS requirements[9] The entire Statnett value chain was assessed as part of the work.
The consequence and risk scales used in the assessment align with the existing risk management practices in Statnett. Figure 2 "Steps in the DMA process" illustrates the different steps:

Figure 2: Steps in the DMA process



In 2024, we completed our first DMA in line with the ESRS requirements. As the assessment of impacts, risks and opportunities is a continuous and dynamic process, we conducted a new DMA in 2025, building on the analysis from 2024.

Sources

The 2025 analysis expands and supplements the extensive internal and external evidence base used in the 2024 analysis, and comprises internal interviews, input from the employee survey, the customer survey and analyses of comparable companies.

In 2025, we conducted workshops with in-housel key functions and subject-matter experts to make the necessary adjustments to the wording and content of the IROs. The CEO was also interviewed as part of the process. Benchmarking of comparable companies and relevant Norwegian enterprises, in addition to an AI-based analysis of relevant external reports and articles, was also carried out.

The analysis is further supplemented with information from external reports, frameworks, materiality assessment tools and other sources used as input for the AI analyses and scenarios.

Time horizons

The DMA used time horizons as recommended by ESRS and in line with our financial reporting:

[9] This included "EFRAG's guidance for double materiality assessments"

Short term: < 1 year
Medium term: 1–5 years
Long term: > 5 years

Threshold values

Threshold values are crucial in determining which IROs, and consequently which topics, are material to Statnett. The assessment of material IROs for Statnett is based on a predetermined threshold value. IROs that received a total score higher than the threshold value are defined as material. Material topics for Statnett are those that are material from either an impact or a financial perspective. A topic deemed material for reporting may nevertheless contain sub-topics and sub-sub-topics that are not considered material for our 2025 reporting.

Initial phase
The initial phase of the DMA process consisted of five key activities:

- Understanding Statnett's context and the landscape in which the company operates
  This is essential for understanding our impacts on the external environment
- Defining Statnett's value chain to ensure relevant factors were considered in the DMA process
- Mapping Statnett's key stakeholders and conducting dialogue with stakeholders
- Defining assessment criteria and thresholds for materiality
- Establishing time horizons

Material impacts
To identify and assess Statnett's impacts on the environment, we evaluated actual and potential impacts (both positive and negative) by:

- Documenting and structuring the results from dialogue with stakeholders
- Updating overarching due diligence assessments
- Identifying interactions with vulnerable and valuable nature
- Consolidating identified impacts across the value chain and linking them to sustainability topics in ESRS

The assessment of the materiality of identified impacts involved:

- Consolidating evaluations of the materiality of actual and potential impacts across the value chain
- Ranking impacts based on ESRS assessment criteria
- Developing a list of material impacts

For each identified material impact, Statnett has assessed where it occurs in the value chain. This enables Statnett to monitor identified impacts and adjust actions to address them.

Impacts were evaluated based on scale, scope and remediable nature of the impact, as well as the likelihood of the impact in accordance with ESRS 1, paragraphs 45 and 46. Our assessment matrix was developed based on EFRAG's guidance for double materiality and Statnett's risk matrices for consequence and likelihood.
All assessment criteria were considered for both Statnett's own operations and its value chain.
Severity was assessed based on the following factors:

- Scale: How severe is the negative impact, or how beneficial is the positive impact, for people or the environment?
- Scope: How widespread are the negative or positive impacts?
  - For environmental impacts, the extent of environmental damage or the geographical area was considered
  - For human impacts, the number of affected people was considered
- Remediable nature of the impact: Can the negative impacts be remediated, and to what extent?

The various impacts were assessed as follows:

- For actual positive impacts, materiality was based on scale and scope
- For potential positive impacts, materiality was based on scale, scope and likelihood
- For actual negative impacts, materiality was based on severity
- For potential negative impacts, materiality was based on severity and likelihood

Financial materiality

To identify, assess and prioritise risks and opportunities for Statnett, we first identified actual and potential risks and opportunities by:

- Documenting and structuring the results from dialogue with stakeholders
- Updating climate and nature-related risks and opportunities
- Consolidating identified risks and opportunities – from impacts, dependencies or other risk factors
- Defining scenarios with descriptions

The assessment of the materiality of identified risks and opportunities involved:

- Consolidating evaluations of identified risks and opportunities using thresholds based on expected financial effects across different scenarios
- Ranking risks and opportunities based on ESRS assessment criteria
- Developing a list of material risks and opportunities

Material impacts and dependencies may be sources of risks and opportunities, but material risks and opportunities may also arise independently of them. See Figure 3 “Process for identifying risks and opportunities” for a description of the identification process.

Figure 3: Process for identifying risks and opportunities

Step 1
All impacts were analysed to determine whether they could be a source of risks or opportunities. Potential risks/opportunities were then linked to impacts.

Step 2
Dependencies were categorised into different dependency categories, such as financial, nature and social.
These categories were then analysed to identify dependencies and associated risks and opportunities.

Step 3
Risks and opportunities based on other risk factors were assessed. The two main sources were climate exposure assessments and nature risk assessments.

Other sources, such as stakeholder analyses, due diligence assessments and assessments of similar companies, were also used.

The identified risks and opportunities were assessed based on both likelihood and financial impact. Statnett’s internal risk matrices formed the basis for the assessment criteria.

Scoring criteria were based on ESRS 1, paragraph 51:

- For risks, materiality was based on the potential (negative) size of financial effects and likelihood.
- For opportunities, materiality was based on the potential (positive) size of financial effects and likelihood
- Probability has been assessed for the “Business as Usual (BAU)” scenario in the short, medium

and long term. The score from the time horizon with the highest rating has been used in the calculation. In addition, a higher-level assessment has been made of whether the probability increases, remains the same or decreases in the "Transformation" and "Collapse" scenarios. The reason why probability was assessed in the BAU scenario is to ensure that the material IROs can be integrated into Statnett's risk management system

Scenarios

The probability of a consequence occurring has primarily been assessed in the "BAU" scenario. The two additional scenarios, "Transformation" and "Collapse", have been used to assess whether the probability increases or decreases. The scenarios illustrate three possible future pathways in which different levels of global temperature increase have major implications for the economy, climate, nature and social development. The "BAU" scenario assumes a temperature increase[10] of 2.6°C, while the "Transformation" scenario assumes 1.5°C and the "Collapse" scenario 5°C. The scenarios are based on a wide range of sources and include aspects related to the global economy, climate change, nature, social development and demographics, geopolitics and international cooperation, resource availability and technological development.

The scenarios were assessed across three time horizons: one year (short term), 2030 (medium term) and 2050 (long term).

Consolidation

The fourth and final step in the DMA process involved consolidating the results from analyses of the impacts and material financial risks and opportunities.

This provided an overview of Statnett's material IROs and topics. Furthermore, an internal report was prepared detailing the entire DMA process.

See the section "Details on topic-specific IROs" for more information on the materiality assessment process for the various topic standards.

Decision-making, risk management, internal control and corporate governance related to DMA

Administrative, management and supervisory bodies have discussed and adopted the DMA.

Through interviews, the Group Management team also provided input on impacts, risks and opportunities.

Various expert functions within Statnett have been involved in decisions related to, for example, the use of risk scales, assessments of material impacts and financial materiality.

During the execution of the DMA, documentation and traceability have been key. An internal report provides complete documentation and traceability of the assessments, from stakeholder dialogue to the final scoring of material impacts and financial materiality.

The development of a process description and mapping for CSRD reporting, including the DMA process with specifications of roles, responsibilities and key controls, has been completed.

Going forwards, the DMA process will be more clearly linked to other relevant process maps and annual cycles, including both strategy and target management. In this way, we increasingly integrate the results of the assessment into Statnett's corporate governance.

Details on topic-specific IROs

IROs in E1 – Climate Change

Impacts

To assess Statnett's climate impacts, we have evaluated the activities in our own operations and value chain over the short, medium and long term. The greenhouse gas inventory describes Statnett's material emission sources and forms the basis for several of the identified impacts.

[10] Temperature increase in 2100 compared with the pre-industrial era.

Direct emissions of SF_6 gas from our own facilities and indirect emissions from material procurement, for example, are substantial and thus material in scale. GHG emissions contribute to rising atmospheric temperatures, with negative consequences for nature and people today and increasing effects going forwards.

Statnett positively influences the downstream value chain by facilitating electrification through power connection and transmission.

Physical climate risk

Statnett is responsible for the operation and development of the transmission grid and, therefore, for critical infrastructure with a long lifespan nationwide. As a result, physical climate risk is a key topic.

To identify and assess physical climate risk, we used an analysis conducted by the Norwegian Meteorological Institute, the Norwegian Geotechnical Institute, the Norwegian Water Resources and Energy Directorate (NVE) and Statnett. This report mapped the physical climate exposure of Statnett's facilities over the long term, including under a high-emission scenario (RCP8.5).[11]

The report assessed how Statnett's physical infrastructure may be affected by risk factors such as temperature, precipitation, wind, snow accumulation, avalanches, snow subsidence and landslides. It also considered risk factors specific to grid infrastructure, such as atmospheric icing on power lines, vegetation growth and salt deposits on insulators.

The analysis covers the entire transmission grid and evaluates developments from the reference period (1971–2000) to the period 2071–2100. As grid infrastructure has a long operational lifetime, the time horizon aligns well with our long-term strategic planning for maintenance, upgrades and the development of new grid infrastructure. Different regional classifications were used based on data availability. Temperature was divided into six key regions (corresponding to NUTS-2,[12] regions), while precipitation was analysed across 13 areas (corresponding to NUTS-3, counties). Risk was also assessed based on terrain elevation, distinguishing between lowlands and mountainous areas, as this has a significant impact on the assessed climate risks.

Table 12 provides an overview of the results from the analysis of exposure to physical climate risk for Statnett's grid facilities. Overall, there is little variation between Southern and Northern Norway, but there are some differences between scenarios. We see increased exposure to wind loads across all grid infrastructure in both the "BAU" and the "collapse" scenarios. In both scenarios, foundations are also more exposed to rising water levels and erosion and pylons are more vulnerable to landslides. Ice load risk decreases in inland/lowland areas but increases in exposed mountainous areas in the "BAU" scenario while decreasing in the "collapse" scenario due to higher temperature increases. There is an increased risk of vegetation growth in power line corridors in both scenarios. For snow subsidence and avalanches, the risk is generally reduced or unchanged across both scenarios.

In the DMA, different scenarios were used to assess physical climate risk and estimate gross climate risk related to Statnett's business model. This includes the high-emission "collapse" scenario, also based on RCP8.5. Other scenarios employed are described above.

We also assessed the financial materiality of the identified climate risks, using financial estimates related to repair costs and costs of operational disruptions as indicators of the potential scale of the impact of damage or downtime.

Acute weather events such as flooding, landslides and storms, grouped under the broader category of extreme weather, may have a higher likelihood of occurring frequently on an annual basis. This could lead to greater damage to infrastructure, increased operating costs and shorter lifetimes for certain facilities. In the "collapse" scenario, this results in a significant negative financial impact. Chronic impacts such as increased average wind and ice loads are also more likely to have substantial negative effects.

[11] Representative Concentration Pathways are internationally defined and recognised development pathways for global GHG emissions.

[12] Nomenclature of Territorial Units for Statistics

Table 12: Assessment of change in climate impact on Statnett's grid facilities, 2071-2100

		Southern Norway				Northern Norway			
		Coast		Inland		Coast		Inland	
		Lowlands	Mountains	Lowlands	Mountains	Lowlands	Mountains	Lowlands	Mountains
Pylons	Ice load	R R	I R*	I R*	I R*	R R	U* U*	I I*	I I*
	Wind load	I* I*	I* I*	I* I*	I* I*	I* I*	I* I*	I* I*	I* I*
	Avalanches	R R	R R	R R	R R	R R	R R	R R	R R
	Snow subsidence	R R	U* U*	R R	U* U*	R R	U* U*	R R	U* U*
	Landslides	IX IX	IX IX	IX IX	IX IX	IX IX	IX IX	IX IX	IX IX
	Corrosion of steel pylons	U U	U U	U U	U U	U U	U U	U U	U U
	Rot in wooden utility poles	U U	U U	U U	U U	U U	U U	U U	U U
Foundations	Ice load	R R	I R*	I R*	I R*	R R	U* U*	I I*	I I*
	Wind load	I* I*	I* I*	I* I*	I* I*	I* I*	I* I*	I* I*	I* I*
	Water/Higher GW	I I	I I	I I	I I	I I	I I	I I	I I
	Weathering	R* R*	I* I*	I* I*	I* I*	R* R*	I* I*	I* I*	I* I*
Wires, insulators and fittings	Ice load	R R	I R*	I R	I R*	R R	U* U*	I I*	I I*
	Wind load	I* I*	I* I*	I* I*	I* I*	I* I*	I* I*	I* I*	I* I*
Access difficulties	Winter	**	**	**	**	**	**	**	**
	Summer	**	**	**	**	**		**	**
Corridor	Vegetation growth	I I	I I	I I	I I	I I	I I	I I	I I

R = Reduction, U = Unchanged, I = Increase
The letter to the left represents the emission scenario "business as usual" RCP4.5, while the letter to the right

* Highly uncertain

** Impossible to draw an overall conclusion due to multiple factors affecting access

X Highly sensitive to human activity/land planning/forestry operations

Transition risks and opportunities

An assessment of transition risk was carried out as part of the DMA, where climate-related impacts were identified based on the greenhouse gas inventory covering Statnett's material emission sources. These identified impacts form the basis for assessing risks and opportunities, which were evaluated for financial materiality across the relevant scenarios: "BAU", "transformation" and "collapse". See the greenhouse gas inventory in Chapter E1 under GHG inventory 2025 for further information on our emission sources.

We use the "BAU" scenario as the basis for assessing the materiality of transition risks. Three material transition risks were identified. No opportunities are considered financially material.

The first risk concerns increased costs for grid investments and applies to the upstream value chain and

Statnett's own operations. This arises from the transition to a low-emission society in Norway and globally, which drives a higher pace of grid and renewable energy development. This, in turn, may increase pressure on the supply chain and raise the cost of grid investments.
The risk is expected to increase in the medium and long term as supply-chain pressure grows in line with the pace of development. This assessment is based on Statnett's Long-Term Market Analysis (LMA),[13] which outlines expectations for increased renewable power generation and grid expansion in Norway. Our "BAU" scenario is aligned with the LMA baseline scenario, which anticipates nearly a doubling of demand by 2050. We also considered the IEA's Net Zero scenario, which assumes substantial grid expansion globally.
There is also a risk that new technologies and solutions designed to reduce emissions may be costly. This risk is located in the upstream value chain and in Statnett's own operations. In the "transformation" scenario, demand for key emission-reducing technologies and solutions, such as SF_6-free technology, is expected to increase, which may raise Statnett's costs associated with implementing its own climate actions.

Carbon pricing and increased climate-related regulation may lead to higher operating costs and higher prices for purchased goods and services. This affects both the value chain and Statnett's own operations.
Our assessment considers expected future carbon prices, assuming both a direct cost for Statnett's taxable emissions (such as SF_6) and indirect costs through higher prices for goods and services with a high carbon footprint. We use the Norwegian Ministry of Finance's current carbon price trajectories for both ETS and non-ETS sectors[14]. If carbon prices in Norway and the EU rise, and goods from outside the EU are covered by the EU's adopted carbon border tariff, Statnett will face significant financial impacts in the form of more expensive goods and services. It is important to emphasise that this assessment does not assume that Statnett adapts to stricter climate obligations, and emissions are assumed to remain at current levels.
See Chapter E1 under Actions related to climate change for more information on actions and how they help mitigate this risk.

For both physical and transition risks, Note 3 "Estimates, management judgement and climate risk" in the annual financial statements builds on the same underlying scenarios and analyses described here.

IROs in E2 – Pollution

Impacts
Statnett is subject to strict national pollution control requirements and has thorough procedures in place to prevent and reduce unwanted pollution. Pollution risks and mitigation actions are described in the detailed plans for Statnett's development projects. In the DMA, Statnett's national scope – operating nearly 14,000 km of transmission lines and 230 substations – was considered, and we assessed pollution risks based on all of Statnett's activities. In March 2025, a pollution incident occurred at Statnett's old transformer substation at Hamang.[15] Based on this we changed the assessment of the negative impact related to major unintended discharge of hazardous chemicals into soil and water from the construction and operation of grid facilities. The assessment was changed from potential to actual.

The assessment was supplemented with information from ENCORE[16] for relevant sectors. Descriptions, scoring and materiality assessments were reviewed by Statnett's environmental advisers, who have specialist expertise in assessing and mitigating Statnett's negative impacts.

The material risk is described further in Table 5, "E2 Pollution – Material IROs".

Risks and opportunities
Potential transition risks were assessed based on the material impact. No risks or opportunities were deemed financially material for E2.

Statnett places great emphasis on inclusive planning processes, actively seeking input from local communities

[13] Long-term market analysis, Norway, the Nordics and Europe 2024–2050
[14] Carbon prices for use in socio-economic analyses in 2026
[15] Read more about the incident at Hamang in Chapter E2 Pollution
[16] Exploring Natural Capital Opportunities, Risks and Exposure, a free digital utility for sector screening of potential nature risk, developed by Global Canopy, UNEP FI and UNEP-WCMC

and other affected parties who can provide input on local conditions that are relevant to planned developments. This occurs primarily through dialogue meetings and public consultations for new grid development area plans and grid facility projects. In the DMA, affected local communities were primarily considered through interviews with Statnett employees who have direct dialogue with individuals and groups representing affected communities.

IROs in E3 – Water and marine resources

As part of our DMA, we conducted a review of Statnett's activities. No material impacts, risks or opportunities related to water and marine resources were identified.

In the double materiality analysis, affected local communities were primarily considered through interviews with Statnett employees who have direct dialogue with individuals and groups representing affected communities.

IROs in E4 – Biodiversity and ecosystems

Impacts

Activities such as mineral extraction, infrastructure development and maintenance generally affect the natural environment at a location-specific level. Given our national scope, Statnett's actual and potential impact on nature has been assessed at the portfolio level, including through map analysis of intersections with vulnerable and valuable natural areas. The map layers used include: protected areas, proposed protected areas, areas of high or very high value, critically important, important or locally important marine habitats, and wild reindeer areas.

The findings serve as a basis for assessing the impacts of various types of infrastructure on different natural environments at different stages of a facility's life cycle.

Although the scope of Statnett's infrastructure is too large to conduct location-specific analyses for existing infrastructure, Statnett's locations have been thoroughly assessed during the licensing process. Environmental impact assessments and detailed plans for completed projects were reviewed in 2024 using artificial intelligence. to identify actual and potential impacts and remedial actions.

Due to the lack of location-specific data for suppliers, Statnett's value chain impacts have been assessed using the ENCORE tool. This tool is based on a database of known impacts related to various sectors. The following impacts have been assessed by the tool: land use (in marine, freshwater and terrestrial environments), water consumption, resource consumption, greenhouse gas emissions, pollution, waste and biological disturbances.

The actual and potential impacts identified are presented in Table 6 "E4 Biodiversity and ecosystems – material IROs".

Dependencies

Regulating ecosystem services related to climate regulation, erosion control and flood and storm mitigation are the most material dependencies for Statnett. This also applies to upstream wind power production. In addition, for hydropower production, water availability is crucial. All these ecosystem services are vulnerable to climate or environmental changes.
These dependencies were identified using the Taskforce for Nature-related Financial Disclosures (TNFD) sector guide for electric infrastructure (electric utilities), ENCORE and the "Roadmap to Nature Positive: Foundations for the energy system" from the World Business Council for Sustainable Development (WBCSD).

Risks and opportunities

Potential transition risks were identified based on negative impacts, and physical risks based on dependencies. Opportunities were identified based on positive impacts or avoided risks. In addition, the list of risks and opportunities was supplemented with known risks for our sector and value chain. Risks and opportunities were categorised as either physical (acute and chronic) or related to transition (legal and political, market, technology, reputation, products and services, capital and financing, resource use). Both of the chronic risks are also systemic risks, as multiple physical risks amplify each other. The material risks are described in Table 6 "E4 Biodiversity and ecosystems – material IROs".

Through land use and construction activities, Statnett can impact ecosystems and ecosystem services that are important to the affected communities. See Chapter S3 – Affected communities for a description of Statnett's approach to involving affected communities.

Risks and opportunities were assessed using our scenarios: "business as usual", "collapse" and "transformation". These combine a series of parameters to provide a comprehensive picture of potential developments. We use the most recent available data sources such as climate projections from the Intergovernmental Panel on Climate Change (IPCC) adapted to Norwegian conditions by the Norwegian Centre for Climate Services, the premises of the Kunming-Montreal Global Biodiversity Framework (GBF), and forecasts for the development of undisturbed nature in Norway. New climate projections for Norway based on the IPCC's Sixth Assessment Report are expected in 2025. Any material changes in assumptions from this or other sources of new knowledge will be considered for inclusion in the next update of the double materiality assessment.

Remedial actions
Statnett has infrastructure in vulnerable and valuable natural areas. All projects include remedial actions as part of the licensing conditions, and we will work with nature management authorities to ensure that appropriate actions are implemented before commissioning.

IROs in E5 – Resource use and circular economy

Impacts
As part of Statnett's double materiality assessment, the impacts of material flows were assessed. Typical procurements for Statnett include power lines and cables that contain various metals such as copper and aluminium. Transformers and other electrical equipment consist of complex material compositions, insulation materials, steel and concrete. This is reflected in Statnett's waste streams. The impact on nature of these materials was assessed based on the Science Based Targets Network's (SBTN) list of materials with particularly significant negative nature impacts, as well as ENCORE.

Given the potential impact of these material categories on people, climate and nature, three significant impacts were identified in Statnett's operations and value chain. These are described in Table 7 "E5 Resource use and circular economy – material IROs".

Risks and opportunities
Potential transition risks were identified based on negative impacts, and physical risks based on dependencies. Opportunities were identified based on positive impacts or avoided risks. Based on the double materiality assessment, two significant financial opportunities were identified. These are described in Table 7 "E5 Resource use and circular economy – material IROs".

In the double materiality analysis, affected local communities were primarily considered through interviews with Statnett employees who have direct dialogue with individuals and groups representing affected communities. See Chapter S3 – Affected communities for a description of Statnett's approach to involving affected communities.

IROs in G1 – Business conduct

Impacts
Ensuring that transformation is successful requires good communication and collaboration with regional grid operators, producers, authorities, local communities and other stakeholders. Public insight into significant aspects of Statnett's operations is essential for both our owner and our stakeholders. Transparency is also crucial for maintaining public trust in the social responsibility that Statnett manages.

These aspects formed the basis for assessing our impact related to business conduct. Analyses of similar companies' practices, internal interviews and the White Paper on ownership policy were also relevant inputs. These impacts were then assessed and scored according to established criteria for the DMA process.

One potential impact was identified for G1. See Table 11 “G1 Business conduct – material IROs”.

Risks and opportunities
Potential risks and opportunities were identified based on the identified impact, as well as other sources of risks and opportunities, including internal interviews.

No risks or opportunities related to business conduct were assessed as financially material.

Disclosure requirements in ESRS covered by the company’s sustainability report – IRO-2

Based on the material topics, sub-topics, and sub-sub-topics, we assessed which reporting requirements apply to us. We evaluated what Statnett currently reports on against the material topics in the DMA. The ambition level for the 2025 report was also assessed. “EFRAG ID 177”[17] provided guidance on the link between reporting and data points and sub-topics and sub-sub-topics.

Our governing documents

Statnett’s governance system consists of governing documents at various levels. These documents help ensure that we operate in compliance with legislation, ethical standards and best practices. They also form the foundation for our governance and management of material impacts, as well as related risks and opportunities. In addition to Statnett’s Articles of Association, the Board Instructions and Statnett’s Governing Principles, the key governing documents relevant to our sustainability efforts are listed in Table 13 “Our governing documents”. This table provides a consolidated overview of governing documents, which we will reference in the following chapters for the various standards.

Non-material topics

There are two topics that have not been defined as material in our DMA process, as they were below the materiality threshold.

E3 – Water and marine resources is not included in Statnett’s reporting because the standard concerns water consumption, utilisation and use of marine resources, which we assessed as having low materiality for Statnett. Impacts on marine life are covered under standard E4 – Biodiversity and ecosystems and pollution of water is covered by E2 - Pollution.

Regarding S4 – Consumers and End-users, Statnett’s operations impact consumers in several areas. Notwithstanding this, S4 is not included in Statnett’s reporting because the identified impacts, risks and opportunities, as structured under this sub-topic, were not considered material compared with other topics. For instance, Statnett has minimal impact on aspects such as freedom of expression, access to information and personal data protection. Issues related to coexistence are addressed in Chapter S3 – Affected communities.

All our governing documents follow an established process for review and renewed approval, ensuring that relevant stakeholder perspectives are taken into consideration. Governing documents are owned at different levels, from the Board and Group Management to managers within relevant professional environments. All governing documents are available on Statnett’s intranet. Where relevant, applicable governing documents are incorporated into contractual terms and conditions.
Statnett’s Code of Conduct is approved by the Board and applies to all permanent and temporary employees, including Group Management, as well as hired consultants and Board members.

[17] EFRAG ID 177 – Links between AR16 and Disclosure requirements

Table 13: Our governing documents

Document	Purpose	Impact, risk, opportunity addressed	Scope	Board responsibility	Framework and instruments
Code of Conduct	Describes our expectations and sets out our requirements for how each of us should behave	• All impacts, risks and opportunities across topical standards (E1, E2, E4, E5, S1, S2, S3, G1)	Own workforce, as well as hired consultants and Board members	CEO	• UN Universal Declaration of Human Rights • The United Nations Guiding Principles on Business and Human Rights (UNGP) • The core conventions of the International Labour Organization (ILO) • UN International Covenant on Civil and Political Rights
Supplier Code of Conduct[18]	Expectations and requirements for suppliers	• All impacts, risks and opportunities related to Statnett's value chain across topical standards (E1, E2, E4, E5, S2, S3, G1)	Suppliers and other business partners	CFO	• The UN Universal Declaration of Human Rights (1948), the International Covenant on Civil and Political Rights (1966) and the International Covenant on Economic, Social and Cultural Rights (1966) • The ILO core conventions and the ILO Convention on

[18]Our Supplier Code of Conduct was developed in 2025 and adopted in Q1 2026, but not yet published.

Document	Purpose	Impact, risk, opportunity addressed	Scope	Board responsibility	Framework and instruments
					Indigenous and Tribal Peoples, 1989 (No. 169). • The United Nations Guiding Principles on Business and Human Rights • OECD Guidelines on Responsible Business Conduct
Code of Conduct for the land and rights acquisition	Establishes guidelines related to land and rights acquisition	• All impacts and risks related to S3	Employees involved in the land acquisition process	Director of Project Management and Permits	N/A
Sustainability Policy [19]	Guidelines for sustainable and responsible business operations	• All impacts, risks and opportunities across topical standards (E1, E2, E4, E5, S1, S2, S3, G1)	Entire organisation	EVP People & Sustainability	• The ten principles of the UN Global Compact • OECD Guidelines on Responsible Business Conduct • The Paris Agreement
Policy for power system development	Guidelines for the long-term development of the power system	• Indirect emissions related to grid losses • Facilitation for electrification	Entire organisation	EVP System Planning & Customers	N/A
Security Policy	Guidelines for preventing and limiting harm to	• Employees exposed to incidents, serious injuries and accidents	Entire organisation	EVP Project Development & Constructions	N/A

[19]The Sustainability Policy was updated in 2024 and adopted in Q1 2025.

Document	Purpose	Impact, risk, opportunity addressed	Scope	Board responsibility	Framework and instruments
	personnel, infrastructure and IT systems	• Workers in the value chain exposed to incidents, serious injuries and accidents		EVP Asset Operations & Emergency Preparedness	
Supply Chain Policy	Guidelines for maintaining an efficient, ethical and resilient supply chain	• All impacts, risks and opportunities related to Statnett's value chain across topical standards (E1, E2, E4, E5, S1, S2, S3, G1)	All of Statnett's activities related to the supply chain. Activities and interactions with suppliers, contractors and other third-party service providers involved in the supply chain	VP Compliance & Risk	N/A
Instructions for the CEO	Guidelines for the CEO's tasks set by the Board	• General matters related to corporate governance • Impacts, risks and opportunities related to G1	CEO	CFO	N/A
Procurement instructions	Operationalisation of strategy and Supply Chain Policy, including clear procurement requirements	• Integrate sustainability, including health, safety and the environment, into procurements and contracts, for example by: • Requiring compliance with Statnett's Supplier Code of Conduct • Impacts and risks for E1	Employees and consultants at Statnett	VP Procurement and Supplier Management	N/A

Document	Purpose	Impact, risk, opportunity addressed	Scope	Board responsibility	Framework and instruments
Instructions for handling sulphur hexafluoride (SF_6) facilities and SF_6 circuit breakers and presence in SF_6 indoor facilities	Safety guidelines for working on or near, and operating, Statnett's electrical facilities	• Direct emissions from (SF_6) and fuel consumption • Costs associated with technology and solutions for reducing emissions	Everyone working in or with Statnett's SF_6 facilities and SF_6 circuit breakers	Work Controller and Section Head for HSE	N/A
Instructions for handling chemicals	Guidelines for safe and regulatory-compliant handling of all health-hazardous and environmentally harmful chemicals in the business	• Significant accidental discharges of hazardous chemicals to soil and water arising from the construction and operation of grid facilities	All Statnett employees. Others performing work at Statnett's facilities must follow similar or stricter instructions for such work	Work Controller and Section Head for HSE	N/A
Instructions for motorised transport in uncultivated areas and waterways	Guidelines for due diligence related to nature and the environment, as well as landowner and titleholder rights regarding motorised traffic in uncultivated areas and waterways	• Land use changes, habitat fragmentation, spread of foreign species, soil sealing and disturbances from building grid facilities • Disturbances and spread of foreign species from the operation and maintenance of grid facilities	All Statnett employees, hired personnel and contractors/consultants engaged by Statnett for motorised transport in uncultivated areas	Director of Sustainability	N/A
Instructions for environmental	Guidelines for how projects should set and follow up on relevant environmental	• All impacts related to E4 • Direct emissions from (SF_6) and fuel consumption	All new and existing Statnett facilities that require public permits	Director of Project Advisory	N/A

Document	Purpose	Impact, risk, opportunity addressed	Scope	Board responsibility	Framework and instruments
objectives in projects[20]	objectives for nature and climate in line with the mitigation hierarchy	• Land-use-based greenhouse gas emissions in Statnett's projects		and Implementation	
Instructions for waste management	Guidelines for managing waste so that it does not harm people or the environment	• Waste generated throughout the life cycle of grid facilities • Use of recycled materials for the construction of grid facilities	All Statnett employees. Others performing work at Statnett's facilities must follow similar or stricter instructions for such work	Director of Sustainability	N/A
Instructions for interaction and dialogue with Indigenous peoples	Guidelines for interaction with Indigenous peoples	• All impacts and risks related to S3	All employees, as well as hired consultants and Board members	EVP People & Sustainability	• ILO Convention no. 169 • UN Declaration on the Rights of Indigenous peoples • The United Nations Guiding Principles on Business and Human Rights (UNGP) • OECD Guidelines
Technical standard for forest clearance	Requirements and frameworks for initial forest clearance and maintenance clearing of power line corridors to minimise impact on biodiversity and landscapes	• Land use changes, habitat fragmentation, spread of foreign species, soil sealing and disturbances from building grid facilities • Habitat fragmentation, land use changes and bird collisions from choice of solution and existing grid facilities	All Statnett employees, hired personnel and contractors/consultants engaged by Statnett to perform initial forest clearance and maintenance clearing	Director of Project Advisory and Implementation	N/A

[20]The instructions were developed in 2024 and adopted in Q1 2025

Document	Purpose	Impact, risk, opportunity addressed	Scope	Board responsibility	Framework and instruments
		• Establishment of favourable habitats in conjunction with own infrastructure			
Technical building requirements for substation facilities	Technical building requirements for Statnett's substation facilities, for planning, construction and potential upgrades of new and existing substation facilities	• Costs deriving from extreme weather	Project planners and contractors/tradespeople, both internal and external	Section Head of Corridor and Substation Planning	N/A
Procedure for reporting issues of concern at Statnett (whistleblowing procedure)	Facilitates reporting issues of concern within the organisation	• All impacts across topical standards (E1, E2, E4, E5, S1, S2, S3, G1)	Permanent and temporary employees at Statnett. Also open to others, for example, employees of Statnett's suppliers	CFO	N/A

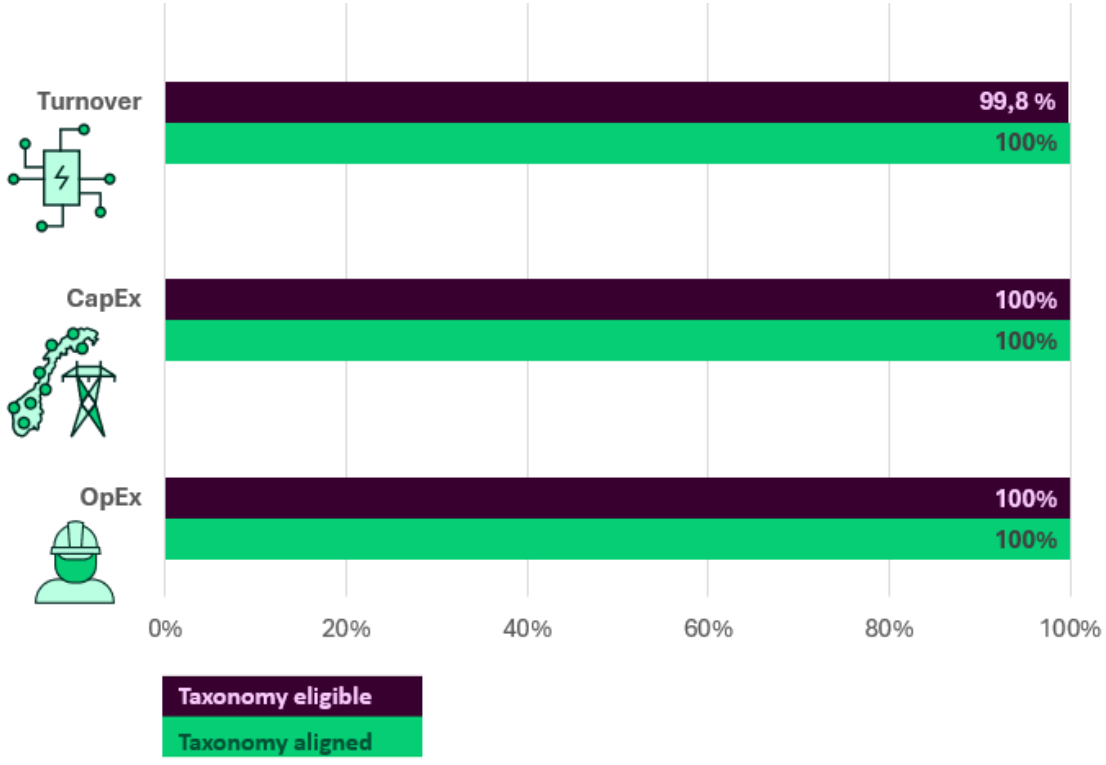
Climate and the environment

In the section on climate and the environment, we report on the EU taxonomy for sustainable activities, as well as the four key reporting standards: E1 Climate change, E2 Pollution, E4 Biodiversity and ecosystems, and E5 Resource use and circular economy.

EU taxonomy for sustainable activities

The EU taxonomy is a classification system for sustainable economic activities. The environmental objectives defined in the taxonomy align with the topical environmental standards in CSRD, and taxonomy reporting is an integral part of the sustainability report. In 2025, as in previous years, Statnett achieved a high proportion of both taxonomy-eligible and taxonomy-aligned activities. All our activities involve the transmission and distribution of electricity, and satisfy the taxonomy's criteria for reducing and preventing GHG emissions and climate adaptation.

Figure 4: KPIs for the taxonomy



Basis of preparation

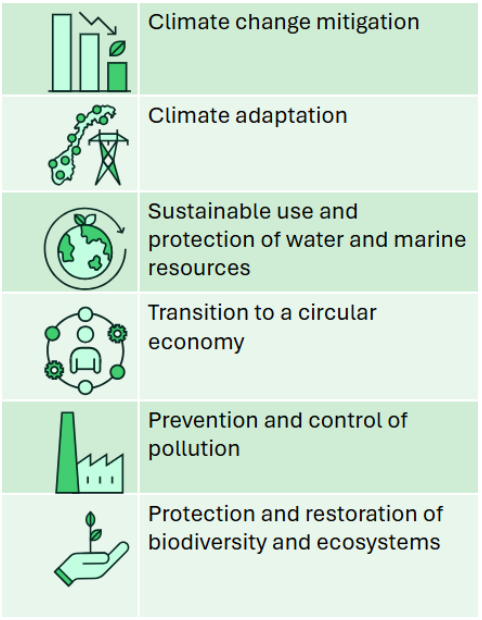
The Norwegian Sustainable Finance Act entered into force on 1 January 2023. It is clear from the regulations that the authorities are considering expanding the taxonomy. We are monitoring developments and adapting to any adjustments. Important interpretations and assumptions are described in this section.

In 2025, we have assessed our activities in relation to the requirements of EU taxonomy.

The EU taxonomy defines six climate and environmental objectives that economic activities can help achieve: Climate change mitigation; climate adaptation; sustainable use and protection of water and marine resources; transition to a circular economy; prevention and control of pollution; the protection and restoration of biodiversity and ecosystems.

In accordance with the taxonomy criteria, enterprises must report the scope of economic activities that they perform that are covered by the taxonomy (eligible)[21] and that meet the taxonomy criteria (aligned).[22] The enterprise must also report Key Performance Indicators (KPIs) that measure the share of revenue, capital expenditures and operating expenditures linked to sustainable activities.

Figure 5: The EU taxonomy defines six climate and environmental objectives that economic activities can help achieve



Taxonomy eligible activities

Statnett's operations are taxonomy eligible, and we have assessed that our entire business is covered by activity 4.9 – Transmission and distribution of electricity[23],[24] . The interconnected European power system makes a substantial contribution to the green transition. A well-integrated energy market and energy system are fundamental prerequisites for achieving Europe's energy and climate targets in a cost-effective manner. As the owner, developer and operator of the transmission grid and transmission system operator (TSO) in the Norwegian power system, Statnett plays a key role in the transition to a low-emission society.

[21] An activity is eligible in accordance with the taxonomy if it is included in the list of activities covered by the delegated act

[22] An activity is sustainable (aligned) in accordance with the taxonomy when it meets all the criteria for making a substantial contribution to at least one of the environmental objectives, does not cause significant harm to the other five environmental objectives and meets a minimum of social and governance aspects

[23] Our administrative and system support activities are also included in this category, since we consider these to be closely linked to our main activity

[24] Taxonomy Regulation Delegated Act 2021-2800

Taxonomy alignment assessment

To be defined as sustainable, an activity must meet the requirements of the taxonomy. An activity is sustainable when it makes a substantial contribution to an objective and does not have a significant negative impact on the other objectives (Do No Significant Harm, DNSH). In addition, the activity must meet minimum requirements for social and governance aspects.

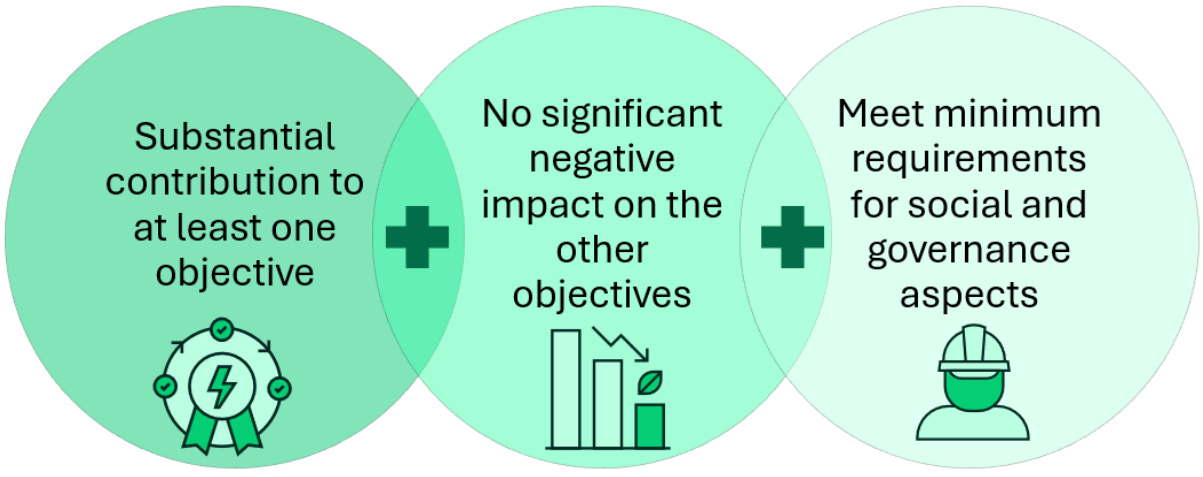
We have assessed that the activity "transmission and distribution of electricity" meets the criterion of making a "substantial contribution" to the climate and environmental objectives: "climate change mitigation" (CCM) and "climate change adaptation" (CCA). Since the descriptions of the activities CCM and CCA are overlapping, they are addressed collectively.

We make a substantial contribution to CCM because the Norwegian and Nordic power markets are an integral part of the common European power market. The Norwegian power system is closely physically interconnected with other countries[25]. Closer integration between countries and sectors, new technology and digital solutions are prerequisites for making the transition to a low-emission society possible. Furthermore, we have assessed that Statnett makes a substantial contribution to climate change adaptation in line with requirements. The climate risks that are significant for our activity have been identified, and robust climate risk and vulnerability assessments in accordance with Norwegian laws form the basis for this assessment. Statnett is required to implement necessary safety and emergency preparedness actions based on these assessments. Our risk assessments consider climate variations and increased risks of natural hazards due to climate change. We have not identified any negative impacts of our climate adaptation solutions on people, nature, cultural heritage, property or other economic activities. Where appropriate, we prioritise nature-based solutions.

No significant harm to other objectives in the taxonomy

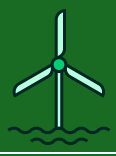
Statnett has reviewed the DNSH criteria for activity 4.9 "transmission and distribution of electricity" in the taxonomy. Our activities meet the DNSH criteria for the other environmental objectives. Table 14 summarises our assessment of the DNSH criteria for both CCM and CCA of our activities classified under activity 4.9 in the taxonomy.

Figure 6: Steps in the assessment of taxonomy alignment



[25] The interconnected Norwegian, Nordic and European power system, and its subordinate systems, meet the eligibility criteria for activity 4.9 in the taxonomy. See more here: Transmission and distribution of electricity

Table 14: Summary of our assessment of the DNSH criteria for the objectives of CCM and CCA

Environmental objectives	Our assessment of the DNSH criteria for activity 4.9 in the taxonomy
Climate change adaptation 	Statnett has identified physical climate risk and conducted vulnerability assessments that are material to our activities. We have also implemented actions where material risks have been identified. The assessments show that our facilities, depending on where in the country they are located, will experience increased, reduced or unchanged climate impact. Guidelines for choosing routes and technical solutions are used to calculate climate loads. All new facilities are designed to withstand extreme weather events. Our assessments are based on the report "The importance of climate change for Statnett's transmission facilities" (2015) and the regional projections made by the Norwegian Centre for Climate Services. Read more in Chapter ESRS 2 under "IROs in E1"[26].
Sustainable use and protection of water and marine resources 	No criteria for water have been prepared in relation to activity 4.9.
Transition to a circular economy 	The waste hierarchy[27] forms the basis for Statnett's waste management. The planning, construction, operation and demolition of buildings and facilities is implemented in a manner that results in the least possible impact on natural resources and the external environment. This means that waste should be reduced and materials reused before they are recycled into new materials or energy. In Norway, there are legal requirements for waste management. Statnett carefully plans waste management to facilitate the sorting at source of various components, and we ensure maximum utilisation of material resources or energy resources. The requirements for hazardous waste are particularly stringent. Statnett has a framework agreement for waste management. Read more about Statnett's use of resources in Chapter E5
Prevention and control of pollution 	Systematic HSE work and internal control are legal requirements in Norway. Statnett adopts a structured and targeted approach to HSE, meeting the requirements of the Internal Control Regulations and the Construction Client Regulations. Our systematic HSE work is based on the risk factors to which our various activities are exposed. Statnett considers that our HSE work complies with the IFC's general

[26] See chapter E1 for in-depth description of this topic

[27] The waste hierarchy is a concept in Norwegian and European waste regulations that describes priorities for waste management, from waste reduction (highest priority) to landfill (lowest priority).

	guidelines for environment, health and safety. **We follow strict requirements to limit the impacts of electromagnetic radiation on people as set out in Norwegian legislation, the provisions of the Radiation Protection Regulations and the authorities' advice on caution and good practice. Statnett does not use power conduits that contain PCB. Read more about how Statnett prevents and manages pollution in Chapter E2.**
The protection and restoration of biodiversity and ecosystems 	**The Regulations on Impact Assessments require enterprises to carry out impact assessments when planning new power transmission facilities. Construction of grid facilities must also conform to a number of land use laws and regulations. We carry out impact assessments in accordance with Directive 2011/92/EU, as implemented through the Norwegian Regulations on Impact Assessments. Statnett uses the mitigation hierarchy as a basis for planning new power transmission facilities. If an impact on a biodiversity asset cannot be avoided, Statnett strives to minimise the impact by implementing remedial actions. Statnett has infrastructure installations in vulnerable and high-value areas of nature. However, the extent of its impact differs depending on the type of nature concerned. Where Statnett is in contact with such natural areas, Norwegian legislation is particularly strict on assessing impact, compliance with the mitigation hierarchy and implementation of remedial actions. Statnett aims to avoid the degradation of such areas. Read more about our approach to nature in Chapter E4.**
Climate change mitigation 	**Statnett's infrastructure is not dedicated to establishing a direct connection or expanding an existing direct connection to electricity production with greenhouse gas emissions exceeding 270 g CO2e/kWh.**

Criteria for social and governance aspects

At Statnett, respect for human rights and requirements for decent working conditions are fundamental. There is a risk of negative impacts on human rights and decent working conditions in our value chain. We are working actively to ensure that both aspects are safeguarded, not only in our own organisation but throughout our value chain. To protect these rights, Statnett works to survey, identify, prevent, reduce and manage factors which could negatively affect these rights. This work is conducted in line with the UN Guiding Principles on Business and Human Rights (UNGP) and the OECD Guidelines on Responsible Business Conduct, and our approach is based on the ILO's core conventions. Statnett promotes a responsible transition. Our efforts and processes in this area are discussed in more detail in Chapters S1, S2 and S3. No serious breaches of human rights were reported in 2025.

Corruption and financial crime are covered by Statnett's Code of Conduct, which is approved by the Board. Statnett carries out training and awareness-raising actions. In addition, the company has established a range of internal controls and a whistleblowing mechanism that meets the requirements of the Norwegian Working Environment Act. These actions help Statnett both reduce its own risk and prevent financial crime.

Statnett complies with applicable tax legislation. See Note 19 in the financial statements for further details on tax. Statnett adheres to the principle that taxes should be paid where economic value is created, and the company's transfer pricing follows the arm's-length principle: prices for goods and services within the Group must be set as if the transaction had taken place between independent parties, in accordance with the OECD Transfer Pricing Guidelines. Relevant laws governing fair competition in Norway and for Statnett include the Accounting Act, the Auditors Act, the Competition Act, the Procurement Act, the Regulations on Supply Sector Purchases, the Securities Trading Act, and applicable tax and sector-specific legislation. The Freedom of Information Act also applies.

Results, definitions and assumptions 2025

Statnett achieves a high proportion of taxonomy-eligible activities, with 99.8 per cent of revenue, 100 per cent of capital expenditures and 100 per cent of operational expenditures.

Statnett achieves a correspondingly high score for taxonomy-aligned activities, based on a review and assessment that 1) the substantial contribution requirement has been met; 2) all DNSH criteria have been fulfilled; 3) and the minimum social and governance criteria have been satisfied. The KPIs are defined in accordance with taxonomy requirements.[28]

Turnover

The proportion of taxonomy-eligible and taxonomy-aligned turnover was 99.8 per cent for the 2025 financial year (99.8 per cent in 2024).

The denominator corresponds to the total operating revenue in Statnett's total profit. Total operating revenue is specified in Note 4, Operating revenue and amounted to NOK 20,205 million in 2025 (NOK 18,961 million in 2024).

The numerator includes all regulated revenue, as well as a portion of other operating revenue currently considered eligible and aligned in accordance with the taxonomy. Ineligible activities relate to revenue that is considered not to relate directly to our core business, including commercial revenue from the leasing of fibre optic networks and the leasing of ships.

Capital expenditures

The proportion of taxonomy-eligible and taxonomy-aligned capital expenditures was 100 per cent for the 2025 financial year (100 per cent in 2024).

The denominator corresponds to the figure for additions of tangible and intangible assets during the financial year, and equates to the sum of additions in Note 8: Tangible and intangible assets and Note 9: Assets under construction.

In 2025, the Group's total taxonomy-eligible capital expenditures amounted to NOK 11,357 million (NOK 7,996 million in 2024).

The numerator includes capital expenditures for power lines, substations, buildings, land and ICT. Since Statnett only has one main business activity, we consider that all capital expenditures relate to the Group's business and main activity.

Operational expenditures

The proportion of taxonomy-eligible and taxonomy-aligned operational expenditures was 100 per cent for the 2025 financial year (100 per cent in 2024).

In accordance with taxonomy criteria, costs that are not capitalised and that relate to activities within research and development, building maintenance and repairs,

[28] Taxonomy Regulation Delegated Act 2021-4987 Annex 1–5

cleaning and short-term rentals must be reported. Any other direct costs that are necessary to ensure that the assets function as intended must also be reported. The denominator therefore constitutes a small proportion of the accounting lines “Other operating expenses” and “Salaries and payroll costs”.

In 2025, the Group’s operational expenditures in accordance with the taxonomy definition amounted to NOK 852 million (NOK 805 million in 2024).

The numerator includes the portion of the denominator that is critical for carrying out activities in accordance with the taxonomy. As Statnett only has one main business activity, we consider that all costs relating to research and development, maintenance and repairs, cleaning and short-term rentals should be included.

There have been no maintenance costs associated with commercial activities, and maintenance costs related to the leasing out of fibre-optic networks are considered immaterial.

KPI tables for EU taxonomy[29]

The tables below provide a summary of key indicators for the EU taxonomy.

Table 15: Revenue

Financial year N		Year		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm") (f)									
Economic Activities (1)	Code[a] (2)	OpEx (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) OpEx, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
Text		*Currency*	*%*	*Y; N; N/EL (b) (c)*	*Y; N; N/EL (b) (c)*	*Y; N; N/EL (b) (c)*	*Y; N; N/EL (b) (c)*	*Y; N; N/EL (b) (c)*	*Y; N; N/EL (b) (c)*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
4.9 Transmission and distribution of electricity	CCM 4.9	20 163	99,8 %	Y	Y					Y	Y		Y	Y	Y	Y	99,8 %	*Enabling*	
Turnover of environmentally sustainable activities (Taxonomy-aligned (A.1)		**20 163**	**99,8 %**	**%**	**%**	**%**	**%**	**%**	**%**	Y	Y		Y	Y	Y	Y	**99,8 %**		
Of which enabling		20 163	99,8 %	%	%	%	%	%	%	Y	Y	Y	Y	Y	Y	Y	%	Enabling	
Of which transitional			%	%						Y	Y	Y	Y	Y	Y	Y	%		Transitional
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL, N/EL [e]	*EL, N/EL* [e]	*EL, N/EL* [e]	*EL, N/EL* [e]	*EL, N/EL* [e]	*EL, N/EL* [e]										
Activity 1 [d]			%														%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)			%	%	%	%	%	%	%								%		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		20 163	99,8 %	%	%	%	%	%	%										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non1eligible activities		**42**	**0,2 %**																
TOTAL		**20205**	**100 %**																

[29] Based on the standard format in accordance with Annex 1 to the Taxonomy Regulation taxonomy-regulation-delegated-act-2021-4987-annex-1-5_en.pdf (europa.eu)

Table 16: Capital expenditures

Financial year N		Year		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm") (f)									
Economic Activities (1)	Code[a] (2)	OpEx (3)	Proportion of CapEx, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) OpEx, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
Text		*Currency*	*%*	*Y; N; N/EL (b) (c)*	*Y; N; N/EL (b) (c)*	*Y; N; N/EL (b) (c)*	*Y; N; N/EL (b) (c)*	*Y; N; N/EL (b) (c)*	*Y; N; N/EL (b) (c)*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
4.9 Transmission and distribution of electricity	CCM 4.9	11357	100 %	Y	Y					Y	Y		Y	Y	Y	Y	100 %	*Enabling*	
CapEx of environmentally sustainable activities (Taxonomy-aligned (A.1)		11357	100 %	**%**	**%**	**%**	**%**	**%**	**%**	**Y**	**Y**		**Y**	**Y**	**Y**	**Y**	100 %		
Of which enabling		11357	100 %	%	%	%	%	%	%	Y	Y	Y	Y	Y	Y	Y	%	Enabling	
Of which transitional			%	%						Y	Y	Y	Y	Y	Y	Y	%		Transitional
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL, N/EL [e]	*EL, N/EL* [e]	*EL, N/EL* [e]	*EL, N/EL* [e]	*EL, N/EL* [e]	*EL, N/EL* [e]										
Activity 1 [d]			%														%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)			%	%	%	%	%	%	%								%		
A. CapEx of Taxonomy eligible activities (A.1+A.2)		11357	100 %	%	%	%	%	%	%										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non1eligible activities		0	0																
TOTAL		11357	100 %																

Table 17: Operational expenditures

Financial year N		Year		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm") (f)									
Economic Activities (1)	Code[a] (2)	OpEx (3)	Proportion of OpEx, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) OpEx, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
Text		*Currency*	*%*	*Y; N; N/EL (b) (c)*	*Y; N; N/EL (b) (c)*	*Y; N; N/EL (b) (c)*	*Y; N; N/EL (b) (c)*	*Y; N; N/EL (b) (c)*	*Y; N; N/EL (b) (c)*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
4.9 Transmission and distribution of electricity	CCM 4.9		%	Y	Y					Y	Y		Y	Y	Y	Y	100 %	*Enabling*	
OpEx of environmentally sustainable activities (Taxonomy-aligned (A.1)		852	100 %	**%**	**%**	**%**	**%**	**%**	**%**	Y	Y		Y	Y	Y	Y	**100 %**		
Of which enabling		852	100 %	%	%	%	%	%	%	Y	Y	Y	Y	Y	Y	Y	%	Enabling	
Of which transitional			%	%						Y	Y	Y	Y	Y	Y	Y	%		Transitional
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL, N/EL (e)	*EL, N/EL* (e)	*EL, N/EL* (e)	*EL, N/EL* (e)	*EL, N/EL* (e)	*EL, N/EL* (e)										
Activity 1 (d)			%														%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0 %	%	%	%	%	%	%								%		
A. OpEx of Taxonomy eligible activities (A.1+A.2)		852	100 %	%	%	%	%	%	%										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non1eligible activities		0	0 %																
TOTAL		852	100 %																

Proportion of turnover / Total turnover		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	99,8 %	99,8 %
CCA	99,8 %	99,8 %
WTR	%	%
CE	%	%
PPC	%	%
BIO	%	%

Proportion of CapEx / Total CapEx		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	100 %	100 %
CCA	100 %	100 %
WTR	%	%
CE	%	%
PPC	%	%
BIO	%	%

Proportion of OpEx / Total OpEx		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	100 %	100 %
CCA	100 %	100 %
WTR	%	%
CE	%	%
PPC	%	%
BIO	%	%

Table 18: Annex XII - Nuclear and fossil gas related activities

	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	**NO**
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

E1 Climate change

Statnett plays a key role in Norway's transition to a low-emission society. This gives Statnett the opportunity to contribute to electrification, strengthen the focus on optimising the existing grid and develop new technology.

Nevertheless, climate change poses serious risks. Global warming is expected to continue throughout the century, affecting weather patterns, ecosystems and society. For Statnett, this could translate into increased risk of damage to infrastructure, challenges in resource availability across the value chain and stricter environmental regulations.

In 2025, we developed a holistic transition plan and set science-based climate targets. More information on this is provided later in the chapter.Statnett has a material impact on the climate through its own greenhouse gas emissions. A large share of our emissions is indirect – primarily linked to the production of materials and equipment used in grid development. Among our direct emissions, leaks of SF_6 constitute our largest emission source.

This chapter provides a status report on the development of Statnett's transition plan, climate-related risks, relevant governing documents, actions, indicators and targets, as well as an updated greenhouse gas (GHG) inventory.

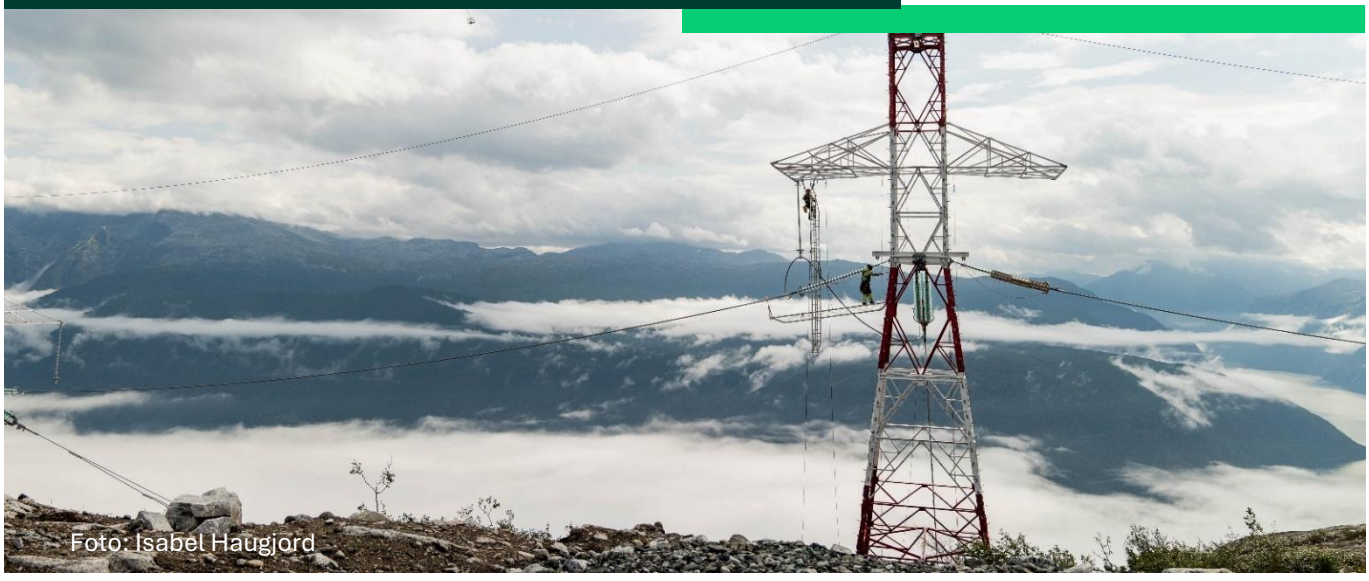


Foto: Isabel Haugjord

Climate transition plan

In 2025, we developed a holisitic transition plan. The plan operationalises the sustainability ambitions set out in the Group strategy and has been approved by Group Management.

The transition plan includes Statnett's science-based climate targets. For a detailed description of these targets, see the section "Targets related to climate change mitigation and adaptation".

The plan is based on a climate action analysis that estimates emissions in line with expected activity towards 2050 and defines the range of actions that can support achievement of the targets. The actions are grouped into the following climate action categories: SF_6 leaks, fuel consumption in own operations, grid development and land use change. Although the transition plan was new in 2025, we have worked on most of these actions for many years, and the plan systematises this work. The composition of actions may change over time due to market developments and cost dynamics, and we expect to iterate the plan further to reflect such changes. The transition plan also takes account of locked-in emissions. Statnett's primary locked-in emissions relate to SF_6 leaks, and the presence of SF_6 in facilities with a long service life represent a particular risk. The plan therefore includes actions to phase out this gas. For a description of implemented actions, progress, expected outcomes and emission reductions, see the section "Actions related to climate change".

Towards 2050, the implementation of several actions will likely result in increased costs, while some actions may generate financial savings. We have estimated these costs and savings as part of the transition plan work, but we do not publish the estimates due to the high degree of uncertainty in assumptions, price developments and the limited level of detail required under ESRS. We have assessed the accounting implications of the actions in the transition plan, and these are described in Note 3 of the financial statements.

In 2026, we will focus on implementing the transition plan and ensuring that it is sufficiently integrated into relevant processes and financial planning.

For a more detailed description, see Statnett's transition plan.

Material impacts, risks and opportunities related to climate change

For a description of the identified IROs, see Table 4 "E1 Climate change – material IROs" in Chapter ESRS 2.

Risks

Overview of identified climate risks

Table 19 "Identified climate risks" provides an overview of the identified climate risks, including an explanation of whether the risk is classified as physical risk or transition risk. The process for identifying these follows the CSRD requirements and builds on the TCFD framework.

Table 19: Identified climate risks

Description of risk	Type of climate risk and rationale of assessment
Costs deriving from extreme weather	Physical risk: extreme weather can directly damage Statnett's infrastructure, resulting in increased repair and system operation costs, in addition to affecting the security of supply. Furthermore, extreme weather can create difficult working conditions that delay repairs and maintenance.
Pricing and regulation of greenhouse gas emissions varies and changes costs	Transition risk: Higher carbon prices on electricity generation will affect companies that are unable to decarbonise their generating assets. This will lead to increased operating costs and higher prices for purchased goods and services.

Description of risk	Type of climate risk and rationale of assessment
Costs associated with technology and solutions for reducing emissions	Transition risk: Strong demand for emission-reducing solutions. For example, SF_6-free technology increases the cost of such solutions and therefore Statnett's costs.
Costs of grid investments deriving from pressure in the supplier chain	Transition risk: The need for low-emission materials in the transition to a low-emission society creates significant capacity constraints and supplier-related challenges which, in turn, increase the costs of grid investments.

Resilience analysis

We have conducted a resilience analysis of our business model and strategy as part of the DMA. Material physical and transition risks were identified based on our impacts. Further details on methodology and execution of the analyses can be found in Chapter ESRS 2, Section E1 IRO-1.

This analysis covers the entire Statnett Group, encompassing our business model for the transmission and distribution of electricity and the associated upstream and downstream value chains. The analysis primarily focuses on physical climate risks related to grid infrastructure. It is based on IPCC figures for Norway from 2015. In autumn 2025, the Norwegian Centre for Climate Services published an updated analysis, and in 2026 we will assess whether the new analytical basis affects our defined climate risks and whether further assessments or actions are required.

The results of the resilience analysis and identified risks and opportunities can be found in Chapter ESRS 2 in the sections on physical climate risk, transition risk and transition opportunities.

The DMA process

For a description of the DMA process for E1, refer to the section on topic-specific IROs in Chapter ESRS 2.

Governing documents and guidelines for climate change

Statnett has several governing documents that cover relevant climate-related topics to varying extents. These are briefly outlined below. For further information about the management system and governing documents, please see Chapter ESRS 2 and Table 13 "Our governing documents".
The following governing documents outline how Statnett contributes to climate change mitigation.

- Sustainability policy
- Supply chain policy
- Instructions for procurement at Statnett
- Instructions for handling SF_6 facilities and SF_6 circuit breakers and presence in SF_6 indoor facilities
- Technical building specifications for substation facilities

The following addresses climate change adaptation:

- Sustainability policy
- Technical building specifications for substation facilities

The following addresses energy efficiency:

- Policy for power system development and operation

The following addresses development of renewable energy:

- Policy for power system development and operation

Actions related to climate change

Table 20 "Overview of actions completed or initiated in 2025, by climate action category" contains an overview of key actions we have implemented, or plan to implement, to address material IROs related to climate change.
The actions form part of the transition plan and are linked

to our science-based targets. Statnett is working to reduce its climate impact across the entire value chain, focusing on the most significant emissions sources across Scopes 1, 2 and 3. In Scopes 1 and 2, this includes reducing emissions of the highly potent greenhouse gas SF_6 and the electrification of both vehicles and vessels. In Scope 3, we work to reduce emissions associated with the procurement of capital goods for grid development and the design of new grid facilities. All actions in Table 20 are included in the transition plan. Most actions are expected to continue towards 2050. The transition plan also outlines additional actions that will be included in the sustainability report as they are initiated. In 2026, we will continue developing a climate-management system that enables the measurement of achieved or expected emission reductions, as well as associated measure-related costs, as defined in the CSRD.
For 2025, the actions have not involved significant operating or capital expenditure, as they are being phased in gradually.

Table 20: Overview of actions completed or initiated in 2025, by climate action category

Actions	Description and expected results	Related to the goal	Scope	Progress
SF_6 emissions				
Seal SF_6 leaks	Install sensor technology, replace installation components and improve procedures to reduce SF_6 leaks	Science-based target for Scopes 1 and 2, and internal target to be SF_6-free by 2050	Own operations	Work to install sensor technology to detect and prevent leaks, replace installation components and improve procedures to prevent leaks is ongoing
Use alternative gas	Use alternative gas to reduce inventories of SF_6	Science-based target for Scopes 1 and 2, and internal target to be SF_6-free by 2050	Own operations	We are developing and constructing new installations at 145 kV and 420 kV using alternative gas with significantly lower climate impact where possible
Fuel consumption from own operations				
Electrification of the vehicle fleet	Increase the number of electric vehicles to reduce the use of fossil fuels	Science-based target for Scopes 1 and 2	Own operations	We are preparing a plan for a substantial increase in the number of electric vehicles as part of the implementation of the transition plan
Grid development				
Use of drones instead of helicopters	Adopt new drone technology to replace helicopters for inspections	Science-based target for Scope 3	Own operations	We piloted drone technology and began gradual implementation in 2025. Over time, all overhead line inspections are expected to be carried out using drones
Reduce emissions from construction activities	Increase the share of materials and construction work with lower emissions	Science-based target for Scope 3	Own operations	We set climate requirements in procurement for grid development projects and regularly evaluate the method for requirements and criteria. In 2025, we largely used scoring instead of carbon pricing for construction activities
Reduce emissions from purchased	Increase the share of lower-emission materials for conductors, transformers and	Science-based target for Scope 3	Upstream	We set climate requirements for procurements to reduce emissions from

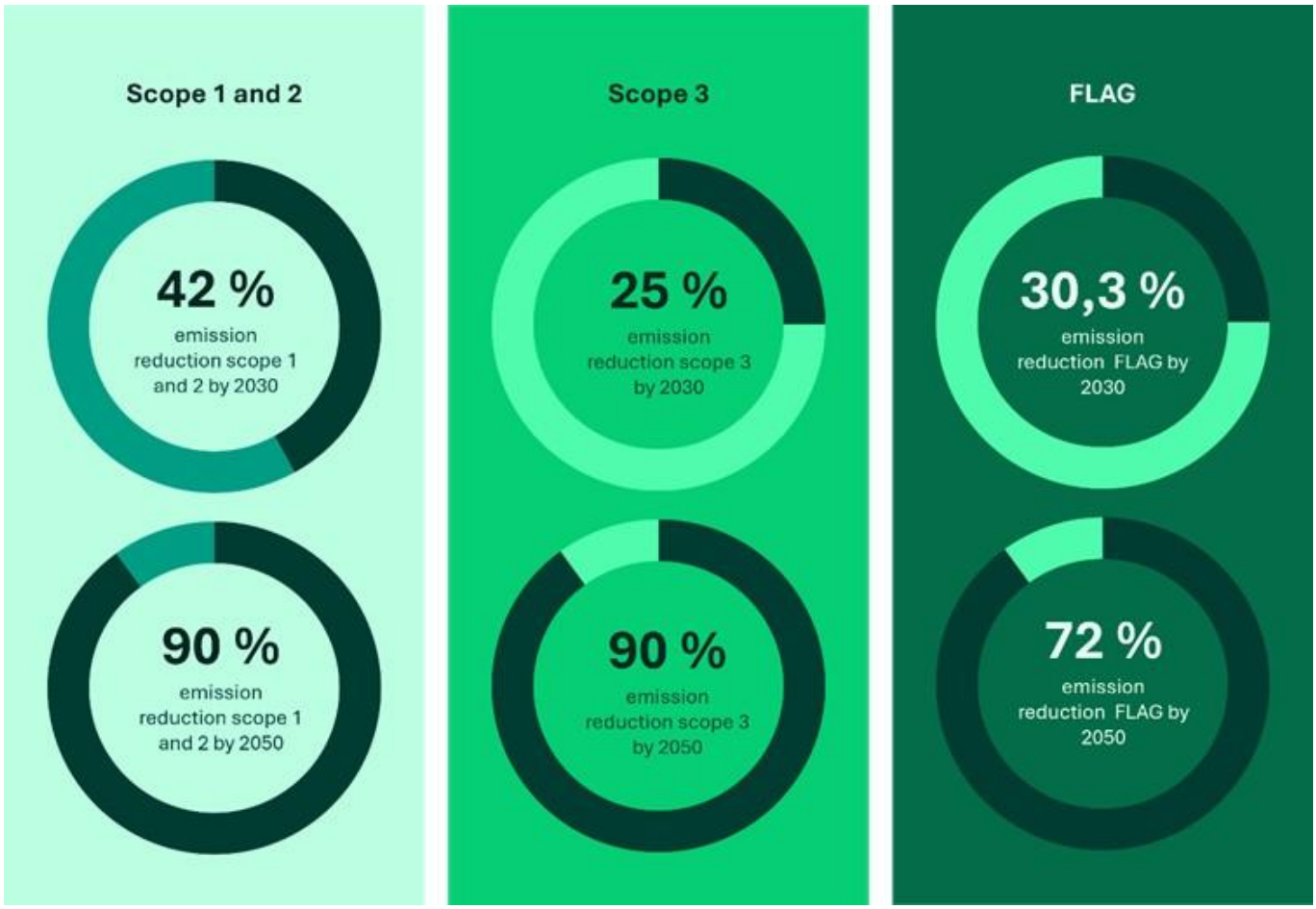
Actions	Description and expected results	Related to the goal	Scope	Progress
capital goods for grid installations	towers, and reduce material use where possible			purchased capital goods linked to grid development projects
Land use change, FLAG (Forest, Land and Agriculture)				
Reduce construction in carbon- rich areas	Reduce construction in carbon-rich areas, e.g. bog areas	Science-based target for FLAG	Own operations	Statnett minimises negative impacts on carbon-rich areas in grid development projects
Reduce land use	Reduce substation footprint and temporary land use	Science-based target for FLAG	Own operations	Statnett reduces land use in grid development projects by following the mitigation hierarchy
Other (not related to climate targets or the transition plan)				
Climate-proofing new grid facilities	The planning of new grid facilities contributes to our indirect emissions. We follow safety requirements related to natural hazards set by the relevant sector authorities	N/A – The measure is not covered by climate targets and is not part of the transition plan, but relates to our material climate adaptation risk	Own operations	These requirements apply to the planning of new or modified facilities

Targets related to climate change mitigation and adaptation

In 2025, we set science-based climate targets to minimise our negative impact on climate change, in line with Statnett's Sustainability Policy. We are not excluded from setting targets in accordance with the Paris Agreement, and the targets for Scopes 1 and 2 are aligned with the 1.5°C goal of the Paris Agreement. The Scope 3 targets follow a "well below 2°C" trajectory. We have used the SBTi methodology, and the targets will be submitted to SBTi for validation. The science-based targets are consistent with expectations set out in the state ownership report.

The 2023 greenhouse gas inventory serves as the baseline year for the emission-reduction targets. 2023 was chosen because it is the most representative of expected future activity levels. The climate actions required to achieve the targets are linked to the most significant emission sources in Statnett's business activities. We have not assessed different climate scenarios for the targets and actions. Instead, the projections are based on the planned project portfolio, and the transition plan will be updated continuously in line with this. From the 2023 baseline, we aim to reduce all our Scope 1 and 2 location-based emissions by 42 per cent by 2030, and all our Scope 3 emissions by 25 per cent. By 2050, emissions are to be reduced by 90 per cent. As emissions from land use change (FLAG) also represent a material share of our emissions, we have defined additional targets for this category. By 2030, emissions from land use change are to be reduced by 30 per cent, and by 72 per cent by 2050. The climate targets cover 85 per cent of Scope 3 emissions in 2030 and 91 per cent in 2050. 100 per cent of Scope 1 and 2 emissions are covered in both 2030 and 2050. This is in accordance with the SBTi methodology.

Figure 7: Overview of climate targets towards 2030 and 2050



Energy consumption and mix

Our energy consumption is primarily linked to the planning, operation and maintenance of grid infrastructure. We use the same limits and consolidation method as in our GHG inventory. For a detailed explanation of consolidation and methodology, see the section on GHG emissions.

All Statnett activities fall under NACE Code 35.1 Electric power generation, transmission and distribution, a sector classified as having a high climate impact. We calculate the proportion of energy consumption by source (fossil, renewable and nuclear) based on the market-based method. For district heating and cooling, we use supplier-specific declarations of performance. The energy content of fuel consumption is based on general conversion factors for relevant products. Table 21 "Energy intensity" shows energy intensity in MWh per NOK million. Table 22 "Energy consumption and mix" illustrates Statnett's total energy consumption and corresponding energy mix.
For information on operating revenue, see Note 4 in the annual financial statements.

Table 21: Energy intensity

	2024	2025	Change from previous year
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	100 %	100 %	NA
Energy intensity MWh/NOK million	160	142	-12 %

Table 22: Energy consumption and mix[30]

	2024	2025	Unit
Fuel consumption from coal and coal products	0	0	MWh
Fuel consumption from crude oil and petroleum	9 540	9 352	MWh
Fuel consumption from natural gas	0	0	MWh
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	278	279	MWh
Total fossil energy consumption	2 466 642	2 076 277	MWh
Share of fossil sources in total energy consumption	84	73	%
Consumption from nuclear sources	292 507	518 123	MWh
Share of consumption from nuclear sources in total energy consumption	10	18	%
Fuel consumption for renewable sources, including biomass	4	11	MWh
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	2 931	3 164	MWh
The consumption of self-generated non-fuel	0	0	MWh
Total renewable energy consumption	178 419	252 287	MWh
Share of renewable sources in total energy consumption	6	9	%
Total energy consumption	**2 937 568**	**2 843 798**	**MWh**

30 The energy mix in the table reflects the European residual mix, which contains higher shares of both fossil and nuclear energy than what is present in the Norwegian location-based energy mix

Greenhouse gas emissions

Structure of the GHG inventory

Statnett's GHG inventory covers the Statnett SF Group and includes Scope 1, 2 and 3 emissions across Statnett's value chain, as described in Chapter ESRS 2. Emissions from wholly-owned subsidiaries are fully consolidated in the GHG inventory, as shown in Table 23 "GHG inventory".

For joint ventures and operational arrangements, emissions are consolidated based on ownership share. Emissions covered by operational control are recognised on a separate line. See Note 21 for a detailed description of jointly controlled operational arrangements. See Note 20 for a detailed description of Statnett's investments in subsidiaries, joint ventures and associates.

Similar to energy consumption, Statnett's emissions primarily stem from the planning, operation and maintenance of grid infrastructure, classified under NACE code 35.1 – Electric power generation, transmission and distribution, a sector identified as having a high climate impact.[31]

Statnett's GHG inventory follows the GHG Protocol and includes figures based on both market-based and location-based methodologies, as illustrated in Table 23 "Greenhouse gas inventory". Biogenic emissions, such as those from the combustion of biofuels, are reported separately in Table 24 "Biogenic emissions".

Where possible, Statnett uses activity-based data to calculate our greenhouse gas emissions. Estimates are only used where high quality data is unavailable. Table 27 "Data quality in the GHG inventory" provides an overview of the use of estimates versus activity-based data.

Scope 1 emissions are calculated using activity data primarily from our own ERP[32] system and from third parties (fuel for leased vehicles). We use emission factors from DEFRA.[33] Scope 2 emissions are calculated using activity data. For grid losses, we obtain figures from our internal settlement system. Electricity consumption is obtained from third parties (consumption in our offices). The emission factor is sourced from the Norwegian Water Resources and Energy Directorate (NVE) and updated annually. For district heating and cooling, suppliers provide their own emission factors.

For Scope 3, Category 1 (purchased goods and services) and Category 2 (capital goods) related to grid infrastructure development, emissions are recognised in the year the assets become operational. This ensures completeness of reported emissions, although the emission-generating activity may have occurred earlier than the reporting year. Other data in the GHG inventory is recognised in the year the activity take place.

For these categories, data quality varies, and several material assumptions are made when reporting emissions:

Category 1, purchased goods and services, is to a greater extent calculated based on estimates for construction materials and fuel consumption in grid infrastructure projects. Estimates are based on life-cycle assessments (LCA) for grid infrastructure projects. We also use procurement data and spend-based emission factors to calculate emissions from indirect purchases.

Category 2, capital goods, is calculated mainly using activity data from our own ERP system for Category 2 – capital goods. Emission calculations here use EPDs[34], where available. For capital goods without EPDs, we use internal estimates based on raw material content. Emission factors are primarily obtained from the ICE database.

There is some uncertainty associated with the estimates, as we do not have specific emission figures from suppliers or projects. We will therefore work to obtain better emissions data from grid infrastructure projects and for purchased capital goods. Improvements in data quality may lead to changes in total emissions and the need for recalculations of emissions for previous years,

[31] High climate impact sectors are those listed in NACE Sections A to H and Section L (as defined in Delegated regulation - 2022/1288 - EN - EUR-Lex)

[32] Enterprise Resource Planning
[33] Department for Environment, Food & Rural Affairs
[34] Environmental Product Declaration

although in 2025, we have not carried out material recalculations.

Statnett reports on all material Scope 3 emission categories as defined by the GHG Protocol. No emissions are reported for Categories 8 to 14, as these are not material or not relevant given Statnett's business model. For Category 13, leased assets, we report emissions if the vessel Elektron I has been leased out during the reporting year.

For Category 15 (investments), Statnett uses supplier-specific Scope 1 and 2 emission factors. We do not include Scope 3 emissions in the total investment-related emissions due to high uncertainty in data quality. This results in some under-reporting, as including Scope 3 estimates from banks would yield higher emission figures.

We also report FLAG emissions in addition to the greenhouse gas inventory. This is based on land use data from our asset register, combined with emission data from the Norwegian Environment Agency. In line with SBTi methodology, FLAG emissions are discounted over a 20-year period. This means that emissions from current land use changes will affect reported emissions for the next 20 years, and that historical emissions from previous actions will be included in the total for the current year. We use the calculation methodology from NVE's guidance M-1941 to calculate emissions from grid facilities. Calculations are also made for emissions in the value chain. These are based on available EPDs where available, as well as estimates based on emission factors from the ICE database and ecoinvent.

Results – GHG inventory 2025

Statnett's total emissions increased by 22 per cent from 2024 to 2025. This is mainly due to an increase in the number of energised facilities compared with the previous year, which results in an increase in Scope 3 emissions.

We adopted our new climate targets at the end of 2025. We are therefore not reporting on target attainment this year, but it will be included from next year. Although the baseline year for the targets is 2023 and we have emissions data available back to that year, we only report on target attainment once the targets have been in effect for a full reporting year. In connection with the new climate targets, we have established both existing and new actions for emission reduction, and the real effect of these actions can only be assessed in next year's reporting.

Scope 1

Statnett's Scope 1 emissions originate from fossil fuel consumption in ships and company vehicles, as well as emissions of the extremely harmful gas SF_6, which is used as an insulating gas in electrical facilities. SF_6 emissions occur due to leaks in operational grid facilities or as a result of incidents during grid construction.

In 2025, there was a 30 per cent reduction in Scope 1 emissions. Much of this is due to a significant reduction in emissions from SF_6 leaks, where the total SF_6 leaks fell from 530 kg in 2023 to 361 kg in 2025. As of 31 December 2025, the inventory at facilities was 168,444 kg of SF_6, giving a leakage rate of 0.21 per cent in 2025. In 2024, the leakage rate was 0.30 per cent. This was somewhat higher due to improved reporting and control of SF_6 inventories in facilities and storage. The figure for 2025 is closer to normal levels, and we expect a reduction in total inventories as older facilities using SF_6 are phased out. We are also working to reduce leaks through better control and measurement of SF_6 in our installations. See the description of the relevant measure in Table 20, "Overview of actions completed or initiated in 2025".

Scope 2

The largest Scope 2 emissions originate from grid losses. In 2025, total grid losses measured in TWh decreased slightly compared with 2024. NVE's location-based emission factor is also lower compared with 2024. Together, this results in a 23 per cent reduction in our total Scope 2 emissions. This calculation is based on the NVE emissions factor for physically delivered electricity in Norway, which is 95 per cent renewable.[35]

[35] Norway's National Electricity Disclosure 2023. Where does the electricity come from? – NVE

Statnett is also required to report using the market-based method, where emissions from purchased electricity are calculated using NVE's emissions factor for the European residual mix, which has a higher emission value than the location-based method.[36] This is without guarantees of origin for renewable energy, since Statnett does not generally purchase guarantees of origin for its own consumption or grid losses. In addition to a moderate reduction in grid losses (measured in TWh), NVE's emission factors for market-based electricity have also decreased. This results in a 14 per cent reduction in market-based Scope 2 emissions. Statnett's total emissions under the market-based method (Scopes 1, 2 and 3) decreased by 11 per cent.

Scope 3

Currently, Statnett's Scope 3 emissions are primarily linked to the pace of grid expansion and the number of newly energised grid projects. In 2025, we saw an increase in total Scope 3 emissions of 63 per cent. This is mainly due to the number of newly energised grid facilities, which resulted in a 142 per cent increase in emissions in Category 2, capital goods, compared with 2024. The large variation is due to the very low number of energised facilities in 2024. We expect the number of energised facilities to increase in the coming years due to the higher pace of grid development in line with our transmission system development plan. There may, however, be some variation between years. We are also working to reduce emissions from grid development. See the actions in Table 20, "Overview of actions completed or initiated in 2025".

For Category 1, purchased goods and services, there has also been an increase in emissions of 82 per cent. This is mainly due to an increase in emissions from indirect purchases and emissions linked to fuel consumption in our projects. This is partly because, in line with guidance from the Norwegian Agency for Public and Financial Management (DFØ), we have chosen not to use biofuels in our projects. This therefore results in higher emissions compared with previous years, when several projects used biofuels.

FLAG

Due to the discounting of FLAG emissions over a 20-year period, annual FLAG emissions will only change significantly if there are major land use interventions or extensive new development. In 2025, we had somewhat increased development activity, which is reflected in an increase in our FLAG emissions, as illustrated in Table 25 below. The increase is limited, however, both due to the discounting over time and because several projects were carried out on so-called grey areas. Brownfield sites are areas already heavily affected by construction activity. An example is Hamang substation, which was established on a previously developed area. When new facilities are built in such areas, no new FLAG emissions are triggered.

Table 23: Greenhouse gas inventory

	2023	2024	2025	Change from previous year
Scope 1 GHG-utslipp				
Gross Scope 1 GHG emissions (tCO2eq)	**10 003**	**17 619**	**12 295**	**-30 %**
Percentage of Scope 1 GHG emissions from regulated	NA	NA	NA	NA
Gross Scope 1 GHG emissions from companies with operational control (tCO2eq)	NA	341	0	NA
Scope 2 GHG emissions				
Gross location-based Scope 2 GHG emissions (tCO2eq)	**57 467**	**44 012**	**33 685**	**-23 %**
Gross market-based Scope 2 GHG emissions (tCO2eq)	1 516 423	1 755 500	1 519 937	-13 %

[36] Electricity disclosure for electricity suppliers 2023, NVE.

Gross location-based Scope 2 GHG emissions from companies with operational control (tCO2eq)	NA	117	118	1 %
Gross market-based Scope 2 GHG emissions from companies with operational control (tCO2eq)	NA	4 657	5 343	15 %
Significant scope 3 GHG emissions				
Total gross indirect (Scope 3) GHG emissions (tCO2eq)	**119 936**	**69 330**	**113 331**	**63 %**
1. Purchased goods and services	12 438	12 739	23 151	82 %
2. Capital goods	88 451	25 337	61 214	142 %
3. Fuel- and energy-related activities (not included in Scope	960	1 286	977	-24 %
4. Upstream transportation and distribution	2 051	638	1 753	175 %
5. Waste generated in operations	483	1 929	2 707	40 %
6. Business travel	2 372	2 918	2 098	-28 %
7. Employee commuting	1 394	1 525	1 679	10 %
13. Downstream leased assets	249	0	369	NA
15. Investments	11 538	22 958	19 383	-16 %
Total GHG emissions				
Total GHG emissions (location-based) (tCO2eq)	**187 406**	**130 960**	**159 311**	**22 %**
Total GHG emissions (market-based) (tCO2eq)	**1 646 362**	**1 842 449**	**1 645 563**	**-11 %**

Table 24: Biogenic emissions (tCO2e)

Emissions per scope	2023	2024	2025	Change from previous year
Biogenic emissions Scope 1	0	0	0	NA
Biogenic emissions Scope 2	0	0	0	NA
Biogenic emissions Scope 3	2 363	423	62	-85 %
Total biogenic emissions	**2 363**	**423**	**62**	**-85 %**

Table 25 FLAG emissions (tCO_2e)

Emissions per Scope	2023	2024	2025	Change from previous year
FLAG emissions Scope 1	119 105	102 620	96 934	-6%
FLAG emissions Scope 3	402	72	292	306%
Total FLAG emissions	**119 507**	**102 620**	**97 226**	-5%

Emission intensity

Table 26: GHG intensity (tCO2e / MNOK)

GHG intensity per net revenue	2023	2024	2025	Change from previous year
Total GHG emissions (location-based) per net revenue	16	7	8	11 %
Total GHG emissions (market-based) per net revenue	142	101	82	-18 %

Table 27: Data quality in the GHG inventory

Percentage of data quality of total reported emissions	2024	2025	Change from previous year
Activity data from suppliers	23 %	23 %	NA
Estimates	77 %	77 %	NA

E2 Pollution

Pollution is a global driver of the nature crisis. It is also strictly regulated, and it is prohibited to pollute in Norway. Given Statnett's extensive construction activities and operations nationwide, there is an inherent risk of unintentional pollution. This may occur through particle runoff, chemical and fuel spills during the construction phase, as well as oil leaks from facilities during the operational phase. The consequences can be severe and long lasting for ecosystems, particularly when water resources are impacted. Therefore, preventing and managing pollution is critical to Statnett's environmental responsibility and sustainable operations. Two serious pollution incidents in 2025 highlight the need for continuous strengthening of barriers and preparedness related to pollution. Several of the actions carried out during the reporting year are described below. In this chapter, Statnett reports on relevant governing documents, indicators and targets related to pollution.

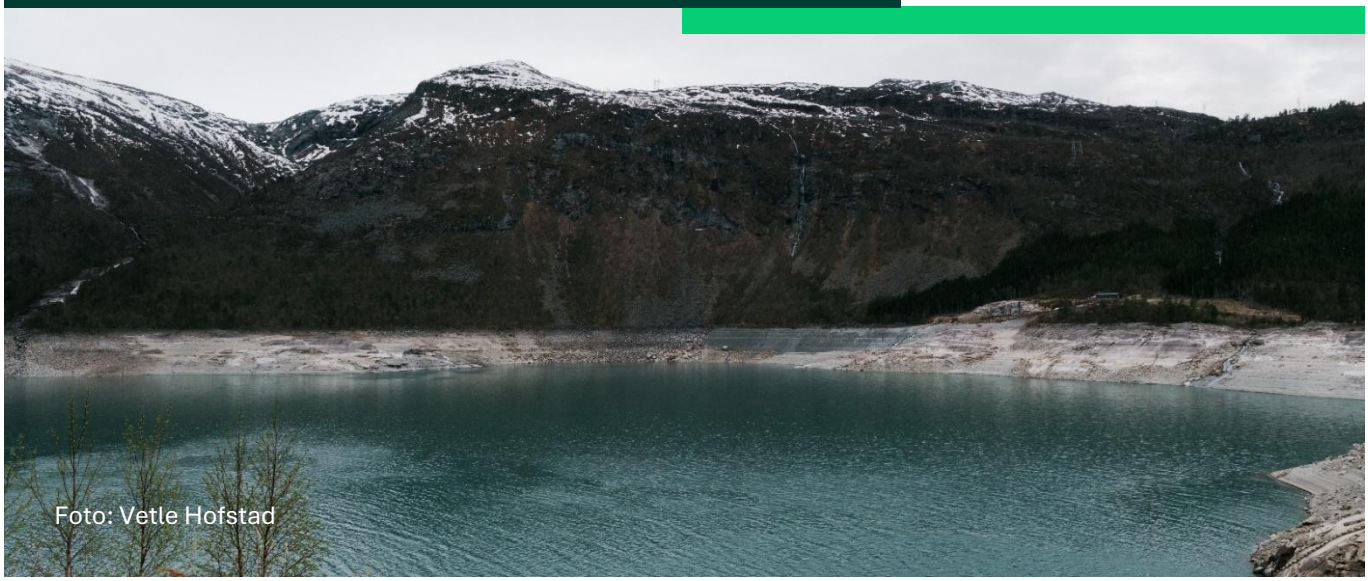


Foto: Vetle Hofstad

Material impacts, risks and opportunities related to pollution

For a description of the identified IROs, see Table 5 “E2 Pollution – material IROs” in Chapter ESRS 2.

The DMA process

For a description of the DMA process for E2, refer to the section on topic-specific IROs in Chapter ESRS 2.

Governing documents and guidelines related to pollution

Statnett has a number of governing documents which, to varying extents, relate to pollution. These are briefly outlined below. For further information about the company’s management system and governing documents, please see Chapter ESRS 2, and Table 13 “Our governing documents”:

- Ethical guidelines (Code of Conduct)
- Supplier Code of Conduct
- Sustainability policy
- Instructions for the handling of chemical substances
- Instructions for project-related environmental targets
- Procurement instructions
- Procedure for materials containing creosote

In addition to the above-mentioned documents, Statnett has a number of handbooks, templates and guides which ensure that our production units and construction projects comply with prevailing laws and requirements. All of the specified governing documents include sections on the reduction of pollution. Our Sustainability Policy formalises our commitment to reducing pollution from gases that are not greenhouse gases. The chemicals handling instructions describe the procedures that Statnett employs to avoid all types of chemical pollution events. The instructions also fulfil Statnett’s duty to evaluate the use of alternative, less harmful substances (principle of substitution). Furthermore, the instructions also require absorbent materials to be available in the immediate vicinity of chemical substances to limit leaks. If a pollution event cannot easily be dealt with locally, the matter must be notified in accordance with the emergency response plan, and the volume of the emission/discharge reported internally via the nonconformity management system.

The instructions for the handling of chemical substances apply to all substances which may be harmful to health or the environment, and there are separate procedures for materials containing creosote. Specific pollutants are not otherwise mentioned in Statnett’s governing documents.

In addition to prevailing statutory provisions, our activities are governed directly by the terms and conditions set out in our operating licences and permits.

Actions related to pollution

Table 28, “Overview of actions completed or initiated in 2025”, contains an overview of key actions we have implemented or plan to implement to address material IROs related to pollution.

None of the actions mentioned involves significant operational expenditures or investment costs.

Table 28: Overview of actions completed or initiated in 2025

Actions	Description and expected results	Related to the targets	Scope	Progress	Mitigation hierarchy (level)
Actions to prevent pollution	Statnett regularly checks components with environmental risks and carries out subsequent maintenance to avoid pollution. In 2025, we have, among other things: • Engaged an environmental inspector in a project as developer • Begun reviewing environmental inspection procedures in a project • Increased environmental inspection in projects • Had regular routine checks of transformers and diesel tanks • Established maintenance checks of cold transformers • Conducted sampling and monitoring of water supply during construction periods	Helps avoid major spills or other major environmental incidents	Own operations	Ongoing. Environmental inspection will take place annually on an ongoing basis throughout the project.	Levels 1–3
Preparedness for serious environmental incidents	Statnett has established physical and organisational actions to prevent unforeseen incidents, and to limit the extent of damage and ensure effective handling if they occur. In 2025, we have, among other things: • Placed oil-filled transformers in shafts connected to oil separators • Installed oil spill response equipment at all stations in the West operating area • Used specially adapted containers when replacing oil-filled components • Ensured that all generators are in collection tanks • Equipped machines with absorbent materials for rapid collection of oil spills	Helps avoid major spills or other major environmental incidents	Own operations	Ongoing Oil spill preparedness and collection tanks have been completed.	Levels 1–2

Actions	Description and expected results	Related to the targets	Scope	Progress	Mitigation hierarchy (level)
Improve practices and procedures to reduce pollution	Statnett is changing working methods, purchasing practices and operating procedures to reduce the risk of pollution. In 2025, we have, among other things: • Reduced the use of pesticides • Increased the use of electric vehicles • Used silt curtains and sedimentation basins to prevent particle runoff • Ensured that polluting materials are treated without spreading contamination • Accelerated the emptying of cold transformers that can remain without oil	Helps avoid major spills or other major environmental incidents	Own operations	Ongoing. Emptying of old transformers has been completed.	Levels 1–2

None of the actions mentioned involve significant operating and/or investment expenses.

Targets related to pollution

Our goal is for no major emissions or other serious environmental incidents to be caused by our day-to-day operations or construction activities. In 2025, we had two such pollution-related incidents.

Our goal is in line with the commitment enshrined in our sustainability policy, which has been prepared to prevent and mitigate pollution in our operations. It also aligns with cutting-edge research into the connection between pollution and loss of biodiversity. The term “major emission” is defined here as an emission event classified as category red in Statnett’s nonconformity management system, pursuant to the company’s risk matrices. In other words, an event which results in “harm to valuable nature or environments with a recovery time in excess of 10–20 years”. All incidents are reported immediately, while code red incidents are reported externally on an annual basis. The figures are drawn from Statnett’s nonconformity management system at the close of the year.

The goal has no predefined benchmark or final year, but will apply for as long as Statnett’s activities involve a risk of pollution.

Pollution in excess of the permitted levels is illegal and must be avoided. Reduction targets are therefore unsuitable for the management of pollution at Statnett.

Where licences contain specific terms and conditions or emission permits contain threshold values, Statnett verifies that emission levels stay within the parameters set. Relevant threshold values vary geographically and in light of the risk of pollution that the various substances represent. The different threshold values are proposed by Statnett and determined by the County Governor. Where the risk relates to water pollution, for example, compliance with threshold values is measured by testing samples drawn from both treated wastewater and the emissions recipient.

Pollution metrics

Potential sources of pollution from Statnett include emissions to water from transformer substation oil separators, tunnel drilling operations and other major construction projects. Statnett had two such emissions in 2025.

The pollution incidents at Hamang and Stokkeland

In connection with a break-in at the disused transformer substation at Hamang, a hatch on a transformer was opened, and approx. 69,000 litres out of a total of 88,000 litres of transformer oil leaked out, based on the remaining amount of oil in the transformer. The oil followed the surface-water system, and members of the public reported seeing a film of oil in the Sandvik river, which triggered an alert to the fire brigade. Statnett was notified on 16 March 2025 and immediately took action to stop the leak and limit its environmental damage. The source was quickly identified, pump trucks were mobilised and booms were deployed in the river. 55,500 litres of oil were collected in the first few days and a further 9,100 litres between then and June 2025. The remaining oil was restricted to the fill under and around the transformer plate. Consequently, we know both how much initially leaked, and that all significant amounts of oil were contained and removed using booms, or removed as contaminated soil from around the transformer. The contaminated soil was tested. Oil (aliphatics > C12–C35) above the acceptance criteria was detected, and materials above the acceptance criteria were removed. A total of 1,825 tonnes of material were excavated and taken to approved reception facilities. The cleanup was completed in December 2025.

On 14 December 2025, Statnett was notified by members of the public about possible emissions from the old Stokkeland substation. The transformer at Stokkeland was decommissioned in autumn 2025. The substation is located near Lake Stokkelandsvannet, which has the status of a wildlife conservation area. The cleanup was implemented quickly, and an external biologist and ornithologist have been engaged to assess the environmental consequences. The spill is estimated to be

a maximum of 3,000 litres of transformer oil[37]. The leak was brought under control quickly but work to secure the area will continue throughout 2026.

Pollution from oil separators

As Statnett has identified major undesired pollution incidents as an impact, the E2 standard is material. E2 requires the reporting of quantity data from both acute incidents and regular pollution, although Statnett has not identified the latter as a material impact.

This year we have estimated the amount of regular pollution from oil separators. Statnett's transformers are located in open transformer cells with pits that can collect all oil in the system and any firefighting water in the event of leaks/accidents. Any rainwater collected by the shafts normally flows out via an oil separator. In the event of unwanted incidents, a valve between the pit and the oil separator is automatically closed, so that oil and water remain in the pit. All oil separators and shut-off valves are inspected annually, and where the discharge goes to a public sewer, a discharge permit and sampling are required. A permit may also be required for infiltration into vulnerable areas. As of December 2025, Statnett had 170 oil separators in operation, of which 160 are associated with transformer cells. Around 15 per cent (25 of the oil separators) are subject to annual sampling. Based on measured oil concentration and estimated water volume (calculated from shaft sizes and local annual precipitation), annual emissions can be calculated.

The analyses show an average emission of 0.64 litres of oil per oil separator per year. For 160 oil separators, this equates to 102.4 litres annually. If the 25 sampled units are representative of all of Statnett's 198 substation installations, a total annual emission of 127 litres of oil is estimated for the 198 locations.

[37] The estimate is an approximation based on the observed difference in the level in the four oil pits (estimated at 2 cm). The area of the oil pits is approximately 150 m^2. 150 m^2 × 2 cm = 3 m^3, or 3,000 liters. Final documentation of the collected amount of oil is not yet available.

E4 Biodiversity and ecosystems

Nature is the basis of value creation in society. The development of power infrastructure is one of the drivers behind the loss of undisturbed nature. Statnett therefore has both a responsibility and an opportunity to take a leading role in the work of safeguarding nature. The holistic transition plan we have prepared in 2025 includes our work with nature and work on the mitigation hierarchy. In 2025, we have continued our commitment to work with nature, including systematising the work of setting targets and implementing actions in the projects in line with the mitigation hierarchy. Furthermore, as part of our work to gain better insight into environmental impacts in the value chain, we have launched a pilot for traceability in the steel value chain. In this chapter, Statnett reports on how biodiversity and ecosystems are taken into account in the company's strategy. This chapter also covers relevant governing documents, actions, metrics and targets.

Foto: Isabel Haugjord

Biodiversity and ecosystems in the transition plan, strategy and business model

Statnett impacts ecosystems in the areas in which it builds and operates power transmission facilities. We also have an indirect impact on the areas in which our materials are extracted and manufactured, and where the electricity Statnett transmits is generated. Significant matters relating to biodiversity and ecosystems are discussed by Statnett's Group management and Board.

Environmental impacts represent both risks and opportunities for Statnett. In connection with our double materiality assessment (DMA), these risks and opportunities were identified through the application of the well-reputed Locate, Evaluate, Assess and Prepare (LEAP) approach, which has been developed by the Taskforce on Nature-related Financial Disclosures (TNFD). This approach involves the structured identification, assessment and reporting of companies' interactions with nature. It is a useful tool to ensure that our business model and strategy are able to handle material nature-related impacts, risks and opportunities.

The findings from the LEAP analysis have been incorporated into Statnett's strategy, which makes it clear that we will establish our target grid in a way that preserves nature in the value chain, avoids and minimises impacts wherever we build, and minimises our use of space.

Statnett has decided to base its efforts to minimise impacts on biodiversity on the mitigation hierarchy. Going forwards, all projects must document their use of the mitigation hierarchy at decision-making points.
The mitigation hierarchy means that we will, in the following order, strive to:

1 Avoid:

- Adverse impacts on especially vulnerable and valuable nature
- The fragmentation of large contiguous areas of nature

2 Minimise:

- The use of land and materials and adverse impacts on nature

3 Restore and compensate/offset:

- Habitat loss and the areas of nature impacted by projects and operations

In 2025, Statnett has developed a holistic transition plan that includes nature and work on the mitigation hierarchy. The plan addresses key objectives of the global Nature Agreement, particularly overarching goals A and B, which concern maintaining, restoring and creating interactions with nature, and several targets relating to the reduction of threats to biodiversity, such as targets 1, 2, 3, 6 and 7. The transition plan sets the pace and direction for Statnett's work to safeguard nature while expanding the electricity grid in Norway.

It addresses impacts in our own operations effectively through the mitigation hierarchy and established management mechanisms. The challenges primarily relate to our upstream value chain, where the lack of location-specific data makes it difficult to assess and prioritise impacts on nature with a sufficient level of precision. To address this, we are initiating pilot projects and are in continuous dialogue with our key suppliers. The goal is to jointly define an appropriate level of information that enables us to identify, monitor and reduce material impacts in the value chain.

We believe that Statnett's updated strategy and the integration of nature in its transition plan make the company better equipped to manage its most material impacts, risks and opportunities related to biodiversity and ecosystems. Read more about the scope and assumptions underpinning the analysis, as well as identified impacts, risks and opportunities, in Chapter ESRS 2.

All of Statnett's major activities are subject to public permits, with associated processes for the involvement of local communities and affected stakeholders. Through consultation processes and dialogue meetings, Statnett receives feedback on how its impact on affected stakeholders, including Indigenous peoples, and nature may be reduced. Read more about stakeholder involvement in Chapter S3 – Affected communities.
For all development projects, we must state how we safeguard biodiversity through a detailed plan. The more valuable a natural area is, the stricter the requirements

Statnett faces. The authorities will specify which natural assets or aspects are to be protected and Statnett will propose mitigation actions that must be approved by the regulatory authority before permission is granted.

Material impacts, risks and opportunities related to biodiversity and ecosystems

For a description of the identified IROs, please see Table 6 “E4 Biodiversity and ecosystems – material IROs” in Chapter ESRS 2.

Material sites and impacts on species

Sites

Statnett’s overview, shown in Table 29 “Material sites”, includes:

- The four power lines that affect the most protected areas or proposed protected areas (more than 100 m^2)
- The five power lines that affect the largest number of areas with a high or extremely high conservation value (more than 100 m^2)
- The five transformer substations that occupy the largest percentage of valuable nature
- Transformer substations in protected areas and proposed protected areas

Table 29: Material sites

Sites		No. of protected areas	Areas of high/extremely high conservation value, no. (power line corridors), per cent (substations)	Conservation value/purpose of protection in the affected area
Power line corridors	Honna - Arendal	5		Forest protection
	Kvilldal - Rjukan	5		Nature reserve, landscape, biotope and fauna protection
	Rendalen-Fåberg	4		Forest and birdlife protection
	Røykås - Fåberg	4		Nature reserve
	Rød - Hasle		60	Beech forest with forbs, hollow oak trees, healthy deciduous forest with forbs etc
	Skibotnen - Balsfjord		48	Floodplain forest, lime-rich birch forest, natural pastures etc
	Hof - Tveiten		36	Healthy deciduous forest with forbs, deciduous forest with forbs, beech forest with forbs etc
	Bamle - Porsgrunn		31	Lime-rich deciduous forest, lime-rich coniferous forest. Lime-rich pine forest etc
	Balsfjord - Skillemoen		28	Ancient grey alder forest with tall forbs, lime-rich birch forest
Substations	Bjørnevatn	1		Mammals and birds
	Kirkenes	1		Mammals and birds
	Fagrafjell		28,42 %	Coastal heathland
	Sykkylven		2,84 %	Intact upland heath
	Førre		0,74 %	Coastal pine forest
	Bærum		0,64 %	Open calcareous grassland
	Steinsland		0,26 %	Floodplain forest

At present, Statnett’s assessment of vulnerable areas is restricted to Norway. Efforts have been implemented to improve Statnett’s overview of its suppliers, which in time will enable an assessment of material sites in the value chain.

Statnett has infrastructure installations in vulnerable and valuable nature. However, the extent of its impact differs depending on the type of nature concerned. See the following paragraphs on flora and fauna for a description of Statnett's impact on various vulnerable and valuable areas of nature.

Impacts on species

Statnett's power line corridors, substations, cables, operating and construction activities all impact the natural environment. This impact varies between habitats and over the course of the infrastructure's lifespan.

Flora

Power lines have relatively little impact on vegetation, with the clearing of corridors and construction of pylons being the most intrusive interventions in the natural landscape. Only a small amount of land is directly occupied. In open landscapes, any impact on the vegetation will be minor and local. In forested areas, however, the power lines will require the felling of trees along the corridor, with clearance belts dimensioned to individual requirements. This may affect both robust and endangered species. The impact of such changes will depend on the type of forest through which the power lines pass, and the plant species to be found there.

Almost all projects affect forests of one kind or another. In Norway, two types of forest are critically endangered (calcareous deciduous forest and olivine forest), while seven types are classed as vulnerable. A large number of rare and endangered species (cryptogams, fungi and vascular plants) live in these types of forest. Due to the limited data available in Norway (only a small area has been fully surveyed), the extent to which existing power lines have traversed and still traverse such habitats is unclear. New projects seek to avoid impacting vulnerable and valuable areas.

Statnett may also contribute to the spread of non-native species, mainly in connection with operational and development activities. In operations, the risk of dispersion is primarily determined by the location of the substations and the dispersal biology of the species, since dispersion primarily occurs through the plants themselves spreading naturally. In development projects, excavation work and the movement of large volumes of soil in particular pose a significant risk of dispersion. In addition, machines may carry fragments of plants and seeds to new areas when being driven. Lupin species, red elderberry, warty cabbage, wintercress, knotweed species, aster species, fringed willowherb, goldenrod species, medlar species, touch-me-not species, spiraea species, giant hogweed and Persian hogweed are non-native species with a high or very high risk of dispersion that have been detected at Statnett's substations.

Statnett's substations also result in soil sealing, which is considered a permanent reduction in the quality and properties of the soil.

Fauna

A number of bird species may be adversely impacted by Statnett's facilities. Birds that collide with overhead power lines risk injury or death. The likelihood of collisions depends on species-specific characteristics and behaviours, as well as the visibility and positioning of the power lines in the terrain, the type of pylons used and whether an earth wire has been installed.

A number of bird species are prone to colliding with power lines, such as landfowl, ducks, owls and birds of prey. A total of 21 such species in these categories are red-listed. Of these, two are critically endangered, one endangered and seven near threatened. The lesser white-fronted goose (*Anser erythropus*) is one of the critically endangered species that Statnett is striving to protect and safeguard during the construction of a new power line between Skaidi and Lebesby. Mitigation actions that increase visibility, such as bird deterrents on the earth wire, can reduce the risk of collision.

Power lines may also have an adverse impact through Statnett's land acquisition, or impact on nesting areas or other important functional areas.

During the construction phase, the presence of people, noise from construction equipment and helicopters, and light pollution may adversely impact species. This has, for example, been documented for wild reindeer, which are recognised as "near threatened". Almost all of Europe's

wild reindeer live in Norway, which makes it a species for which Norway has a national responsibility.

Statnett seeks to avoid construction work at critical times of the year. This includes the breeding, nesting and calving seasons for vulnerable and endangered species. We also participate frequently in research projects to identify impacts on various species.

The establishment of power line corridors in commercial forests with little biodiversity could lead to more light reaching the ground, allowing the understory to flourish and encouraging the presence of pollinators and other insects. For some deer species, deciduous trees growing in the power line corridors constitute an important source of food.

The DMA process

A description of the double materiality assessment (DMA) process for E4 may be found in the section concerning topic-specific IROs in Chapter ESRS 2.

Governing documents and guidelines for biodiversity and ecosystems

Statnett has a number of governing documents which, to varying extents, relate to biodiversity and ecosystems. These are briefly outlined below. For further information about the management system and governing documents, please see Chapter ESRS 2 and Table 13 “Our governing documents”:

- Ethical guidelines (Code of Conduct)
- Supplier Code of Conduct
- Sustainability policy
- Supply chain policy
- Instructions for project-related environmental targets
- Instructions for motorised transport in uncultivated landscapes and watercourses
- Engineering standard for forest clearance

Statnett’s sustainability policy addresses in broad terms the company’s material contributions to the drivers of the nature crisis: changes in land and sea use, pollution, harmful non-native species, impacts on species and the scope and condition of ecosystems, and impacts and dependence on ecosystem services. The guidelines formalise our commitment to minimising impacts on biodiversity.

The instructions for project-related environmental targets further operationalise these contributions and describe how the mitigation hierarchy must be applied to avoid and reduce adverse impacts. While the instructions for motorised transport in uncultivated landscapes and the technical standard for forest clearance cover several of the previously mentioned drivers, they apply to more specific types of nature and work processes.

The specified documents cover all of Statnett’s material impacts to a greater or lesser extent. They also cover transitional risks identified in the DMA. This is because they help to reduce Statnett’s environmental footprint and adverse impacts on biodiversity, and therefore related transitional risks.

The supply chain policy is intended to promote sustainable solutions and reduce adverse impacts on the climate, nature and environment. Sustainability and safety must be reflected in all procurements, including a value chain perspective. Apart from these principles, Statnett does not currently have any governing documents that contribute to the traceability of products with a negative environmental footprint or help the company to select suppliers that make a positive contribution to biodiversity and ecosystems. Efforts to intensify the follow-up of suppliers with respect to biodiversity and ecosystems are ongoing.

To some extent, the instructions for engagement and dialogue with Indigenous peoples address how the loss of biodiversity and ecosystem services impacts individuals and communities. The Supplier Code of Conduct requires that natural resources be exploited in a sustainable fashion and not contribute to their depletion or the loss of local livelihoods. This may, for example, result from the seizure of large areas of land or other natural resources belonging to Indigenous people or marginalised population groups.

The sustainability policy and the Instructions for project-related environmental targets state that Statnett must avoid adversely impacting vulnerable and valuable nature, and apply the mitigation hierarchy to reduce its impact on known aspects of natural value.
The instructions also make clear which areas of nature linked to Statnett are considered vulnerable and valuable.

The instructions and standards related to E4 contribute to more sustainable use of both land and sea. Although the supply chain policy does not address deforestation directly, it does require suppliers to ensure the sustainable extraction of resources and management of both fresh and salt water, forest and other landscapes, as well as the preservation of biodiversity.

Actions related to biodiversity and ecosystems

Table 30 “Overview of actions completed or initiated in 2025” contains an overview of key actions that we have implemented or plan to implement in order to address material IROs related to biodiversity and ecosystems.

None of the key actions in the reporting year involves the offsetting of natural environments or sites. None of the actions mentioned involves significant operational expenditures or investment costs.

All of the actions are temporary development projects. However, the objective is to integrate the resulting tools and methods in Statnett’s processes.

Table 30: Overview of actions completed or initiated in 2025

Actions	Description and expected results	Related to the goal	Scope	Progress	Mitigation hierarchy (level)
Environmental courses	Statnett conducts training for employees and associates in environmental objectives in KVU, projects and operations. The objective is to improve reporting, goal achievement relating to the mitigation hierarchy, and solution choices	Contributes to complying with the mitigation hierarchy	Own operations	Ongoing	Levels 1–4
Strategic land use	Statnett implements actions that involve conscious choices in land use to reduce the impact on nature and ecosystems. In 2025, we have, among other things: • Pilot-tested methodology for project-based environmental accounting developed together with members of Renewables Norway • Used brownfield sites for new substations • Rejected land selection based on nature considerations • Mapped potential areas of environmental conflict in the early phase • Co-located development with other infrastructure Limited size of facility	Helps to avoid vulnerable and valuable nature, avoid fragmentation of large, continuous areas of nature and limit land and material use and negative impact on nature	Own operations	Ongoing pilot test and mapping of conflict areas at Lillehammer–Gran; Blåfalli–Maruanger–Samnanger is completed	Levels 1–2

Actions	Description and expected results	Related to the goal	Scope	Progress	Mitigation hierarchy (level)
Seasonal adjustment of project work and operations	Statnett implements actions that reduce environmental impact by adapting operations, maintenance and development to seasons and periods where they will have the least or no negative impact. Examples of this include: • Postponing maintenance until winter to use snowmobiles rather than other means of transportation that cause more damage to nature and the terrain • Performing noisy work outside breeding periods where vulnerable species are known to exist Special considerations for travel in areas with wild reindeer by agreement with the authorities	Helps to limit negative impact on nature	Own operations	Ongoing seasonal adjustment at Finse has been completed	Level 2
Gentle transport solutions	In Statnett's projects, actions are being implemented to reduce damage to terrain and nature by using more gentle transport methods. Examples of methods and actions are: • Tracks on ATVs instead of wheels • Environmental inspector employed in project • Electric bikes instead of ATVs • Restricting off-road driving to along existing tracks only, if possible • Using drones in maintenance, inspections and project work • Using a helicopter if a significant amount of equipment needs to be transported, rather than land transport that damages the terrain • Starting the project with the principle of bog protection Changing technical implementation (e.g. machinery)	Helps to avoid, limit and reduce negative impacts on nature in projects and operations. Electric bicycles have not yet been introduced	Own operations	Ongoing The maintenance programme, gentle off-road transport in several projects, and bog protection in Sauda are complete	Levels 1–2 (environmental inspector applies to all levels)

Actions	Description and expected results	Related to the goal	Scope	Progress	Mitigation hierarchy (level)
Nature considerations in projects	Statnett has its own actions directly aimed at protecting nature in areas affected by operations and development. In 2025, we have, among other things: • Mapped substations with non-native species and adapted operations to prevent dispersion and to control them • Started combating invasive plant species (lupins, giant hogweed and Japanese knotweed) Actions to prevent collisions with wild animals	Helps to avoid, limit and reduce impact on nature in projects. No actions have yet been taken to prevent collisions with wild animals	Own operations	Ongoing	Levels 1–2
Repair and restoration	Statnett is working for nature-positive grid development to help achieve the goals of the Nature Agreement. In 2025, we have taken several actions to: • Restore stream flow • Rehabilitate/restore/revegetate temporary construction areas and landfills • Stored topsoil for use in land consolidation and restoration • Reduced vegetation clearing and limited forest clearing Established flower meadows	Helps restore and compensate for nature and habitat loss from projects and operations	Own operations	Ongoing	Levels 1–4
Better utilisation of existing grid	The best thing Statnett can do to protect nature is to ensure optimal utilisation of the existing grid. In 2025, examples of this include: • Constructing stronger pylons for a possible future line between Isfjorden and Fannefjorden Raising the lines 1.5–2 m with hanging chains that reduce the need for terrain removal	Helps to limit and reduce land and material use. Raising the lines has not yet been implemented.	Own operations	Ongoing	Level 2
Pilot on traceability in the steel value chain	Statnett is working to improve knowledge of impacts on nature in the value chain. In 2025, we did the following: Conducted a pilot on traceability in the steel value chain		Upstream	Ongoing	Levels 1–2

Targets related to biodiversity and ecosystems

Statnett has set a target for all major projects[38] in Norway to document compliance with the mitigation hierarchy by the end of 2026. Statnett will work systematically to reduce adverse impacts on nature and will increase its level of ambition in the longer term. This target encompasses all of Statnett's direct impacts on ecosystems and biodiversity in its own operations as it covers the entire mitigation hierarchy, which seeks to avoid, minimise, restore and offset adverse impacts on nature. Indirectly, it therefore also addresses transitional risks related to the degradation of nature.
Ecological thresholds and nature offsets were not used in relation to the target, the target has no benchmark year, and only internal stakeholders have contributed to the development of the target.

The target aligns with Statnett's sustainability policy and the Instructions for project-related environmental targets. It also supports the leading scientific consensus that the best way to promote biodiversity is to avoid and reduce our impacts. This is reflected in international goals for the systematic integration of nature-related considerations in planning processes, especially as expressed in the Kunming-Montreal Global Biodiversity Framework (GBF)[39] and Norway's follow-up of this framework[40] .

The mitigation hierarchy provides a structured approach to avoiding, minimising, restoring and offsetting adverse impacts on biodiversity. This is in line with the GBF's goal of halting and reversing the loss of biodiversity by 2030. Systematic application helps to operationalise several of the GBF's objectives, including the protection of particularly important areas of nature, the restoration of degraded ecosystems and the sustainable harvesting of biodiversity.

Table 31: Biodiversity and ecosystem targets

100 per cent of major projects to document compliance with the mitigation hierarchy by the end of 2026	2025	Unit
	71,4	%

The target achievement of 71.4 per cent shows that we are well on our way to achieving our target.
Close monitoring of current projects, as well as environmental courses for project participants, has worked. Target achievement is obtained from Statnett's project management tool annually. It is measured as the number of projects with phase change that have documented compliance with the mitigation hierarchy, measured against the total number of projects with phase change in the reporting year.

Biodiversity and ecosystem metrics

In addition to reporting on the integration of the mitigation hierarchy and its continued efforts to meet other quantitative targets, Statnett will systematically report on a number of metrics to ensure transparency and the sharing of knowledge about its own impacts and efforts to preserve biodiversity.

The metrics shown in Table 32 "Biodiversity and ecosystem metrics" reflect Statnett's most material impacts. These metrics have been chosen to quantify Statnett's impact on vulnerable and valuable nature, habitat fragmentation, the spread of non-native species and general impact on nature. A potential weakness of the metrics is that they reflect the company's presence in various types of nature rather than its actual impact on these ecosystems. Furthermore, because the metrics measure the status of new energised facilities in the reporting year, it will take time for the effect of any actions implemented to become measurable. The figures in Table 32 and Table 33 have not been validated by an independent third party.

[38] Major projects cover the relevant project groups in the Grid Infrastructure Portfolio, including 'new capacity and renewal.
[39] Target no. 1 in the Kunming-Montreal Global Biodiversity Framework (GBF): Ensure that all areas are under participatory, integrated and biodiversity-inclusive spatial planning and/or effective management processes addressing land and sea-use change, to bring the loss of areas of high biodiversity importance, including ecosystems of high ecological integrity, close to zero by 2030, while respecting the rights of Indigenous peoples and local communities.
[40] Norwegian action plan for biodiversity, p. 79: The government of Norway will continue its efforts to develop a template and official guidance to highlight the trade-offs that have been made between the different levels in the mitigation hierarchy and the consequences these choices have had.

See Table 32 “Infrastructure land use in vulnerable and valuable nature” for an overview of the amount of land used by Statnett’s infrastructure in vulnerable and valuable nature, including wild reindeer habitats.

This information is based on various map data from Naturbase, Statnett’s own map database, and Geonorge, the national website for map data and other location information in Norway. Statnett downloads data from public map services. Our analyses are based solely on the information contained in the database when it is downloaded. Updated and subsequently entered data in map databases will only apply from the next download and analysis. Data is validated by the owners of the relevant data sources and reported by in-house experts. The land statistics have been automated this year, and the figures therefore differ somewhat from those of the previous year. Going forwards, automation will ensure comparability over time.

Table 32: Biodiversity and ecosystem metrics

Metrics	2024	2025	Unit
New energised infrastructure in intervention-free nature	0	0	km^2
Proportion of total land use in intervention-free nature	0	0	%
New energised infrastructure in vulnerable and valuable nature	0,033	1,360	km^2
Proportion of total land use in vulnerable and valuable nature	3	61	%
New power line corridors laid parallel with other infrastructure	26	41,9	km
Proportion of new power line corridors laid parallel with other infrastructure	100	53	%
No. of substations where actions have been implemented to combat non-native species	1	0,0	No.
Area restored	0	0,1	km^2
Forest area restored	0	0,030	km^2
No. of serious environmental incidents	1	2*	Incidents

*In addition to two red pollution incidents, Statnett recorded six yellow incidents related to breaches of licence conditions concerning land-use boundaries

Table 33: Infrastructure land use in vulnerable and valuable nature

Vulnerable and valuable nature	Type	Power line corridors		Pylons (Direct)				Subsea cables	
		No.	Hectares	No.	Hectares	No. on organic ground[29]	No. on hard ground[30]	No.	Hectares
Protected areas[31]	Nature reserve	108	479,87	385	10,01	311	74	4	0,04
	Landscape protection area/animal protection	11	279,05	268	2,59	22	246		
	Habitat protection (game)	10	261,48	269	2,11		269		
	Landscape protection area	10	163,30	208	2,52	39	169		
	Animal protection	13	105,03	20	0,48	81	170		
	Landscape protection area/ plant protection	3	50,69	48	0,38		48		
	Animal protection area	10	29,13	251	3,86	15	5		
	Landscape protection area/habitat protection	1	14,21	12	0,09		12		

	Marine protection area	2	2,68					9	5,23
	Cultural heritage site	1	0,01						
	National Park	1	0,00						
	Total	**170,00**	**1 385,44**	**1 461,00**	**22,04**	**468,00**	**993,00**	**13,00**	**5,27**
International Union for Conservation of Nature (IUCN) protected area categories	IUCN-Ia	108	479,87	385	10,01	311,00	74		
	IUCN-II	1	0,00						
	IUCN-III	1	0,01						
	IUCN-IV	35	634,56	617	5,64	37,00	580		
	IUCN-V	10	163,30	208	2,52	39,00	169	4,00	0,04
	Protected area not assessed in accordance with IUCN criteria	15	107,71	251	3,86	81,00	170		
	Total	**170**	**1 385,44**	**1 461**	**22,04**	**468**	**993**	**4**	**0,00**
Proposed protected areas	Marine protection area	5	57,90						
	National Park	1	0,04					6	11,66
	Nature reserve	19	59,01	79	1,29	33	46		
	Total	**25**	**116,95**	**79**	**1,29**	**33**	**46**	6,00	12,00
Extremely high value	Coastal heathland	109		215	2,42	40	175		
	Floodplain forest	29		13	0,21	13			
	Pasture (natural)	16		10	0,11	8	2,00		
	Pasture (mown grass/bogland)	6		10	0,31	10			
	Pasture (mown)	26		7	0,14	7			
	Boreal heath	2		7	0,05				
	Lime-rich birch forest	4		7	0,17	7	7,00		
	Other areas of extremely high value	218		27,00	0,34	25	2,00		
	Total	**410**		**296**	**3,75**	**110**	**186**		
High-value	Pasture (natural)	105		53	1,05	45	8		
	Rich deciduous forest	42		38	0,95	35	3		
	Gully terrain	18		38	0,89	36	2		
	Calciferous mountain areas	105		60	0,74	12	48		
	Other valuable areas of high value	741		288	5,48	217	71		
	Total	**1 011**		**477**	**9,11**	**345**	**132**		
National, regional and locally important marine habitats	Soft-bed areas in the littoral zone							4	1,04
	Fjords with naturally low-oxygen content in the bottom water							1	2,15
	Shell sand deposits							1	0,34
	Large-scale scallop beds							3	0,81
	Large-scale kelp beds							3	0,80
	Eelgrass meadows and other subsea meadows							1	0,06

	Total							13	5,21
Wild reindeer	Habitat	81	5 133,88	4 446	54,16	835	3 611		
	Total	**81**	**5 133,88**	**4 446**	**54,16**	**835**	3 611		

[29)] Forest, bog and farmland

[30)] Land that is neither bog nor farmland, forest or used for buildings/transport infrastructure

[31)] Four new protected areas related to forest conservation were established in 2025 where Statnett's power lines were already installed

E5 Resource use and circular economy

As Statnett is responsible for critical infrastructure, it has considerable influence on how we manage resources and facilitate a circular economy. The choices we make – from project planning to material procurement and waste management – affect our resource flows and have direct consequences for our environment. Resource use and the circular economy therefore represent both great opportunities and complex challenges.

We have a responsibility to reduce our resource consumption and contribute to more circular material flows. This is a priority area for Statnett, and we are working hard to integrate circular-economy principles throughout the value chain, from procurement to disposal. In 2025, we have implemented actions to reuse materials and equipment, which contributes to extended lifespan and reduces the need for new resources.

In this chapter, we report on relevant governing documents, targets and actions relating to resource use and the circular economy. We also provide an overview of the composition of our incoming and outgoing resource flows – that is, material procurement and waste, respectively – and how these develop over time.

Foto: Vetle Hofstad

Material impacts, risks and opportunities related to resource use and the circular economy

For a description of the identified IROs, see Table 7 “E5 Resource use and circular economy – material IROs” in ESRS 2.

The DMA process

A description of the double materiality assessment (DMA) process for E5 may be found in the section concerning topic-specific IROs in Chapter ESRS 2.

Governing documents and guidelines for resource use and the circular economy

Statnett’s sustainability policy currently addresses the circular economy and emphasises that we will contribute to sustainable resource use through our choice of technology and circular solutions. Several governing documents operationalise this further through general principles for sustainable procurements. Our supply chain policy and the Instructions for procurement at Statnett ensure that we take the climate and environment into account in our procurement processes. These are briefly discussed below.

For further information about the management system and governing documents, please see Chapter ESRS 2 and Table 13 “Our governing documents”:

- Sustainability policy
- Supply chain policy
- Instructions for procurement at Statnett
- Instructions for waste management
- Instructions for project-related environmental targets

Statnett manages its waste in accordance with a waste management hierarchy. The planning, construction, operation and demolition of buildings and facilities is implemented in a manner that results in the least possible impact on natural resources and the external environment. Waste must therefore be reduced and materials reused before being recycled into new materials or used for energy recovery.

Actions related to resource use and the circular economy

Table 34 “Overview of actions completed or initiated in 2025” presents key actions that we have implemented or plan to implement to address material IROs related to resource use and the circular economy.

None of the actions mentioned involves significant operational expenditures or investment costs.

Table 34: Overview of actions completed or initiated in 2025

Actions	Description and expected results	Related to the goal	Scope	Progress	Waste management hierarchy
Reuse of materials and equipment	Statnett is implementing actions to extend the lifespan of materials and equipment, either through internal reuse or resale: • Internal reuse of diesel generators and transformers • Resale of equipment and components to other grid companies • Reuse of emergency pylons • Reuse of office equipment When taking over older facilities from other parties, components and system parts are reused	This will help to reduce resource use and environmental impacts by prolonging the lifespan of components and reducing the need to extract new resources	Own operation throughout Norway, as well as abroad through sales to other TSOs	Performed regularly	This contributes to reuse
Reuse of resources	Statnett is implementing actions to reduce environmental impact through the reuse of materials and the use of local resources: • Surplus materials are reused rather than being sent to landfill Local stone is used for river revetment and walls	This reduces the use of quarries and transport. Using stones also avoids the use of concrete	Own operations	Performed in relevant projects	This contributes to reuse
Responsible waste management	We have a framework agreement for waste management, which covers hazardous waste. In development projects, checks are performed to ensure that the waste is handled in accordance with instructions and the project-specific waste management plan	This helps reduce Statnett's use of materials, as well as its environmental impacts	Upstream and in own operations	This procedure is used in all Statnett's projects	Contributes to all steps of the waste management hierarchy

Actions	Description and expected results	Related to the goal	Scope	Progress	Waste management hierarchy
Follow-up of recycled steel in procurements	In 2024, we used a 40 per cent weighting on environmental matters when choosing suppliers in procurements, of which 20 per cent was the share of recycled steel. In 2025, we began work on following up on contract requirements, as well as establishing better documentation and reporting of the share of recycled steel included in the various deliveries	We do not currently have separate targets related to circular resources. The actions relate to Statnett's sustainability and supply chain policies	Upstream	Ongoing	Contributes to materials recycling

Targets related to resource use and the circular economy

Targets related to waste

Statnett has a target to sort 90 per cent of the Group's waste, including solid and hazardous waste, in line with the Instructions for project-related environmental goals. This target will ensure that we facilitate reuse and materials recycling, and that we actively seize opportunities in the circular economy.

A high waste sorting rate is crucial to increasing materials recycling and reducing the need for new raw materials. This results in lower environmental impact and reduced waste management costs, and supports the transition to a more circular use of resources. The target applies to all projects for which Statnett is the construction client.

The objective of achieving a high waste sorting rate is set on a voluntary basis, and aligns with Norway's national strategy for the circular economy from 2021, which builds on the EU's Circular Economy Action Plan (CEAP).

In 2025, we achieved a waste sorting rate of 97 per cent, 7 percentage points above our target.

Table 35: Waste sorting rate

Year	2023	2024	2025
%	91	96	97

The target has no end date, and performance is reported annually. The data has been consolidated from the annual report published by Norsk Gjenvinning, with which Statnett has signed a framework agreement for waste management, and the reports submitted by the projects completed in 2025. The target helps boost materials recycling in particular but also supports every level in the waste management hierarchy.

Targets related to resource inflows

Statnett has not currently drawn up measurable and time-bound targets for resource inflows, utilisation of circular materials, use of circular products or the minimisation of primary raw materials. Nor has Statnett established any clear targets related to the inflow of resources in connection with sustainable procurements or the use of circular resources. This is because we currently lack data concerning the percentage of circular resources in various resource categories.

Resource inflows

Resource inflows are defined as raw materials, components and other resources that a business uses in the production of its products or services. Statnett's resource inflows primarily relate to the construction of new grid infrastructure, and particularly affect the following:

- E1: Greenhouse gas emissions from capital goods
- E4: Land use changes, habitat fragmentation and degradation of ecosystems from raw materials extraction and materials production

The majority of our resource inflows relate to electromechanical equipment, such as transformer substations, high-voltage pylons and power lines, as well as construction materials. This equipment primarily comprises the following materials:

- Steel
- Aluminium
- Copper (critical raw material)
- Rebar
- Concrete
- Sand and gravel
- Rare earth minerals

The use of these materials is associated with identified risks and opportunities linked to the upstream value chain. This applies especially to higher prices for and the lower availability of raw materials, restricted access to critical technologies and stricter legal requirements.

Statnett purchases material resources both directly and indirectly. For indirect purchases, we report resources as part of purchased products and/or services that are used in new energised projects in a given year. The volume of material resources included in electromechanical products is calculated on the basis of activity data obtained from our own ERP system, as well as datasheets

from suppliers who disclose total weight and materials composition. Because we do not currently have activity data for construction materials spanning all our projects, we rely on estimates obtained from our own lifecycle analyses for all lines and substation projects.

The 2025 results show 158 per cent increase in resource inflows. This is primarily attributable to an increase in our grid development rate in line with Statnett's system development plan.

Statnett uses biological resources to a minor extent. Wooden masts are used in a few selected cases for lower voltage power lines. Wood pulp is also included in certain products, for example, transformers. We currently have insufficient data to report on emissions from such materials. At present, we consider these to be insignificant quantities, but we will work to have this included in the accounts if the quantities increase significantly.

We also use recycled materials in a number of contexts, including recycled steel and aluminium in power lines. Some products also contain small amounts of rare earth minerals. At present, we lack the complete set of data from suppliers that is needed to estimate the total volume of rare earth minerals or the proportion of recycled materials. This is work we have initiated in accordance with sustainability requirements in new procurement.

Table 36: Resource inflows

Type of material (tonnes)	2024	2025	Change from previous year
Total materials	63 029	162 802	158 %
Biological materials	0	0	-
Proportion of circular resources	Incomplete data	Incomplete data	-

Waste generated in 2025

Statnett's materials streams are complex and include: power lines and cables, transformers and other electrical equipment, insulation materials, poles and pylons made of wood, steel or concrete. Many of these components contain metals such as copper and aluminium, and some may also contain substances potentially harmful to the environment. In addition, polluted soil and rubble must be dealt with on a regular basis. Apart from this, hazardous waste, paper, rubber, plastic, some textiles and biomass must also be dealt with.

Table 37 "Waste generated in 2025" shows the amount of waste generated by Statnett and treated by a third party. The data has been consolidated from the annual report published by Norsk Gjenvinning, and the reports submitted by the projects completed in 2025. For specific rows, the figures supplied by Norsk Gjenvinning are supplemented by estimates based on Statistics Norway's statistical breakdown of treatment methods for construction waste in Norway.

Table 37: Waste generated in 2025

Waste in kg, broken down by category	2024	2025
Total quantity of waste generated	6,201,373	6,252,714
Hazardous waste prepared for reuse	2,656	5,546
Non-hazardous waste prepared for reuse	93,996	91,906
Hazardous waste recycled*	59,760	124,769
Non-hazardous waste recycled*	2,114,631	2,067,624
Hazardous waste delivered for other types of treatment (but not disposal). Further information on the meaning of "other types of treatment" may be found in *Annex II of Directive 2008/98/EC (Waste Framework Directive*)	N/A	N/A

Non-hazardous waste delivered for other types of treatment (but not disposal). Further information on the meaning of "other types of treatment" may be found in *Annex II of Directive 2008/98/EC (Waste Framework Directive*)	N/A	N/A
Total quantity of waste sent for disposal/traditional treatment (hazardous and non-hazardous)	6,201,373	6,252,714
Hazardous waste to incineration[1]	47,584	99,347
Non-hazardous waste to incineration[1]	1,683,772	1,646,343
Hazardous waste to landfill[1]	37,957	79,247
Non-hazardous waste to landfill	1,343,106	1,313,249
Hazardous waste destined for other types of disposal (Further information on the meaning of "other types of disposal" may be found in *Annex I of Directive 2008/98/EC (Waste Framework Directive)*)[1]	12,575	26,255
Non-hazardous waste destined for other types of disposal (Further information on the meaning of "other types of disposal" may be found in *Annex I of Directive 2008/98/EC (Waste Framework Directive)*)[1]	444,985	435,094
Total quantity of non-recycled waste	1,381,063	1,392,496
Total percentage of non-recycled waste	22%	22%
Total quantity of hazardous waste generated by the company	170,436	355,841
Total quantity of radioactive waste generated by the company	0	0

*Estimates based on the volume of waste delivered for processing and Statistics Norway's statistical breakdown of treatment methods for construction waste in Norway

People

In the section on people, we report in accordance with the three most material reporting standards: S1 Own workforce; S2 Workers in the value chain; and S3 Affected communities.

Social aspects in our holistic transition plan

In 2025, we developed a holistic transition plan that defines how we will balance social, economic, climate and nature considerations. The transition plan is based on our material topics and strategic focus areas. The social pillar builds on our three material social topics from our double materiality assessment: own workforce, workers in the value chain and affected communities.

For our own workforce, we have worked systematically on targets and actions over a long period of time, and this has been implemented in the transition plan. For workers in the value chain and affected communities, we have set new targets as part of the transition plan. In order to reach these targets, we have developed various actions, and will build on existing actions. We will also continuously assess these actions and integrate them into existing decision-making processes such as portfolio management and purchasing. See *Statnett's transition plan* for further details of the transition plan.

To ensure a holistic and fair approach for all our stakeholder groups, we have analysed dilemmas and synergies across the sustainability topics. The most relevant dilemmas and synergies were identified based on level of severity and probability. These provide guidance for strategic priorities where needed.

S1 Own workforce

Our own workforce is the foundation of our business activities. Their contentment, engagement and comptence are crucial for Statnett. We promote equality, diversity and inclusion because doing so generates better results and more innovation. At Statnett, we view diversity as a resource that strengthens both the working environment and the company's ability to solve complex tasks. Statnett strives to be a workplace where different perspectives are valued, and where everyone feels that they belong and are respected, regardless of cultural background, gender, ethnicity, age, disability, sexual orientation, beliefs or other differences.

Statnett must be a safe workplace. We strive to prevent any accidents and/or injuries to our staff. This is particularly important because some of the activities we perform entail a high personal risk. There is also a risk that human and labour rights could be adversely impacted by Statnett's business activities. We are therefore working actively to uphold such rights in both our own operations and the entire value chain.

For our own workforce, we have worked systematically on targets and actions over a long period of time, and these have been integrated and systematised in the transition plan. Furthermore, as part of the transition plan, we have analysed the synergies and dilemmas that may arise in the transition to a low-emission society.

In this chapter, Statnett reports on how we safeguard the interests of our own workforce in our strategy, as well as in governing documents, actions, metrics and targets.

Foto: Olivia Knudsen

Material impacts risks and opportunities related to Statnett's own workforce

For a description of the identified IROs, see Table 8 "S1 Own workforce – material IROs" in Chapter ESRS 2. For information on how identified material IROs for our own workforce have been addressed in Statnett's strategy, see the discussion on strategy in Chapter ESRS 2.

Statnett plays a key role in Norway's transition to a low-emission society, and as a result we have now entered a phase of increased construction activity. This must be done in a responsible manner, with respect for human rights and with social impacts on our own workforce properly managed. See the description of 'Social aspects' in our holistic transition plan for a description of our own workforce in the transition plan. Those of Statnett's workforce who are affected by our operations may be categorised as follows: permanent employees (part-time and full-time), temporary employees, apprentices, time-limited contract staff (relief workers, students and summer jobs), as well as retirees working specific hours (non-guaranteed hours).

We also have a responsibility for employees in our value chain, including third-party consultants working under contract and temporary substitutes. Third-party consultants working under contract and temporary substitutes are sourced from employment agencies or production companies. In such cases, the employment agency retains the employer responsibility for the individual employee, while we, as the hiring company, exercise day-to-day workplace supervision and management, and assume joint and several liability and a duty of care (including with respect to the principle of equal treatment). Where tasks or projects are outsourced, we are neither the individual's employer of record nor provide day-to-day workplace supervision. Our role is that of client.

Our risk assessments have enabled us to create an overview of how different employees are affected. Since Statnett employs both administrative and operative personnel, the workforce's risk exposure is not identical. By its very nature, operative work is more exposed to consequential risk. Operative personnel are particularly exposed to physical risks related to high-voltage work, working at height, driving on and off road, exposure to chemicals, explosives etc. Due to their lack of experience, apprentices may be more exposed to risk. They therefore receive specifically tailored follow-up. Office workers are particularly exposed to the consequences of physical inactivity and static work. As a result, the company's health services are designed to offer preventive activities at the various sites.

In 2024, we completed a survey of inherent risks in existing facilities. Risk exposure will vary with activity level. In 2025, work has been initiated on risk assessment of work operations in operational areas and emergency response units. The survey is conducted regularly to ensure updated knowledge about physical risk close to the operative environments.

HSE is high on Statnett's agenda for both administrative and operative personnel. For operative personnel, we have established wide-ranging HSE guidelines and procedures for managing identified risks. These require consideration to be given to employees with certain characteristics or need for facilitation.

There is a risk that human and labour rights could be adversely impacted by Statnett's business activities. In line with the OECD's Guidelines for Responsible Business Conduct, we perform risk-based due diligence assessments to assess, prevent and manage actual and potential adverse impacts. Statnett conducts operations and activities at various sites in Norway, with the majority of employees working at its headquarters in Oslo. We have not identified child labour, forced labour or other involuntary work as risks affecting our own workforce.

Statnett is working actively and systematically to promote equality and prevent discrimination. The potential for discrimination and obstacles to equality, on various grounds, have been identified in connection with different phases in the individual's employment journey. The results of our survey and subsequent actions and action plans are described in our equality report, which is available at www.statnett.no.

Governing documents and guidelines for Statnett's own workforce

Statnett has a number of governing documents that cover its own workforce. These are briefly outlined below. For further information about the management system and governing documents, as well as relevant frameworks and instruments, please see Chapter ESRS 2 and Table 13 "Our governing documents":

- Ethical guidelines (Code of Conduct)
- Sustainability policy
- Safety policy
- Procedures for reporting issues of concern at Statnett (whistleblowing procedure)

Statnett's ethical guidelines (Code of Conduct) are based on international standards and principles with which the company wishes to comply. These include the Universal Declaration of Human Rights and the ILO's core conventions, which cover child labour, human trafficking, forced labour or other involuntary forms of labour.

Statnett has adopted a number of specific guidelines to safeguard the performance of certain work operations, as well as the management of identified risks at this level. Some groups are more exposed to particular risks near electrical installations, and based on this, a separate guide has been prepared for such groups. In addition, we have an overall internal control process for HSE, which includes the reporting system for incidents, nonconformities and improvement proposals. This process ensures reporting, learning and continuous improvement.

Statnett is a strong advocate for equality, diversity and inclusion. We accept no form of discrimination or harassment. Commitments related to this area are established in our management system via a number of guidelines.

Our Code of Conduct expresses an expectation that everyone will be treated with dignity and respect. Statnett must accommodate everyone, regardless of gender, age, ethnicity, religious or cultural background, political views, disability, sexual orientation, gender identity or other differences. In Statnett's Sustainability policy, we pledge to promote equality, diversity and inclusion, and take account of the interests and views of affected stakeholders through a process of dialogue, with particular care towards marginalised groups (including Indigenous people and other minorities).

These commitments are operationalised through a series of procedures, guides, templates and checklists that cover various areas related to employment conditions, including recruitment, pay and working conditions, personal development opportunities, facilitation and the opportunity to achieve a good work-life balance.


Foto: Vetle Hofstad

We have a dedicated Ethics Committee that advises on ethical issues and that ensures that notifications of issues of concern are handled as prescribed by law and established procedures. Information about this is set out in the company's Code of Conduct. The Committee advises employees on ethical dilemmas and the Code of Conduct and follows up all reports of issues of concern from both internal and external sources. For further information, see Chapter G1 – Business Conduct.

Processes for engaging with own workforce and workers' representatives about impacts

There are a number of different activities that include efforts to enhance the working environment, equality, diversity and inclusion. Engagement with our employees is an important aspect of this work, since it enables us to ensure that their perspectives are heard and taken into account.

At Statnett, the employer is responsible for the working environment. The employer must provide safe and decent working conditions, as well as equal treatment and opportunities for all. Statnett's CEO is the officer ultimately responsible for this. The employer is responsible for compliance. A number of formal and informal points of contact between the employer and the workforce have been established to facilitate good cooperation and day-to-day follow-up.

We have also established a number of initiatives and forums to evaluate management's engagement with the workforce and ensure its success. These include regular meetings with employee representatives, quarterly organisational surveys and employee performance appraisals.

Employer-employee engagement is presented in Table 38 "How we engage with our own workforce and its representatives".

Table 38: How we engage with our own workforce and its representatives

How we take employees' perspectives into account	Purpose of engagement	Parties involved	Method of engagement	Frequency and format
Employee status meetings and performance appraisals	Facilitation of satisfactory working conditions through clarity about tasks and responsibilities and necessary support for personal and competency building	• All employees	• Meetings between the employee and their immediate supervisor	• Annual performance appraisals • Status meetings held throughout the year
Organisational surveys	To develop engagement and employee satisfaction	• All employees	• Employee satisfaction survey	• Distributed quarterly to all employees, with results followed up in teams and departments, and incorporated into performance management metrics
Trade unions and elected officials	To follow up general employment terms and conditions (as set out, for example, in the Norwegian Working Environment Act and relevant collective agreements), take part in pay negotiations and settlements, comply with statutory and collectively agreed processes, notify about and discuss company-related matters	• Four trade unions: The Federation of Norwegian Professional Associations (Akademikerne), the Norwegian Society of Graduate Technical and Scientific Professionals (Tekna), NITO – the Norwegian Society of Engineers and Technologists, and the Electrician and IT Workers' Union (EL og IT Forbundet) • Trade union members are represented by elected shop stewards	• Meetings • Day-to-day engagement	• Scheduled weekly meetings between the employer and senior shop stewards • Scheduled meetings with the CEO • Monthly contact meetings attended by representatives from HR • Semi-annual contact forum attended by the senior employee safety officer

How we take employees' perspectives into account	Purpose of engagement	Parties involved	Method of engagement	Frequency and format

The workplace safety organisation	Follows up to ensure that the company is operating in compliance with HSE requirements and ensures that employees are not exposed to danger	• Senior employee safety officer
		• Local employee safety officer
		• HSE groups (different representatives depending on the location)
		• Working environment committee (AMU) comprising employer and employee representatives, union shop stewards
			• Joint meetings
			• Incident reviews
			• Cooperative forum
			• Incident investigations
			• Safety inspections
			• HSE forum
			• Monthly meetings between the senior employee safety officer and the employer
				• HSE expert communities: multiple weekly meeting arenas
				• HSE forum: annual
				• Senior employee safety officer:
				  • AMU: Five times per year
				  • Contact forum: semi-annually

Company health service provider	Provides services as part of the company's preventive HSE endeavours. Assists managers, employees and employee safety officers in connection with working environment issues	• All employees	• Health surveys • Doctor and psychologist • Physiotherapy or equivalent treatment • Group fitness training • Workplace adaptation	• Health checks conducted at regular intervals (depending on age and type of work) • Different formats depending on risk exposure • Various services and supplementary services as required
Employee-elected Board members	To ensure that the employees' perspective is taken into account by the Board of Directors	• Employee-elected Board member	• Meetings of the Board and Board subcommittees (Project Committee, Audit Committee, Remuneration Committee etc.)	• Monthly board meetings • Subcommittee meetings

Processes to remediate adverse impacts on and provide whistleblowing channels for Statnett's own workforce

Statnett has established processes to facilitate the reporting of issues of concern in the company's operations. For further information, see Chapter G1 – Business Conduct.

Statnett has a workplace safety organisation, with a senior employee safety officer and employee safety officers linked to organisational units in various protected areas. Adverse impacts on our own working environment may be reported to employee safety officers, union shop stewards and representatives of HR or the company health service provider, who will respond as appropriate. We have not yet implemented a methodology for measuring the effectiveness of these channels. HSE incidents are documented and followed up via the reporting system.

Actions related to Statnett's own workforce

Table 39 "Overview of actions implemented or initiated in 2025" contains an overview of key actions we have implemented or plan to implement to address material IROs related to our own workforce. None of the actions mentioned involves significant operational expenditures or investment costs. Adequate resources have been allocated to manage material impacts through the actions implemented. We regularly assess the need for additional resources, which this year has resulted in increased staffing in priority areas of the strategy, in addition to a mapping of critical core competencies for the future in all staff and business areas. The actions are intended to ensure that we safeguard our talents. In addition, we have actively worked to develop an operational model to achieve the right balance between the tasks we will perform ourselves and those that are to be performed through external partnerships or assignments.

In 2025, we implemented a number of actions to enhance Statnett's safety culture. The objective has been to improve the organisation's risk management, improve procedures and make the company's HSE endeavours more systematic, increase the quality of workplace safety activities and reduce the number of incidents. We are also working to raise awareness, increase the workforce's competency and facilitate knowledge sharing and learning. This includes safety training for everyone entering our workplaces, in addition to regular safety training for employees who are particularly vulnerable to injuries and accidents. Line managers are responsible for ensuring that health and safety are maintained.

To foster an inclusive working environment, we have a dedicated diversity group consisting of employees and management representatives. The group is working on initiatives to raise awareness of diversity and equality in the organisation. For example, the group has worked on initiatives related to the inclusion of neurodiverse people, a focus on diversity in recruitment, the celebration of religious festivals for minority employees, the facilitation of alternatives for employees with food allergies or intolerances, and the staging of Pride-related talks and events at Statnett's headquarters and administrative offices around the country.

Table 39: Overview of actions completed or initiated in 2025

Actions	Description and expected results	Related to targets	Scope	Progress
Partnership with Unicus to increase the organisation's competency with respect to neurodiversity	Increase the competency of supervisors, co-workers and the organisation as a whole with respect to neurodiversity and how the needs of neurodiverse employees may be accommodated	To promote equality, diversity and inclusion	Neurodiverse employees, their immediate supervisors, co-workers and the organisation as a whole	Start-up Q2 2024, completion Q4 2025 Work will continue in the line
Training of five neurodiversity ambassadors	Better facilitation and inclusion of neurodiverse employees	To promote equality, diversity and inclusion	Neurodiverse employees, their immediate supervisors, co-workers and the organisation as a whole	Start-up in 2025, training completed in Q2 2025 The work is ongoing
Leadership development programmes for managers with and without personnel responsibility	Two programmes focusing on developing leadership skills and better understanding of the leadership role, in addition to relationship building, communication and change management	To work systematically with leadership development to ensure managers' leadership practices align with the company's expectations and strategy	All managers with and without personnel responsibility For managers without personnel responsibility who have a result responsibility and lead a project/team without personnel responsibility	The programme for managers with personal responsibility ended in Q2 2025; some activities continue The programme for managers without personnel responsibilities is expected to be completed in Q4 2027
Develop a framework for career development	Employees should know what opportunities are open to them and what is required to take the next step. The framework should support good conversations, ensure predictable processes and contribute to a culture where development and learning are a natural part of everyday life	Work systematically with employee development	All Statnett sites and own workforce	Expected completion Q2 2026

Actions	Description and expected results	Related to targets	Scope	Progress
Establishment of Statnett's Women's Network	Create a platform for networking, competence-building, development, and support to promote better gender balance, inclusion, and a sense of community across disciplines, roles, and geography	Work to advance equality, diversity, and inclusion	All Statnett sites and own workforce	Start-up in the last quarter of 2025. The work will be continued on an ongoing basis
Internal audit of HSE risk management related to minor modifications, maintenance and work performed in-house	Improved risk management	To comply with the requirements for the performance of risk assessments and uncover areas for improvement	All Statnett sites and own workforce	Completed in 2025 An open initiative on instructions for working at height
Internal control project, comprising overarching internal control processes for HSE and the further development of sub-processes with necessary system support	To take a more systematic approach to HSE-related activities and facilitate compliance with Norway's Internal Control Regulations	Better and more uniform follow-up by both line and workplace safety organisations. Increased compliance with regulatory requirements	All Statnett sites and own workforce	Overall process implemented in 2025 Improvement work is underway in several of the sub-processes
Mapping of HSE risks in work operations and risk exposure of employees	A register of risks in work operations has been established in collaboration with relevant units as a basis for conducting targeted health surveys.	Carry out work with an accepted level of risk and without negative health impacts	All Statnett locations and own workforce in a prioritised approach	The mapping will be completed by Q1 2026 and will then be updated continuously

Follow-up

Because our employees' engagement and contentment are important to us, Statnett takes a systematic approach to organisational surveys. Surveys are conducted quarterly and cover topics that are important for the workforce's engagement and contentment. The results are followed up with action plans in teams and departments, as well as at the corporate level through Statnett's performance management process.

In order to monitor the development of key metrics related to our own workforce, such as engagement, the sickness absence rate, the total number of employees, age distribution, gender balance, staff turnover and employees' reasons for leaving, we produce quarterly reports. These reports are used as the basis for the development and follow-up of actions in the area of people, organisation and culture.

Targets related to Statnett's own workforce
In order to work systematically with respect to impacts on Statnett's own workforce, we make use of several different targets and metrics.

Serious incident frequency rate
Our objective is to reduce the number of serious HSE incidents. We aim to gradually bring the Serious Incident Frequency (SIF) rate down to 1.9 in 2029 through annual reductions of 0.3.

The SIF rate stipulates the number of serious incidents per million hours worked:

Personal injuries, potential and/or actual consequences involving fatalities or serious lost-time injuries
Near misses, potential consequences involving fatalities or serious lost-time injuries
Hazardous conditions, including working at height or electrical safety issues, potential consequences involving fatalities or serious lost-time injuries
Damage to the external environment, potential and actual consequences involving permanent damage/ irreversible harm

This target relates to the goal set out in Statnett's safety policy. It applies to Statnett's own workforce, employees of companies in our value chain (in our capacity as construction client) and employees on service contracts. We track our performance with respect to this target by means of monthly measurement and reporting.

Table 40: Serious incident frequency rate (SIF)

Year	2022 (Benchmark year)	2023	2024	2025
Serious Incident Frequency Rate (SIF)	4,1	2,6	4,5	4,5

Statnett's increasing level of activity going forwards also elevates risk in the area of personal safety.
Targeted actions to prevent and reduce the number of serious incidents are key to Statnett's efforts to strengthen its safety culture.

The various HSE communities work closely together through weekly meetings to review incidents.
These meetings are also attended by the senior employee safety officer and first-line operational managers.
Targets, progress and identified improvement points are discussed in these forums. Relevant professional environments, key managers and the workplace safety organisation jointly propose SIF targets, which are then approved by Group Management.

The 2025-result failed to meet the SIF target we had set. The overall SIF rate closed the year 1.4 higher than our subgoal for 2025. The most important reasons why the SIF value was not reduced through 2025 were particularly related to several external events in our projects.
Working at height stands out clearly in last year's statistics, accounting for 11 of the 26 reported incidents (42 per cent). At the same time, in 2025, the projects' share of the total number of working hours increased.
Because most incidents inevitably occur in project activities, this means that in isolation the overall SIF rate increases when projects constitute a larger part of the business.

In addition, we are reaping the results of long-term work to increase reporting frequency. The increased awareness in the organisation means that more issues

are now being uncovered and included in the statistics than in previous years, which affects the overall SIF rate.

Percentage of women in the workforce

Table 41: Percentage of woman in the workforce[41]

Year	2023 (Benchmark year)	2024	2025
Percentage	27,9 %	28,2 %	28,6 %

Our goal is to increase the proportion of women employed by Statnett to 30 per cent in 2026. The percentage of women in the workforce is calculated on the basis of the total number of people we employ. The target relates to the goal set out in Statnett's sustainability policy. The percentage of women is now reported semi-annually and annually, instead of quarterly.

We have not involved stakeholders in the setting of this target, the evaluation of progress made or the identification of improvement points.

The 2025 result failed to meet the target we had set. The overall percentage of women in the workforce closed the year 1.4 percentage points below target. Development towards the target is expected as we are seeing a trend towards an increasing proportion of women in technical professions, both at the operational level and at the white-collar level. Consequently, a higher percentage of women in the relevant employment market helps to increase the percentage of qualified applicants. We therefore expect that this will contribute to increasing the percentage of women in the company. We are working actively with guidelines defined in the recruitment process in order to increase the percentage of women in the workforce. These include a diversity statement in all job advertisements, encouraging candidates to apply irrespective of gender, multicultural background, CV gaps or disability. In addition, we aim to have at least one qualified female candidate in the final rounds and invite at least one qualified female candidate for an interview, in connection with every position advertised externally.

Employee engagement score

We aimed to achieve an employee engagement score of 8.0 (out of 10) in 2025. Employee engagement is measured using an engagement score in our quarterly employee surveys. Although Statnett has not defined a long-term target for this, we strive for a consistently high level of engagement among our employees. This target is not linked to governing documents but is linked to strategy.

The 2025-results show that we finished 0.1 percentage points lower than the target, and the result is therefore very close to the target.

Table 42: Employee engagement score

Year	2023 (Benchmark year)	2024	2025
Score	7,4	7,9	7,9

About Statnett's own workforce

Table 43: No. of employees by gender

Gender	No. employed (no. of people) i 2024	No. employed (no. of people) i 2025
Men	1 547	1 693
Women	608	679
Total no. Of employees	2 155	2 372

[41] The number includes subsidiaries and both permanent and temporary employees

Table 44: No. of employees by contract type

	2024			2025		
Description	**Women**	**Men**	**Total**	**Women**	**Men**	**Total**
No. employed	608	1 547	2 155	679	1 693	2 372
No. of permanent employees	588	1 444	2 032	662	1 593	2 255
No. of temporary employees	20	103	123	17	100	117
No. of employees with zero hours guaranteed	11	31	42	11	30	41
No. of full-time employees	588	1 505	2 093	1 651	660	2 311
No. of part-time employees	20	42	62	19	42	61

Statnett has 117 employees in fixed-term positions, 41 employees with non-guaranteed hours and 61 part-time employees, some of whom may belong to multiple categories (e.g. someone employed in a temporary part-time position). The group in fixed-term positions includes temporary workers, employees in positions that are temporary, apprentices and employees in overlapping positions in connection with planned retirement. Employees with non-guaranteed are students or employees who have retired but contribute their specialist expertise to the company on a limited basis. Five part-time employees fill positions that have been defined by the company as part-time cleaning positions. All of these positions are held by women. These positions are located in different parts of the country and have a scope of work that does not allow for a higher FTE percentage. The other part-time employees work reduced hours due to partial disability or at their own request. Women make up 27.9 per cent of the part-time workforce.

Table 45: Employees who have left the undertaking

Description	**Result 2024**	**Result 2025**
Total number of employees who have left the undertaking	90	127
Percentage of staff turnover	4,84 %	4,4 %

The reported figures reflect the status at the close of the reporting period (31 December 2025).

Own workforce who are not employees

Table 46: Non-employees in the workforce

Description	Result 2024	Result 2025
No. of non-employees in the workforce	152	167

Statnett's workforce includes 167 people who are employed by employment agencies and production companies. The contract workers have specialist competency and largely provide IT services. The reported figures reflect the status at the close of the reporting period (31 December 2025).

Diversity metrics

Executive management, including the CEO, comprised four women (50 per cent) and four men (50 per cent) at the close of 2025. Statnett's executive management is defined as the parent company's group management and consists of the CEO, as well as the EVPs in charge of the various business areas, staff areas and group staff departments.

Table 47: Workforce by age

Alderssammensetning	No. Of employees 2024	No. Of employees 2025
Under 30	288	309
30-50	985	1 128
Over 50	882	935

Employees with disabilities

The datapoint is material but is not reported, as information related to employees' disabilities is considered "special category personal data" under the Norwegian Personal Data Act.

Education and competency building metrics

Table 48: Employee performance appraisals

Gender	2024	2025
	Percentage of the workforce who took part in regular performance evaluation and career development meetings (employee performance appraisals)	Percentage of the workforce who took part in regular performance evaluation and career development meetings (employee performance appraisals)
Men	98,4 %	98,8 %
Woman	97,3 %	97,7 %
Percentage of the workforce	98,1 %	98,5 %

All permanent employees attend annual performance appraisal meetings with their immediate manager. Such appraisals are supported by a digital application with a fixed structure for content and follow-up. In addition, managers and employees hold status meetings as required throughout the year.

Table 49: No. of hours devoted to training

Gender	2024 Average no. Of training hours per employee	2025 Average no. Of training hours per employee
Men	8,9	12,5
Woman	8,4	9,8
Average no.	8,6	11,7

Health and safety metrics

Table 50: Health and safety

Description	2024 Own workforce	2024 Workers in the value chain (third-party employees working at Statnett's production sites)	2025 Own workforce	2025 Workers in the value chain (third-party employees working at Statnett's production sites)
Percentage of own workforce encompassed by Statnett's working environment system	100	N/A	100	N/A
Number of fatalities resulting from work-related injuries and work-related ill health	0	0	0	0
Number of reportable work-related accidents	8	N/A	9	N/A
Accident frequency rate	2.3	N/A	2.3	N/A
Number of reportable incidents of work-related ill health	3	N/A	7	N/A
Number of days lost due to injuries and fatalities caused by work-related accidents, work-related ill health and deaths from ill health	281	N/A	391	N/A

Work-life balance metrics

Table 51: Family related leave

Beskrivelse	2024 Kvinner	2024 Menn	2024 Total	2025 Kvinner	2025 Menn	2025 Total
Prosentandel av ansatte som har rett til familierelatert permisjon, og som har benyttet seg av foreldrerelatert permisjon	10,4 %	6,6 %	7,7 %	9,5 %	7,5 %	8,1 %

Parental leave is a statutory right applicable to all employees, with the exception of retirees working specific hours (also provided by law).

Remuneration metrics

Table 52: Pay gap and total remuneration

Description	2024 Result	2025 Result
Gender pay gap*	-0,34 %	-0,18 %
The highest paid person's total annual pay in relation to the median value for all employees	3,6	3,57

*Defined as the difference in the average rate of pay between male and female employees, expressed as a percentage of the average rate of pay for male employees. The calculation of the gender pay gap is based on fixed salary plus fixed increments.

Incidents, complaints and serious human rights impacts

Tabell 53: Work related incidents and complaints

Description	2024 Result	2025 Result
Total no. of incidents of discrimination, including harassment	0	4*
No. of complaints filed via whistleblowing channels*	10	13**
Total amount paid in fines, penalties and indemnifications as a result of the above-mentioned incidents and	0	0

* The figure shows the number of complaints received, not confirmed cases of discrimination/harassment

**In 2025, the Ethics committee processed 13 reports, with potential issues of concern followed up in accordance with the company's whistleblowing procedure.

Table 54: Serious human rights related incidents

Description	2024 Result	2025 Result
No. of serious human rights-related incidents in Statnett's own workforce	0	0
Total amount paid in fines, penalties and indemnifications as a result of the above-mentioned incidents and complaints	0	0

S2 Workers in the value chain

The speed of grid expansion in Norway and the rest of the world is accelerating in order to accomplish the transition to a low-emission society and meet the demand for more energy. For Statnett, the supplier market is therefore challenging, with a high level of demand and global supply chains that impact workers in the value chain. The risk of human rights abuses and poor working conditions is present in multiple parts of the supply chain, such as the extraction of minerals, the production of components, the use of foreign workers in the development of the grid, and safety and working conditions related to construction projects.

The energy transition may also positively impact workers in the value chain in several ways. For example, increased demand for labour may strengthen their bargaining position, increase job opportunities and lead to better pay and working conditions.

In light of our social mandate, role as a state-owned enterprise and expectations from stakeholders, Statnett has a special responsibility to reduce negative impacts and contribute to creating safe jobs. Working strategically with respect to suppliers is crucial to strengthening our capacity to contribute to ensuring that the transition to a low-emission society is carried out with respect for human rights and decent working conditions.

In 2025, as part of the transition plan, we have established a new target that all Statnett suppliers considered high risk are to conduct due diligence assessments by 2028.

In this chapter you can read more about Statnett's material impacts, risks and opportunities, procedures and guidelines. One example is the ethical guidelines for suppliers, which in 2025 have been updated and reinforced in light of our expectations. You can also read about our new target for due diligence assessments and how we are working to reduce the risk of negative impacts on workers in the value chain.

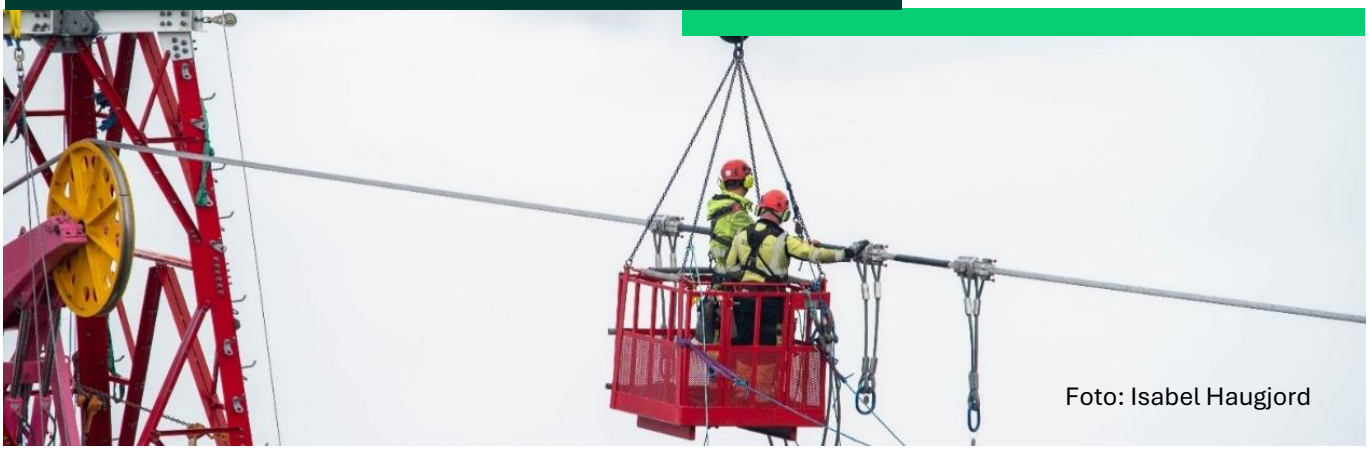


Foto: Isabel Haugjord

Material impacts, risks and opportunities relating to worker in the value chain

For a description of the identified IROs, see Table 9 "S2 Workers in the value chain – material IROs" in Chapter ESRS 2. Statnett defines workers in the value chain as individuals employed by our suppliers and their subcontractors in all areas, ranging from minerals extraction to the installation and maintenance of pylons in our projects.

For details of how identified material IROs for workers in the value chain are addressed in Statnett's strategy, see the section on strategy in Chapter ESRS 2.

Table 55 shows the potential material impact on workers upstream, in Statnett's own operations and downstream (relating to products and services). The risk profile is composed of risk for both systemic challenges and risk for individual events. In the 2025 DMA, the risk of forced labour, inadequate pay, long working hours and restrictions on joining or participating in unions were identified as potential areas of negative impact.
HSE incidents, injuries and accidents involving workers in the value chain are identified in the DMA as an actual negative impact in our construction projects.

Certain vulnerable groups are generally more exposed to negative impacts, as shown in Table 54. Risk is often linked to specific sectors and will vary between different links in the value chain. It can be especially challenging for vulnerable groups to assert their rights with employers in the face of barriers such as power imbalances, language difficulties and lack of legitimate representation. It is therefore essential that Statnett, as a responsible purchaser, works to gain an overview of vulnerable groups in the value chain through our due diligence assessments.

No material risks or opportunities have been identified as arising from impacts or dependencies on workers in the value chain who belong to specific groups.

Table 55: Overview of activities and types of employees considered most exposed to potential negative impact[42]

Position in the value chain	Activity	Type of employee	Examples of vulnerable groups
Upstream			
Products	Extraction of raw materials	Miners and smelting workers	Children, women, migrant workers, minority groups, people engaged in the informal labour market
	Manufacturing and production	Production/factory employees	Women, migrant workers, contract and temporary workers, minority groups, people with disabilities
Services	Transport	Lorry drivers and seafarers	Migrant workers, women
	Building and construction	Tradespeople, skilled workers and installers	Women, migrant workers and young employees

[42] Sources:
High-Risk Product List published by the Norwegian Agency for Public and Financial Management (DFØ): The high-risk list | Anskaffelser.no
UN Environmental Program Finance Initiative – Human Rights Toolkit
The Norwegian Labour Inspection Authority (Arbeidstilsynet): Minimum wage – Norwegian Labour Inspection Authority
Norwegian Government – Action plan against social dumping and workplace crime
For "type of employee" – information taken from Statnett's Annual and sustainability report 2024

Own operations			
Services	Cleaning and canteen	Cleaning and canteen workers	Women, minority groups, young employees
Downstream			
Products	Recycling of raw materials	Factory and construction workers	Women, children, people engaged in the informal labour market, minority

In 2025, we continued to work on gaining a better overview of the risk profile associated with our supply chain. We have conducted overall risk assessments for our purchasing categories and associated raw materials, and identified risks relating to nature, the climate and human rights.

Table 56 "Areas within our purchasing categories with material risks relating to human rights and decent working conditions for workers in the value chain" provides an overview of identified risks based on the above-mentioned work on risk. We will continue our work to strengthen our understanding of risk in the value chain in 2026.

Table 56: Areas within our purchasing categories with material risks relating to human rights and decent working conditions for workers in the value chain[43]

Category	Areas with material risks to human rights and decent working conditions	Areas with a significant risk of child labour and forced labour	Raw materials and components with material risk	Geographic risk
Cable	Extraction and production of mechanical and electromechanical products. Working conditions at companies manufacturing cables	Metals	Plastic, metal, minerals, wood, chemicals and glass	Africa, Asia and South America
Substations	Extraction and production of products for substations, cables and electrical infrastructure, incidence of conflict minerals	Protection and control systems	Metals, minerals, conflict minerals, paper, plastic and oil	Africa, Asia and South America
Building and construction	Extraction and production of building and construction materials. Working conditions in construction and forestry services	Building and construction materials	Metal, minerals, wood, oil and chemicals	Africa, Asia and South America
Facility operations and emergency preparedness	Extraction and production of working equipment, workwear, vehicles and consumables. Working conditions in labour and transport services	Food and drink, commercial vehicles, workwear, consumables	Textile, metal, minerals, rubber, food and drink	Africa, Asia, Europe, North America and South America
IT	Extraction and production of ICT products, incidence of conflict minerals. Working conditions in service and operational services	ICT products	Metal, plastic, minerals and conflict minerals	Africa, Asia and South America

[43] Sources: Statnett risk card, based on: Products High-Risk Product List produced by the Norwegian Agency for Public and Financial Management (DFØ) and U.S. Department of Labor – List of Goods Produced by Child Labor or Forced Labor. Services: ILO – Focus Industries and Sectors

Governing documents and guidelines for workers in the value chain

Statnett has a number of governing documents which, to varying extents, relate to workers in the value chain. These are briefly outlined below. For further details on our management system and governing documents, and relevant international frameworks and instruments, please see Chapter ESRS 2, and Table 13 “Our governing documents”:

- Code of Conduct
- Supplier Code of Conduct
- Sustainability policy
- Supply chain policy
- Safety policy
- Procedures for reporting issues of concern at Statnett (whistleblowing procedure)

As a construction client, we are subject to contractual requirements regarding professionalism, pay and working conditions, as well as health, safety and working environment. Specific guidelines are in place to ensure safety during particular work operations, and to manage specific risks.

Statnett’s commitments to human rights for workers in the value chain align with the UN Guiding Principles on Business and Human Rights (UNGP), the OECD Guidelines on Responsible Business Conduct and the ILO’s core conventions. These commitments are explicitly stated in our Sustainability policy and in Statnett’s Supplier Code of Conduct.

The Supplier Code of Conduct is available on Statnett’s website for suppliers and forms part of the qualification criteria for becoming a supplier to Statnett.
The guidelines were updated in 2025 and the revised version will be implemented gradually from 2026. Child labour, forced labour and minimum wage requirements are among the topics covered, and the revised guidelines include clearer requirements relating to risk-based due diligence assessments.

Statnett’s compliance programme for supplier management has been further developed in 2025. One of the focus areas is to strengthen our work with due diligence assessments. A new procedure for due diligence assessments has been created with associated contractual requirements and mechanisms for monitoring compliance. This work will continue in 2026.

Processes for engaging with workers in the value chain about impacts

Stakeholder dialogue is, as specified in the Sustainability policy, an important part of our work on due diligence, especially with regard to those who are or may be negatively affected by the company’s operations.
For workers in the value chain, the main focus is on Statnett’s role as a construction client, where we follow up on our contractual partners’ compliance with their obligations under the Construction Client Regulations.

Statnett facilitates active dialogue and interaction in our building or construction projects so that the companies working on the site are able to identify and find solutions to risk conditions and learn from each other. In line with the Construction Client Regulations, we have a number of internal instructions that describe various meeting places for interaction regarding working conditions, such as construction meetings, HSE meetings, risk meetings, progress meetings and coordination meetings.
Statnett employees responsible for Coordination in Execution (KU) are regularly present on the construction site. Among other things, KU focuses on ensuring that the risk profile is known and updated, that HSE (Health, Safety and Working Environment) plans are followed up and that actions are coordinated between the various actors on the construction site. KU also participates in contractors’ safety inspections. Beyond the work relating to workers on construction sites, we do not have a general process for involving workers in the supply chain, but it is a topic that is included in the work to strengthen our due diligence process. Statnett is entitled to conduct supplier audits to identify risks and improvement actions, including those relating to working conditions. Employee involvement will be key.

Processes to mitigate negative impacts

Statnett has various mechanisms to mitigate negative impacts. For instance, the contracts require that

violations of the Supplier Code of Conduct and requirements regarding pay and working conditions be rectified. Material violations of the requirements and failure to rectify them will result in sanctions for the supplier. Such sanctions may include day penalties, the cancellation of the contract or exclusion from forthcoming tender competitions. We are also working to establish additional procedures to mitigate negative impacts as part of contract follow-up of high-risk suppliers in the due diligence assessment procedure.

Statnett's processes for addressing negative impacts on site, such as injuries or disputes related to wages and working conditions, meet Norwegian legal requirements. For example, the Construction Client Regulations require us to monitor our contractual partners' compliance with their obligations under the regulations' requirements for health, safety and the working environment. We perform weekly internal reviews of health, safety and working environment incidents related to both our own workforce and employees of subcontractors to define follow-up needs and learn from them across projects.

In cases where responsibility for negative impacts lies with Statnett as the construction client, mitigating actions are implemented in collaboration with the contractor to remediate the damage and prevent it from happening again. Occasionally, incidents, nonconformities or hazardous conditions necessitate a thorough investigation of their causes and development. We have procedures outlining the framework for both internal and external investigations where appropriate. Internal investigations are always owned by the EVP or the relevant management team leader. The investigation leader must be a qualified employee with the necessary competency for the role.

Whistleblowing channels for workers in the value chain

As shown in Table 57 "Whistleblowing channels for workers in the value chain", Statnett has established multiple channels to allow workers in the value chain to voice their concerns and needs, whether directly to Statnett, their own employer or third parties. For further details on our whistleblowing scheme, please see Chapter G1 – Business Conduct.

We actively communicate the availability of these channels through supplier contract terms, incident and accident notification plans and various meeting points with suppliers. Suppliers are required, including through the Supplier Code of Conduct, to establish processes for reporting issues of concern related to contract execution and to ensure these are available and publicised. The whistleblowing channel is available to the supplier's employees, including the supplier's and subcontractor's contract personnel. Suppliers must also inform all employees, including contract personnel at the supplier and any subcontractors, about our Ethics Committee and the relevant contact information published on statnett.no. Our supplier requirements clearly state that individuals who report issues of concern must be safeguarded against retaliation.

Statnett monitors and follows up cases that are reported through our whistleblowing channels in line with the procedure for handling whistleblowing cases. A separate Ethics Committee has been established to ensure independent, uniform and professional follow-up of whistleblowing cases. The Chair of the Ethics Committee logs incoming reports of issues of concern.

Statnett believes that these reporting mechanisms comply with legal requirements. However, we have not conducted a comprehensive assessment to gauge overall awareness of and confidence in these reporting processes and mechanisms among the workers in our value chain. For more information about the whistleblowing scheme, see Chapter G1 – Business Conduct.

During 2025, Statnett did not register any incidents that we considered to be a violation of the UN Guiding Principles on Business and Human Rights (UNGP), the OECD Guidelines on Responsible Business Conduct or the ILO's core conventions.

Table 57: Whistleblowing channels for workers in the value chain

Channel	Established and operated by	Scope
Statnett's digital channel for raising concerns, "Mitt Varsel"	Statnett	Internal and external
Safe Construction Site	Statnett	A collaborative platform for ensuring the safe execution of building and construction projects, bringing together stakeholders on construction sites. Contractors' supervisors, safety representatives and the construction client
Safety inspections	Principal enterprise and contractor	Protects employees' interests in matters concerning the working environment. Statnett's KU participates in contractor safety inspections
Coordination meetings and safety inspections	The principal enterprise is responsible for coordinating HSE work at workplaces at which multiple companies operate	Employees at companies operating in the same location. Contractors/enterprises acting as the responsible contractor and the principal enterprise who coordinate hazard and risk assessments, as well as HSE work on construction sites

Actions associated with workers in the value chain

Table 59, "Overview of actions completed or initiated in 2025", outlines the key actions we have taken, or plan to take, to address material IROs related to workers in the value chain. We assess the effectiveness of these actions through target management and regular supplier follow-up.

Through responsible purchasing practices and compliance with the Norwegian Construction Client Regulations, Statnett seeks to contribute to decent working conditions in our supply chains, thereby reducing negative impacts on most types of employees. This is likely to have the greatest impact on employees at our contracting partners and suppliers in Norway, including vulnerable groups such as foreign workers and cleaners. This is due to the closer proximity to our contracting parties and suppliers, as well as other local partners.

Table 58, "Processes to identify actions", details how Statnett identifies necessary actions in response to identified impacts relating to human rights, pay and working conditions. Here we have distinguished between processes related to procurement and follow-up of suppliers in general, and processes related to Statnett's role as the construction client.

Table 58: Processes to identify actions

Statnett as a construction client	In procurement/supplier follow-up in general

• **Establishing the risk profile**
• **Organising the OHS organisation in each project**
• **Coordination, start-up meetings, evaluation meetings and**
• **construction meetings**
• **Emergency preparedness plan and drills**
• **Follow-up of:**
  ○ **OHS in relevant contract and governing documents, delivery schedules**
  ○ **Health, safety and working environment plan, risk profile, progress and changes**
  ○ **Incidents**
  ○ **Electrical safety and safe implementation and coordination with the facility owner**
• **Dialogue and cooperation through Safe Contractor and Safe Construction Site**
• **Evaluation meetings using scorecards for suppliers**
	• Assessment of risk in the tender process
	• Due diligence assessments
	• Ethical guidelines and requirements for HSE, working conditions and pay conditions are set out in qualification and contract terms
	• Negotiation meetings
	• Follow-up of compliance with requirements during the contract period
	• Risk-based audits

We are continuously working to strengthen, streamline and systematise the integration of sustainability considerations into our project engineering, procurement and supplier management processes.

Through our business conduct related to procurements and supplier management practices, we actively strive to avoid causing or contributing to material negative impacts for workers in the value chain. As mentioned in the section on Material impacts, risks and opportunities relating to workers in the value chain in Chapter S2, we have strengthened our understanding of sustainability risks in the supply chain in 2025. Our requirements with respect to sustainability are embedded in our Supplier Code of Conduct and our minimum standards for pay and working conditions. These stipulations are integral to our contractual terms.

Suppliers must also confirm that no subcontractors are on selected sanctions lists. We also stipulate that the design and build contractor may not engage more than two tiers of subcontractors beneath them without the construction client's written consent. Planned use of foreign companies or labour must also be disclosed. This applies to both subcontractors and sub-suppliers of goods and services.

We communicate clear expectations to our suppliers through ongoing follow-up and dialogue. Statnett's contractual counterparties must, as a rule, be qualified in Achilles[44]. StartBANK[45] is also used for smaller building and construction procurements. As described in Table 58, we have strengthened our work on due diligence assessments in 2025. This work will continue in 2026.

Working conditions and safety at work are key to a business like Statnett, and this also applies to workers of suppliers who work on our construction sites. In line with the Construction Client Regulations, health, safety and working environment are integrated throughout the project's life cycle, from design to execution.
The execution coordinator (KU) is present at the construction site to ensure that actions are in line with regulations and contract requirements. Statnett's experience and assessments have given it an understanding of how workers who perform specific tasks

[44] Achilles is a supplier qualification platform

[45] StartBANK is a pre-qualification scheme and a joint supplier register for the construction, civil engineering, property management, insurance and real estate sectors

may be exposed to greater risk of injury, and we have implemented preventive actions, including those relating to the safety culture, to reduce the risk. Examples of this from 2025 are the awarding of an annual HSE award to suppliers, and the development of work and method descriptions for work in electrical installations.

Table 59: Overview of actions completed or initiated in 2025

Actions	Description and expected results	Related to targets	Scope	Affected stakeholder groups	Progress
Strengthen the system for implementing risk-based due diligence assessments in the supply chain	Developed new procedure for due diligence assessments and revised contract requirements. Piloted on selected procurements and conducted training for employees in Purchasing & Supplier Management	Respect human rights and promote decent working conditions in our operations and in the value chain	Upstream in Norway and globally	Workers in the value chain	The action has been initiated and will continue in 2026
Complete and implement the last module in the safety culture programme Safe Project; Safe Construction Site	Procedure for the SHA safety culture initiative Safe Construction Site with the implementation of meetings at the construction site. The goal is to facilitate interaction and dialogue between the actors on the construction site to increase attention to the safe execution of work tasks	Enhanced safety actions for external personnel working on Statnett's construction sites, along with increased professionalism in building and construction projects	Upstream and own operations throughout Norway	Contractors/ service providers in building and construction projects and employees on the construction site during the investigation phase	The action has been initiated and implementation will continue in 2026
Implementation of digital system support to strengthen follow-up of health, safety and working environment at our contractors	Acquired and began integration of HMSREG, an electronic register for personnel lists and professionalism in building and construction projects	Enhanced safety measures for external personnel working on Statnett's construction sites, along with increased professionalism in construction projects	Upstream and own operations in Norway	Contractors/service providers in building and construction projects and employees on construction sites	The action has been initiated and implementation will continue in 2026
Establishment of a supplier management compliance programme	Strengthened the work through better data for sustainability risk (raw materials and category) and integration into the digital procurement platform. Work on obtaining solutions for further digitalisation of risk assessments and supplier follow-up	Respect human rights and promote decent working conditions in our operations and in the value chain	Upstream in Norway and globally	Workers in the value chain	The work and implementation of new solutions will continue in 2026

Actions	Description and expected results	Related to targets	Scope	Affected stakeholder groups	Progress
Activities as part of "Kulturkompaniet", an internal collaboration programme to strengthen safety culture, including on construction sites	More OHS activities in 2025 related to construction sites, for example, "Working at height and falling objects", "Rigging plan and organisation of construction sites"	Enhanced safety measures for external personnel who perform work on Statnett's construction sites	Own business and supplier chain	All of Statnett and contractors	The action has been initiated and will continue in 2026

None of the actions mentioned involves significant operational expenditures or investment costs. Sufficient resources have been allocated to manage material impacts through implemented actions. The need for additional resources is regularly assessed.

Collaboration to tackle work-related crime

There is a high risk of work-related crime in the construction, trade services, transport, catering and cleaning sectors. To prevent and reduce the risk related to these services, Statnett collaborates with other actors engaged in efforts to combat work-related crime and human rights abuses, both nationally and internationally. This provides us with a better basis on which to select responsible and law-abiding suppliers and subcontractors.

Through our collaboration with the Norwegian Tax Administration, we can, based on special authorisation from suppliers, request real-time tax and duty information from the Norwegian Tax Administration. This enables us to assess the current situation prior to a decision to award a contract. If the supplier has considerable tax and duty arrears, we can take action, or alternatively reject them. Other partners in this work include the Joint Forum against Work-Related Crime (Samarbeidsforum mot a-krim), Fair Play Bygg and StartBANK. The work will be further strengthened by implementing HMSREG, which will make it easier to obtain authorisations from suppliers and information from the Norwegian Tax Administration.

Serious incidents

Nonconformities and unwanted incidents relating to construction sites are registered in Statnett's system for nonconformity management, regarding both our own employees and workers from suppliers. This registers incidents that require handling internally at Statnett, cases with significant learning potential or cases considered to be serious incidents, including incidents involving personal injury, serious near misses and SIF incidents.

We want everyone to come home safely from work. On 3 March 2026, a fatal accident occurred at one of Statnett's construction projects. The deceased was employed by one of our contractors. The incident is under investigation and is being followed up in accordance with established procedures.

In 2025, 16 lost-time personal injuries were registered among personnel from suppliers working on Statnett's building and construction projects. This gives an H-value (incidents set against the number of working hours) of 8.2. One of these incidents was categorised as serious: in February 2025, a skilled worker from a contractor was involved in a fall on one of Statnett's projects. The accident resulted in treatment in hospital. The employer initiated an investigation into the incident and a report was submitted in March 2025. In addition, we have received a report of an incident categorised as serious involving an employee of a supplier who delivered material to a Statnett project. The incident, which took place in December 2025, was a pinch injury to a finger. The employee was quickly treated at hospital and the employer is following up on the incident. Cases of personal injury and SIF incidents are reported to corporate management the same week they are registered and are included in the company's monthly reporting.

The 2024 report mentioned a serious industrial accident at Vang and subsequent improvement actions taken. The incident resulted in a fine from the Norwegian Labour Inspection Authority in November 2025, which Statnett has accepted. An internal investigation was initiated immediately after the incident and several subsequent risk-reducing actions were implemented. The actions implemented included a risk assessment of work operations in the operating area, training of personnel who maintain electrical safety at Statnett's facilities, and the development of routines and procedures for maintaining electrical safety.

Targets related to workers in the value chain

Statnett has established specific targets and metrics to monitor HSE impacts for workers in the value chain in Norway. Our objective is to reduce the number of serious HSE incidents involving supplier personnel working on our projects or performing maintenance and service activities at our facilities. This target encompasses our own workforce and workers in the value chain, through our role as construction client and employees on service contracts. Our long-term goal is to reduce the SIF indicator to 1.9 by 2029. The SIF indicator is reported

continuously; see the status for 2025 and historical data in table 40 “Serious incident frequency rate (SIF)” in Chapter S1 – Own workforce.

In 2025, we developed a new target related to due diligence assessments in the supply chain. The target has been developed in collaboration with internal stakeholders. It is based on external expectations and requirements, as well as our own guidelines, such as Statnett’s Sustainability Policy, in which we commit to carrying out due diligence assessments. The target was approved as part of Statnett’s holistic transition plan. According to the target, all Statnett suppliers that are assessed as high-risk with regard to sustainability must conduct due diligence assessments in line with the UN Guiding Principles on Business and Human Rights (UNGP) and the OECD Guidelines on Responsible Business Conduct by 2028. The target takes 2025 as its benchmark year. The company is now working to establish relevant measurement parameters for reporting, and we expect to be able to report on target achievement starting in 2026.

S3 Affected communities

The transition to a low-emission society depends on broad support from the population, both globally and locally – and especially from those who are directly affected by new construction projects. This means a rapid transition must also be a responsible transition.

When planning and constructing, we must do so as considerately as possible for the local communities that are affected by our operations. Statnett must balance the needs of local communities and Indigenous peoples with the demands of supply security and project progress. This process presents both risks and opportunities.

In recent years, Statnett has established various actions in relation to due diligence assessments and dialogue with reindeer herders to minimise the consequences of our activities. In 2025, we introduced mandatory reindeer husbandry courses for Statnett employees who are involved in projects that impact reindeer husbandry. We also established a scheme to cover reindeer herders' expenses relating to meetings and participation in processes linked to Statnett's plans and projects.

In 2025, Statnett also established a target that all choice-of-concept studies (KVUs) must document the involvement of representatives of affected communities by the end of 2027. The target is integrated into Statnett's holistic transition plan.

In this chapter, Statnett reports on how it is working to safeguard the interests and rights of affected communities through the enterprise's strategy, procedures for interaction with affected communities, relevant governing documents, actions and targets

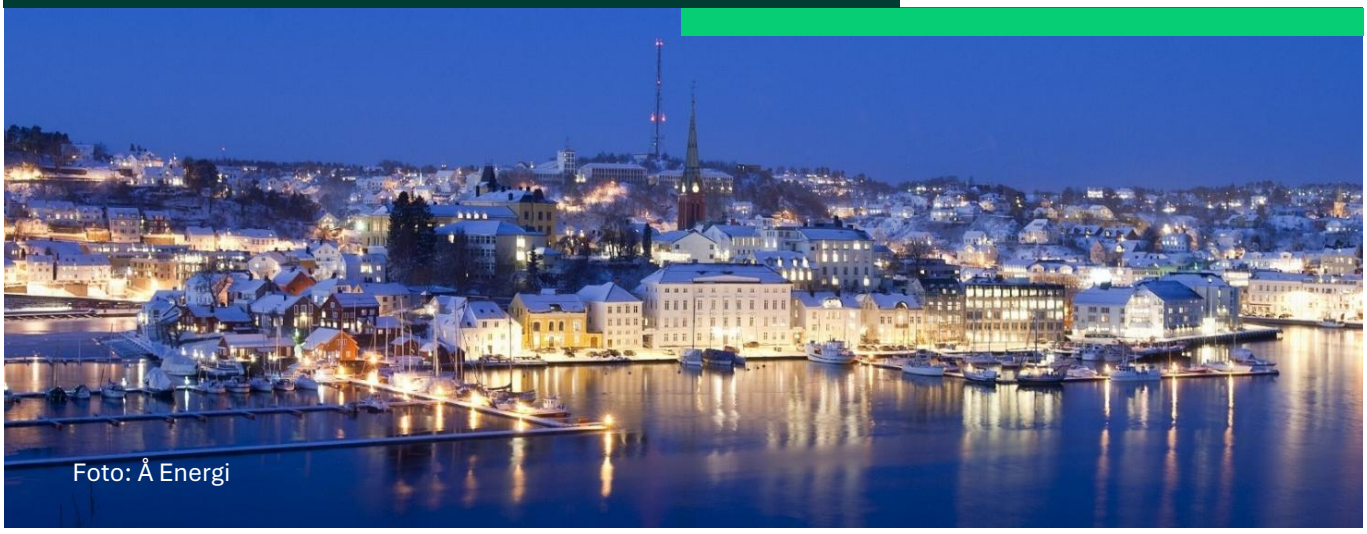


Foto: Å Energi

Material impacts, risks and opportunities related to affected communities

For a description of the identified IROs, please see Table 10 “S3 Affected communities – material IROs” in Chapter ESRS 2. For information on how identified material IROs for affected communities have been taken into account in the strategy, please see the discussion of strategy in Chapter ESRS 2.

Local communities that are likely to be materially affected by Statnett’s activities are safeguarded in our DVA and described in both Chapter ESRS 2 and below.

Statnett impacts local communities and Indigenous people’s right to practise their culture in areas where planning, construction, operations and maintenance take place. This applies to impacts from Statnett’s own activities or from work carried out by contractors on behalf of Statnett as the construction client.

In places where grid expansion is proposed, conflicts of interest may arise, particularly in connection with the issue of visual pollution and disruption during the construction phase, as well as the direct and indirect impact on land traditionally used by Indigenous people. This could lead to the postponement of projects, prolonging of licensing processes, multiple or protracted legal proceedings and costly mitigation measures, which would pose a material financial risk to Statnett.

In addition to its own operations, Statnett has an indirect impact on local communities in the upstream value chain, through raw materials extraction and materials production, as well as electricity generation. We are working to map any material impacts on affected communities in our global value chain.

Reindeer husbandry is carried out on approximately 40 per cent of Norway’s land area, including areas in which Statnett plans and undertakes activities. We are working to ensure that our dialogue with reindeer herders and affected local communities contributes to maximising our understanding of the potential and actual impact we have on Indigenous people. As part of our efforts to promote coexistence and plan our projects, we implement actions to avoid, minimise, mitigate or compensate for adverse impacts.

Indigenous peoples

Statnett aims to proactively find solutions that safeguard the interests of Indigenous people and the reindeer herding industry, and facilitate dialogue in line with the principle of free and prior informed consent (FPIC).

We have long maintained an ongoing dialogue and close collaboration with the reindeer herding industry to ensure their interests are considered. This is an issue we are constantly striving to improve and follow up. Reindeer husbandry plays a vital role in Sámi culture, local economy, employment and cultural identity. Statnett focuses on enabling effective dialogue with reindeer herders in all project phases. This includes the establishment of meeting places where Statnett’s reindeer husbandry coordinators meet reindeer herders, usually in the field. For licensable projects, Statnett covers items such as travel expenses, and provides interpreters if needed. In 2025, Statnett also established a scheme to cover reindeer herders’ expenses relating to meetings and participation in processes linked to Statnett’s plans and projects.

Governing documents and guidelines for affected communities

Statnett has a number of governing documents which demonstrate its commitment to safeguarding human rights, including the rights of affected communities and Indigenous peoples. These are briefly outlined below. For further details on Statnett’s management systems, governing documents, relevant frameworks and instruments, please see Chapter ESRS 2 and Table 13 “Our governing documents”:

- Code of Conduct
- Supplier Code of Conduct
- Sustainability policy
- Procedures for reporting issues of concern at Statnett (whistleblowing procedure)
- Instructions for engagement and dialogue with Indigenous peoples
- Reindeer husbandry manual

Our instructions for engagement and dialogue with Indigenous peoples specifically address impacts on Indigenous peoples.
In 2025, our reindeer husbandry manual was updated and incorporated as a governing document. The manual is intended to provide guidance and act as a work of reference for how the practice of reindeer husbandry shall be taken into account in connection with the planning and execution of both new Statnett projects and maintenance projects. The manual is intended for Statnett employees who are involved in projects that impact reindeer husbandry, such as project managers, construction managers, area and environmental consultants, operations and maintenance crews, and others.

Processes for engaging with affected communities about impacts

Because Statnett has activities in many parts of Norway, we have procedures and processes in place to identify, interact with and involve relevant stakeholders in affected communities through all phases of a project. This ranges from early-phase planning, through the preparation of regional plans, choice of concept, licensing and permitting processes, to construction work and the day-to-day operation of our facilities.

Pursuant to the Norwegian Energy Act, Statnett must develop and operate the grid in a socially beneficial and responsible manner, which means balancing economic, social and environmental considerations[46]. How this is achieved in a responsible manner is governed by national laws and regulations, and is operationalised through Statnett's internal guidelines and procedures.

Every second year, Statnett draws up regional grid development plans, which describe the status and requirements of the power system and plans for the grid's development. In connection with our work on these area plans, we organise, in collaboration with regional grid operators, open dialogue meetings to inform and receive input from affected parties and other stakeholders. In total, around 1,500 people attended the 14 dialogue meetings we held in 2024 and 2025.

When the need for new grid facilities has been identified, we carry out a choice-of-concept study (KVU) in which we perform a thorough needs assessment, examine various design solutions to meet the needs and recommend actions. In connection with such studies, we hold dialogue meetings to which we invite relevant stakeholders, including representatives of the reindeer husbandry districts, as well as other community representatives. We also organise separate meetings with the reindeer husbandry districts and their organisations.

The Norwegian Energy Act and Regulations on Impact Assessments require Statnett to report the consequences for the environment and society of all planned actions. Statnett must report plans as soon as possible, submit them to the licensing authorities for consultation, and make them available for public review before finalising the programme. The licensing process must assess the need for and set requirements for mitigation actions to reduce adverse impacts.
These conditions must be stated in the decision[47].

We systematically evaluate our engagement with stakeholders during licensing processes and internal project development on a case-by-case basis.

Table 60 shows examples of the methods used to interact with affected communities. These include procedures and processes specifically targeting reindeer herders.

[46] Act relating to the generation, transformation, transmission, trading, distribution and use of energy etc. (Energy Act)

[47] Act relating to planning and the processing of building applications (Planning and Building Act)

Table 60: Examples of methods for engaging with affected communities

Form of engagement	Affected group	Purpose of engagement	Examples	Phase or frequency of engagement
Questionnaire	Customer or stakeholder organisations	To ensure that our work aligns with stakeholder expectations and contributes to responsible and sustainable practices	Statnett's customer survey	Annual
Consultation organised by NVE and the Ministry of Energy (ED)	Everyone	Collect input from stakeholders	Consultation rounds as part of NVE's licensing process Consultation organised by ED in connection with KVUs has been abolished by statute	Regularly
Public meetings and on-site visits organised by the authorities (ED/NVE)	Everyone	Part of the consultation process for applications submitted by Statnett. Statnett participates and provides information about relevant projects	Three public meetings were organised in connection with the announcement of voltage upgrades on the power line between Bamble, Porsgrunn and Tønsberg	Regularly during the licensing process
On-site inspections	Directly affected parties, including reindeer herders	Statnett conducts on-site inspections along with representatives from affected groups, including reindeer herders, in order to jointly find solutions	On-site inspections are carried out with affected reindeer herding districts/*siida* in connection with construction work	During the planning, lincensing or subsequent stages, adjustments and corrections are made to address any identified adverse impacts
Open office days	Directly affected parties, including reindeer herders	Statnett holds open meetings which affected parties can attend to engage in direct dialogue (one-to-one) about plans and solutions	Two open office days in connection with the plans to replace the current power line from Sirdal to Time and the Sandnes area (Ertsmyra–Fagrafjell) with a new 420 kV power line	During the planning, licensing or subsequent stages, adjustments and corrections are made to address any identified adverse impacts
Regional dialogue meetings in connection with	Customers, grid companies, public authorities and other affected groups locally	To provide information about the need for and development of the national and regional power grids in the area. The purpose of these	Dialogue meetings for all ten regional grid development plans were held in 2024/2025	Regularly: Dialogue meetings are organised for all ten regional grid development plans, which are updated every two years

Form of engagement	Affected group	Purpose of engagement	Examples	Phase or frequency of engagement
regional grid development plans		meetings is to gather input in connection with the updating of the grid development area plan		
Dialogue meetings about choice-of-concept studies (KVUs)	Customers, grid companies, authorities and other affected groups locally	To inform about KVUs, including the need for the concepts being evaluated, and to obtain input	Dialogue meetings about KVUs for Lofoten and Vesterålen, as well as for Troms	During work on KVUs
Other meetings	Those directly affected, including Sámi interests	To establish contact and relationships with affected communities and groups	Meeting between the CEO and the President of the Sámi Parliament of Norway in Karasjok. Meetings at the operational level with county governors (for matters relating to reindeer husbandry) and reindeer herders	At the management level: Statnett's CEO met with the President of the Sámi Parliament of Norway in 2024 and 2025 At the operational level: Periodically
Impact assessment	Directly affected parties, Sámi interests, including reindeer herders, professionals and experts	Impact assessment conducted by a third party, and engagement with affected groups. To capture local knowledge, reveal potential conflicts, strengthen the basis for decision-making and create a foreseeable path forwards	KVU Ertsmyra–Fagrafjell and Sortlandssundet	Dialogue with reindeer herders on impacts, mitigating measures and alternative solutions as part of the preparatory work – and during the development of the KVU (technical reports)
Conferences and public discussion forums	Business interests, stakeholder organisations, experts and representatives of the public authorities	Bringing together key players from the energy sector and business for presentations and important discussions	Statnett's annual autumn conference	Annual
Contact point	Local communities, landowners, reindeer herders	Statnett has several direct contact points through which affected groups can get in touch if needed. Reindeer husbandry coordinators	Contact information for the project manager and communication team is displayed on our website, to directly address questions, concerns and	Continuously

Form of engagement	Affected group	Purpose of engagement	Examples	Phase or frequency of engagement
		address the specific needs of Indigenous people	related enquiries. The reindeer husbandry coordinator is in regular contact with reindeer herders	

Group Management and the Board of Directors have overall responsibility for ensuring that Statnett interacts with affected stakeholders, including affected communities.

- The EVP People and Sustainability is the owner of the sustainability policy and is responsible for ensuring that Statnett considers the concerns of affected stakeholders through dialogue and engagement.
- The EVP Grid and Asset Management is responsible for ensuring that dialogue and engagement take place throughout the project process.
- The Grid and Asset Management business area is responsible for monitoring the licensing process, land use permits, property management and land and rights acquisition, as well as portfolio management, project development and project ownership.

Engagement with affected local communities is given special consideration during project impact assessments and when evaluating mitigation measures.

Processes to remediate adverse impacts, and whistleblowing channels for affected communities

Statnett has established procedures for the remediation of adverse impacts and provides whistleblowing channels for affected communities. These whistleblowing channels are described in more detail in Chapter G1 – Business conduct.

Statnett has several procedures and channels for reporting and remedying adverse impacts. Statnett's reindeer husbandry coordinators serve as direct points of contact for reindeer herders. The coordinators work in the field and are in regular contact with reindeer herders who have been or could potentially be affected by Statnett's activities. Thus far, we have not performed any formal assessment of the extent to which affected communities are aware of or trust our whistleblowing channels.

The role of the reindeer husbandry coordinators is also to receive information during all phases of Statnett's activities (planning, construction and operation), and pass on such information to relevant projects. Such information could, for example, relate to incidents that necessitate adjustments to construction work.
Our dialogue with reindeer herders is documented. This documentation is important in connection with licence applications and detailed plans. It is also important during ongoing construction work, in order to potentially incorporate input and identify opportunities for adjustment. The documenting of processes and dialogue is also used to evaluate the effectiveness of our community engagement efforts. These processes also facilitate feedback from the relevant target groups.

However, as discussed in Chapter G1, we have not yet implemented a methodology for measuring the effectiveness of our whistleblowing channels.
The company wishes to further develop its whistleblowing channels on the basis of the UN Guiding Principles on Business and Human Rights (UNGP), in order to ensure its channels work effectively. Information concerning whistleblowing channels must emphasise the important principle that those who make use of them are protected from any retaliation and reprisal. Affected communities can also raise their concerns and needs via the County Governor and through participation in consultation rounds organised by NVE.

Statnett always aims to reach amicable agreements with individuals or groups in local communities who are adversely impacted by Statnett's activities. This work is governed by laws and internal guidelines and processes. If an amicable agreement cannot be reached, compensation for damages will, in relation to expropriation cases, be determined at the discretion of the courts.

Actions related to affected communities

Table 61 "Overview of actions completed or initiated in 2025" contains an overview of key actions we have implemented, or plan to implement, to address material IROs related to affected communities.

These actions are specifically intended to strengthen the protection of Indigenous peoples' rights.

None of the actions mentioned involves significant operational expenditures or investment costs. Adequate resources have been allocated to deal with material impacts through actions taken. The need for additional resources is assessed regularly. The effectiveness of the actions is assessed through Statnett's regular dialogue with stakeholders and based on the number of complaints received. We do not yet have sufficient data to assess the effectiveness of more recent actions.

Statnett's internal interdisciplinary working group on coexistence devoted considerable attention to the issue of reindeer husbandry in 2024 and 2025. The working group's goals include strengthening compliance with our Code of Conduct and external due diligence requirements, reinforcing our competency base and knowledge sharing, as well as establishing a more systematic approach to engagement and dialogue with the reindeer husbandry industry, particularly in the early phase.

In recent years, Statnett has established several actions relating to due diligence and dialogue with reindeer herders in order to minimise the impact of our activities. However, we acknowledge that this is challenging. Statnett has several processes that are yet to be clarified. In general, we will strive to follow up existing actions and continue to improve going forwards.

Table 61: Overview of actions completed or initiated in 2025

Actions	Description and expected results	Related to the goal	Scope	Progress
Early dialogue with the local population, including reindeer herders, public authorities and other relevant stakeholders in connection with grid development area plans and KVUs	Open and wide-ranging dialogue with respect to area plans and KVUs will help ensure that affected parties gain better insight into grid-related needs and plans. At the same time, Statnett will obtain better insight into the consequences of its planned activities, and can more fully take these into account in its assessments	Reinforce efforts around stakeholder dialogue and engagement with affected communities, including Indigenous peoples	Affected local people, including reindeer herders and their representatives, including NRL and the County Governor of Nordland	Efforts to improve and systematise the stakeholder dialogue with respect to choice-of-concept studies (KVUs) is ongoing. Internal guidelines for a more systematic stakeholder dialogue were implemented in 2025 Stakeholder dialogue shall cover all KVUs, not just large studies
Mandatory reindeer management courses for Statnett's employees who are involved in projects that impact reindeer husbandry	The objective is to increase employees' competence with respect to reindeer management and how Statnett must engage in dialogue with and involve reindeer herders in the various phases of a project	Awareness-raising and competency-building to protect the rights of affected Indigenous peoples	Available to all Statnett employees and mandatory for Statnett employees who are involved in projects which affect reindeer husbandry	Six courses were held in 2025. The course will be held, and further developed, in 2026
Internal reindeer husbandry manual updated	In 2025, the reindeer husbandry manual was updated and incorporated as a governing document	Reinforce efforts around stakeholder dialogue and engagement with affected Indigenous peoples	For all employees, suppliers and other partners	The reindeer husbandry manual will be further developed in 2026
Coverage of expenses introduced in cases relating to reindeer husbandry	Based on the ED's licensing conditions for the 420 kV Skaidi–Lebesby power transmission line requiring Statnett to fund a reindeer husbandry coordinator role	Reinforce efforts in the area of stakeholder dialogue and engagement with affected communities	Applies to all phases of grid development area plans, KVUs, licensing processes, construction and operation of Statnett's facilities	Decision to cover expenses taken in 2025

Actions	Description and expected results	Related to the goal	Scope	Progress
Dialogue at the management level	The CEO's meeting with the Sámi Parliament of Norway in January 2025 to establish regular dialogue at the management level with a view to ensuring effective engagement	Reinforce efforts around stakeholder dialogue and engagement with affected communities	CEO	Meeting held with the intention of further developing dialogue
Mapping of projects that could impact reindeer husbandry	Identification of relevant projects to improve proactive engagement with the reindeer husbandry industry	Mapping and identification of impact areas and risks	Project managers/others working on projects in relevant areas	Finalised during 2025 – continuous mapping
Formalise processes related to Indigenous peoples in all project phases	Clarification of special considerations and actions related to Indigenous peoples in all project phases	Systematisation of work	Acquirers of land and other rights	Started in 2024 – the work will be continued in 2026
Internal reindeer husbandry mapping solution combined with Statnett's existing and planned facilities data	Mapping solution that shows reindeer herding data combined with Statnett's existing and planned facilities data	Systematisation of work	Project managers/ others working on projects in relevant areas	The mapping solution will be further developed in 2026

Serious incidents

There have been no reports of serious human rights incidents in affected communities. The effectiveness of the actions is regularly assessed throughout the project process, with Statnett obtaining feedback from stakeholders through dialogue and consultation. Statnett also regularly collects information through media analyses and reputation surveys, to learn more about how it is perceived externally, and as part of the mapping of impacts and risks related to our stakeholders.

Targets related to affected communities

In 2025, Statnett established a target that all KVUs must document the involvement of representatives of affected communities by the end of 2027. The target was approved as part of Statnett's holistic transition plan. Considerable efforts have been made to boost engagement with affected communities at an early phase, including choice-of-concept studies (KVUs).
The purpose of the target is to help further reinforce and systematise this work, so that we can find the best solutions to accommodate the interests of affected parties at an early stage. This also aligns with the requirements set out in NVE's new Regulations on Energy Studies and Statnett's own practice.

The target aligns with Statnett's Sustainability Policy, Instructions for Interaction and Dialogue with Indigenous Peoples and our Code of Conduct, which states that Statnett must safeguard the interests of affected stakeholders, minority groups and Indigenous peoples, and that dialogue is a key prerequisite for good solutions and coexistence. This target has been developed internally. Only internal stakeholders have contributed to its development. The organisation is currently working to establish reportable performance indicators. We expect to be able to report on our performance with effect from 2026.

Statnett aims to enhance stakeholder dialogue and engagement with affected communities, including Indigenous peoples, and is planning the following actions for 2026:

- Updating Statnett's internal project processes, as well as land and rights processes, to clarify and formalise how to involve the reindeer husbandry industry in the different phases (apart from the mandatory dialogue with rights holders and landowners)
- Share experiences and learning with other stakeholder groups and participate in relevant external forums on the topic

Governance

In the Governance section, we report on one material reporting standard, G1 Business conduct.

G1 Business conduct

If we are to successfully transition to a low-emission society, it is absolutely critical that we carry out the transition in a responsible manner. Our operational activities give us the power to influence people, the climate and nature, both positively and negatively, through our approach to corporate management.

Consequently, we prioritise transparency in our business conduct and strive to provide insights into various aspects of our corporate management.
As part of this effort, we participate in the public debate through analyses, reports and fact-based assessments associated with Statnett's social mission.

In this chapter, we report on our relevant governing documents, whistleblowing procedures and channels, how we contribute to the public debate, and our board members' independence from the public administration.

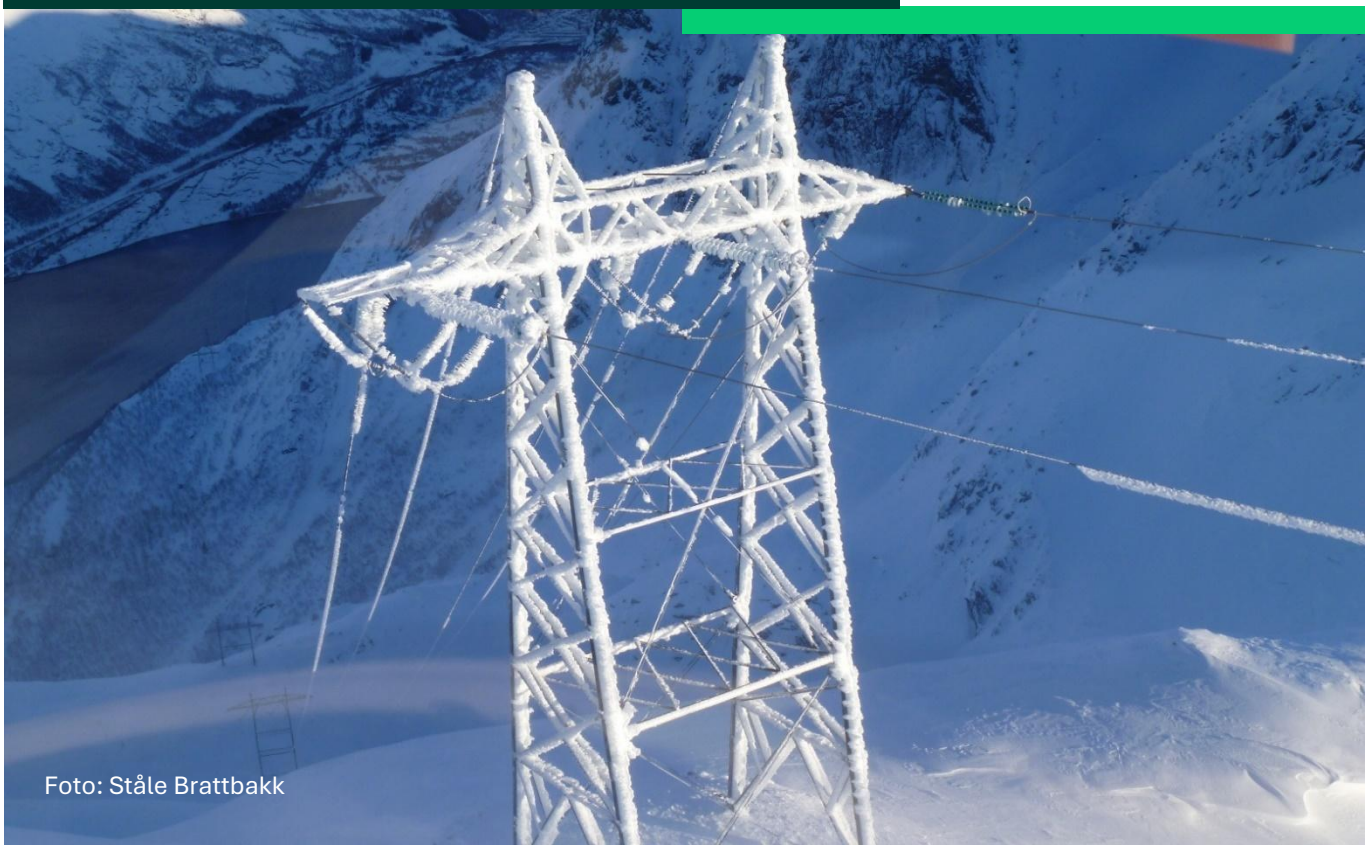


Foto: Ståle Brattbakk

Material impacts, risks and opportunities related to business conduct

For a description of the identified IROs, see Table 11 “G1 Business conduct – material IROs” in ESRS 2.

Governing documents and guidelines for business conduct and corporate culture

Statnett has a number of governing documents which, to varying extents, relate to business conduct. These are briefly discussed below. For further details, see Chapter ESRS 2 and Table 13 “Our governing documents”

- Ethical guidelines (Code of Conduct)
- Supplier Code of Conduct
- Instructions for the board
- Instructions for the CEO
- Statnett’s governance principles
- Statnett’s Articles of Association
- Sustainability policy
- Supply chain policy
- Procedures for reporting issues of concern at Statnett (whistleblowing procedure)

The Code of Conduct is a top-level document among Statnett’s governing documents. All other policies, instructions and rules of procedure are based on the principles set out in the Code of Conduct.

In addition to complying with laws and regulations, the Code of Conduct is based on international standards and principles with which Statnett wishes to comply, including the UN Universal Declaration of Human Rights and the ILO core conventions. Statnett is required to achieve its goals in a sustainable manner. For Statnett, sustainability is about taking responsibility for people, society, nature, the environment and climate. It is a fundamental premise of our ethical principles.

Our Code of Conduct describes our expectations and sets out our requirements for how each of us should conduct ourselves. It reflects who we are and forms the foundation for Statnett’s corporate culture. It clearly states that we are a non-political actor and that we do not associate ourselves with political movements. As a state-owned enterprise, we make no political donations. Our Code of Conduct is adopted by resolution of the Board of Directors.

The guidelines stipulate that all permanent and temporary employees, hired consultants and board members must comply with applicable laws and regulations in their work. This applies to both external requirements and internal rules, including laws, regulations and Statnett’s governing documents. All employees undertake to familiarise themselves with Statnett’s Code of Conduct and use it as the basis for the work they perform and the role they fulfil on behalf of Statnett. Statnett also expects all employees to acquire the necessary knowledge to be able to comply with the laws and regulations that apply to their field of work, and to seek advice from their manager or dedicated specialists when needed. Managers must ensure that employees are familiar with the external and internal guidelines that apply to their field of work.

At Statnett, all new employees are informed of the company’s expectations and requirements to act in accordance with our Code of Conduct, which is appended to the employment contract and is presented at induction meetings.

All employees, including Group Management and the Board of Directors, must undertake mandatory training on our Code of Conduct.

To help ensure that Statnett employees work safely and comply with applicable requirements, all employees must annually complete mandatory courses relevant to their specific role and responsibilities. Completion of these courses is followed up by line managers and in Statnett’s learning system.

Whistleblowing

To cultivate a strong corporate culture, Statnett encourages open dialogue and maintains a low threshold for reporting issues of concern and seeking advice on ethical issues. Statnett encourages all employees to speak openly with both their managers and colleagues about ethical conduct and ethical dilemmas.

Statnett's whistleblowing scheme applies to all employees at Statnett, including contract workers. It is also open to people who are neither employed by nor under contract to Statnett. These may, for example, be employees of our suppliers or other third-party whistleblowers. A dedicated channel has been established to facilitate anonymous reporting.

Statnett encourages employees and contract personnel to speak out about any issues of concern or suspicious conduct. In some cases, employees have a duty to report – for example, in the event of a threat to life or health.

Information about opportunities to report issues of concern is published both internally and externally, on the company's intranet and website. Whistleblowing is also covered in the company's personnel handbook, in our Code of Conduct and in the internal Procedure for reporting issues of concern. An important principle is that employees who make use of our whistleblowing channels are protected from retaliation or reprisal.

Prevention and detection of corruption and bribery

Our Code of Conduct addresses both corruption and bribery.

All employees, including Group Management and the Board of Directors, must complete a mandatory training course on our Code of Conduct each year. This training course includes theory and dilemma training specifically adapted for Statnett, and covers the Norwegian Penal Code's definition of corruption.

Everyone at Statnett must avoid situations where offering or accepting benefits could constitute, or appear to constitute, undue influence. This includes, for example, gifts, hospitality, gestures of courtesy, expense coverage or other benefits.

In 2025, management adopted a compliance programme for Statnett. One of the compliance programme's sub-programmes addresses financial crime, including corruption and fraud. The compliance programme will be implemented over the course of 2026. It will involve the assessment of corruption risk as well as measures to identify and prevent corruption and fraud.
The Ethics Committee prepares an annual report for Group Management and the Board of Directors, covering subjects such as the Committee's activities and the number of cases considered. The whistleblowing procedure is evaluated annually and is updated to reflect any legislative changes. The Chair of the Ethics Committee coordinates this process. The Committee, or the individuals appointed to investigate cases of corruption and bribery, are independent of those involved in the case.

All Statnett employees must speak up if they suspect corruption, and maintain transparency about offers of gifts or other benefits. If employees are in any doubt regarding gifts or benefits, they must consult their manager, the Legal Affairs Department or the Ethics Committee. If they observe actions that could constitute corruption or could otherwise violate, or could be perceived as violating, our Code of Conduct, they must report this via Statnett's established whistleblowing channels.

The Ethics Committee

The Ethics Committee advises on ethical issues and ensures that reports of issues of concern are handled in line with established procedures.

The Ethics Committee also provides guidance to employees, managers and other affected parties on matters that could be deemed to constitute issues of concern. Issues of concern are matters which violate the law or our Code of Conduct. Such concerns could relate to an unsafe working environment, corruption or other financial crimes, climate or environmental violations, or conditions that pose a risk to life and health. In 2025, the Committee considered ten such reports.

The Committee forwards reports of issues of concern to the EVP for the relevant area and escalates particularly serious cases to the CEO and the Board of Directors. The Committee's annual report is presented to the CEO and Statnett's Board of Directors.

The Chair of the Ethics Committee logs incoming reports of issues of concern. In addition to investigating the report, the Committee conducts a risk assessment to evaluate the risk of retaliation against whistleblowers and implements any necessary preventive measures.

Violations of Statnett's guidelines must be reported through Statnett's whistleblowing channels. The Ethics Committee, in consultation with the report's recipient, continuously assesses whether HR, the occupational health service or others can assist in protecting the whistleblower, the person reported and other parties affected by the case. We have not yet implemented a methodology for measuring the effectiveness of these channels. The company wishes to further develop its whistleblowing channels on the basis of the UN Guiding Principles on Business and Human Rights (UNGP), in order to ensure its channels work effectively.

Social dialogue

Table 62 "Overview of actions completed or initiated in 2025" contains a list of the actions implemented to address material IROs linked to business conduct.

It specifically addresses how Statnett communicates and engages in responsible social dialogue.

Statnett is not a political actor and we do not associate ourselves with political movements. We contribute to public debate by means of analyses, studies and other fact-based information related to our activities and our social mission.

As part of our social mission, we communicate with the media and the public on the basis of Statnett's guidelines and established authorisations. Information we hold may be subject to statutory regulations, such as the Norwegian Freedom of Information Act, the Regulations on Grid Regulation and the Energy Market, the Norwegian Securities Trading Act and the Norwegian Procurement Act. These regulations define where and how such information can be shared.

The Board of Directors and CEO have ultimate responsibility for Statnett's social dialogue.

As part of Statnett's dialogue with other European TSOs (Transmission System Operators), we are registered in the EU's Transparency Register.

Table 62: Overview of actions completed or initiated in 2025

Actions	Description and expected results	Expected result	Scope	Progress
Responsible social dialogue	Statnett engages in social dialogue through analyses, reports and fact-based assessments associated with its social mission. Communication with the media and general public takes place in accordance with internal guidelines and prevailing statutes	Open and fact-based dialogue strengthens trust and compliance with regulatory requirements	**Value chain**: Primarily own operations, collaboration with TSOs **Geography**: Norway and the EU **Stakeholders**: General public, public authorities, media, European TSOs	The action is ongoing and integrated into the operation, with no predefined end date

None of the actions mentioned involves significant operational expenditures or investment costs. Adequate resources have been allocated to deal with material impacts through actions taken. The need for additional resources is assessed regularly. Apart from our guidelines and principles for how we communicate and engage in social dialogue, no specific targets or indicators have been established for this area.

Board members' independence from the public administration

In the two years prior to the 2025 reporting period, Statnett acquired a new board member who has served on boards in the public administration.

Mette Bjørndal joined Statnett's Board of Directors in 2025. Bjørndal is a professor in the Department of Business and Management Science at the Norwegian School of Economics and Business Administration (NHH) She has served on a number of boards and committees, including the Power Grid Committee (Strømnettutvalget) (2021–2022) and the Financial Supervisory Authority of Norway (2005–2025).

ESRS index

Reporting requirements addressed

For a summary of the reporting requirements addressed and their location in the report, please see Table 63, "Table of reporting requirements addressed».

Table 63: Table of reporting requirements addressed

ESRS standard	DR	Name of DR	Section in report
ESRS 2	BP-1	General basis for preparation of the sustainability statement	Basis for preparation of sustainability report
	BP-2	Disclosures in relation to specific circumstances	Estimation and outcome certainty/Changes in preparation and presentation of sustainability information
	GOV-1	The role of the administrative, management and supervisory bodies	Managing sustainability/Responsibilities /Relevant experience among Board members and Group Management/Treatment of sustainability matters in governing bodies
	GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Treatment of sustainability matters in governing bodies
	GOV-3	Integration of sustainability-related performance in incentive schemes	Responsibilities
	GOV-4	Statement on due diligence	Statement on due diligence
	GOV-5	Risk management and internal controls over sustainability reporting	Risk management and internal control of sustainability reporting
	SBM-1	Strategy, business model(s) and value chain	Business model, value chain and strategy/Geographic location
	SBM-2	Interests and views of stakeholders	Stakeholder engagement in Statnett's strategy and DMA
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	Our double materiality analysis/Material impacts, risks and opportunities/Financial effects//Market and suppliers/How we consider sustainability in our decisions/The DMA process
	IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	The DMA process/Sources/Threshold values/Time horizons/Scenarios/Consolidation/ Decision-making, risk management, internal control and corporate governance related to DMA/Details on topic-specific IROs
	IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statements	ESRS index/Indices with references to other legal requirements and standards

ESRS standard	DR	Name of DR	Section in report
E1	E1 GOV-3	Integration of sustainability-related performance in incentive schemes	Responsibilities
	E1-1	Transition plan for climate change mitigation	Climate transition plan
	E1 SMB-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Material impacts, risks and opportunities related to climate change
	E1 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	ESRS 2: Details on topic-specific IROs The DMA process
	E1-2	Policies related to climate change mitigation and adaptation	Governing documents and guidelines for climate change
	E1-3	Actions and resources in relation to climate change policies	Actions related to climate change
	E1-4	Targets related to climate change mitigation and adaptation	Targets related to climate change mitigation and adaptation
	E1-5	Energy consumption and mix	Energy consumption and mix
	E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	Greenhouse gas emissions
	E1-8	Internal carbon pricing	Not relevant
	E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Phase-in
E2	E2 IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	ESRS 2: Details on topic-specific IROs The DMA process
	E2-1	Policies related to pollution	Governing documents and guidelines related to pollution
	E2-2	Actions and resources related to pollution	Actions related to pollution
	E2-3	Targets related to pollution	Targets related to pollution
	E2-4	Pollution of air, water and soil	Pollution from oil separators
E3	E3 IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	ESRS 2: Details on topic-specific IROs
E4	E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	Biodiversity and ecosystems in the transition plan, strategy and business model
	E4 SMB-3	Material impacts, risks and opportunities and their	Material impacts, risks and opportunities related to biodiversity and ecosystems

ESRS standard	DR	Name of DR	Section in report
		interaction with strategy and business model	
	E4 IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	ESRS 2: Details on topic-specific IROs The DMA process
	E4-2	Policies related to biodiversity and ecosystems	Governing documents and guidelines for biodiversity and ecosystems
	E4-3	Actions and resources related to biodiversity and ecosystems	Actions related to biodiversity and ecosystems
	E4-4	Targets related to biodiversity and ecosystems	Targets related to biodiversity and ecosystems
	E4-5	Impact metrics related to biodiversity and ecosystems change	Biodiversity and ecosystem metrics
	E4-6	Anticipated financial effects from material biodiversity and ecosystem-related impacts, risks and opportunities	Phase-in
E5	E5 IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	ESRS 2: Details on topic-specific IROs The DMA process
	E5-1	Policies related to resource use and circular economy	Governing documents and guidelines for resource use and the circular economy
	E5-2	Actions and resources related to resource use and circular economy	Actions related to resource use and the circular economy
	E5-3	Targets related to resource use and circular economy	Targets related to resource use and the circular economy
	E5-4	Resource inflows	Resource inflows
	E5-5	Resource outflows	Waste generated in 2025
	E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Phase-in

ESRS standard	DR	Name of DR	Section in report
S1	S1 SMB-2	Interests and views of stakeholders	ESRS 2: Stakeholder engagement in Statnett's strategy and DMA
	S1 SMB-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	Material impacts risks and opportunities related to Statnett's own workforce
	S1-1	Policies related to own workforce	Governing documents and guidelines for Statnett's own workforce

ESRS standard	DR	Name of DR	Section in report
	S1-2	Processes for engaging with own workforce and workers' representatives about impacts	Processes for engaging with own workforce and workers' representatives about impacts
	S1-3	Processes to remediate negative impacts and whistleblowing channels for own workforce	Processes to remediate adverse impacts on and provide whistleblowing channels for Statnett's own workforce
	S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Actions related to Statnett's own workforce/ Follow-up
	S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Targets related to Statnett's own workforce
	S1-6	Characteristics of the undertaking's employees	About Statnett's own workforce
	S1-7	Characteristics of non-employees in the undertaking's own workforce	Own workforce who are not employees
	S1-9	Diversity metrics	Diversity metrics
	S1-12	Persons with disabilities	Employees with disabilities
	S1-13	Training and skills development metrics	Education and competency building metrics
	S1-14	Health and safety metrics	Health and safety metrics
	S1-15	Work-life balance metrics	Work-life balance metrics
	S1-16	Remuneration metrics (pay gap and total remuneration)	Remuneration metrics
	S1-17	Incidents, complaints and severe human rights impacts	Incidents, complaints and serious human rights impacts
S2	S2 SMB-2	Interests and views of stakeholders	ESRS 2: Stakeholder engagement in Statnett's strategy and DMA
	S2 SMB-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	Material impacts, risks and opportunities relating to worker in the value chain
	S2-1	Policies related to workers in the value chain	Governing documents and guidelines for workers in the value chain
	S2-2	Processes for engaging with workers in the value chain about impacts	Processes for engaging with value chain workers about impacts
	S2-3	Processes to remediate negative impacts and whistleblowing channels for workers in the value chain	Processes to remediate negative impacts and provide whistleblowing channels for workers in the value chain
	S2-4	Taking action on material impacts on workers in the value chain, and approaches to managing material risks and pursuing material opportunities related to workers in	Taking action on workers in the value chain

ESRS standard	DR	Name of DR	Section in report
		the value chain, and effectiveness of those actions	
	S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Targets related to workers in the value chain
S3	S3 SMB-2	Interests and views of stakeholders	ESRS 2: Stakeholder engagement in Statnett's strategy and DMA Indigenous peoples
	S3 SMB-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	Material impacts, risks and opportunities related to affected communities
	S3-1	Policies related to affected communities	Governing documents and guidelines for affected communities
	S3-2	Processes for engaging with affected communities about impacts	Processes for engaging with affected communities about impacts
	S3-3	Processes to remediate negative impacts, and whistleblowing channels for affected communities	Processes to remediate negative impacts, and whistleblowing channels for affected communities
	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	Actions related to affected communities
	S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Targets related to affected communities

ESRS standard	DR	Name of DR	Section in report
G1	G1 GOV-1	The role of the administrative, management and supervisory bodies	ESRS 2: Relevant experience among Board members and Group Management/Our governing documents
	G1 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	ESRS 2: Details on topic-specific IROs
	G1-1	Business conduct policies and corporate culture	Governing documents and guidelines for business conduct and corporate culture/Whistleblowing/The Ethics committee
	G1-2	Management of relationships with suppliers	Not relevant
	G1-3	Prevention and detection of corruption and bribery	Not relevant
	G1-4	Incidents of corruption or bribery	Not relevant

	G1-5	Political influence and lobbying activities	Social dialogue
	G1-6	Payment practices	Not relevant

Indices with references to other legal requirements and standards

Table 64: Taskforce on Nature related Financial Disclosures (TNFD)

Statnett is an Early Adopter of the TNFD's framework for nature-related reporting. The reporting standards are met by the broader reporting framework. See references in Table 63: "Taskforce on Nature-related Financial Disclosures (TNFD)".

Topic	Recommended Disclosures	Section
Governance	Describes the board's oversight of nature-related dependencies, impacts, risks and opportunities.	Chapter ESRS 2, the sections "Managing sustainability" and "Treatment of sustainability matters in governing bodies"
	Describe management's oversight of nature-related dependencies, impacts, risks and opportunities.	Chapter ESRS 2, sections "Managing sustainability" and "Treatment of sustainability matters in governing bodies"
	Describe the organisation's human rights-related governing documents, activities, and oversight by the administrative, management and supervisory bodies with respect to Indigenous peoples, local communities, affected people and other stakeholders, in the organisation's assessment of and response to nature-related dependencies, impacts, risks, and opportunities.	Chapter ESRS 2, sections "Our governing documents" and Chapter S3, Section "Processes for engaging with affected communities about impacts"
Strategy	Describe the nature-related dependencies, impacts, risks and opportunities the organisation has identified in the short, medium and long term.	Chapter ESRS 2, section "Details on topic-specific IROs"
	Describe the impact that nature-related dependencies, impacts, risks and opportunities have had on the organisation's business model, value chain, strategy and financial planning, as well as any transition plans or analyses in place.	Chapter ESRS 2, section "Business model, value chain and strategy", and Chapter E4, section "Biodiversity and ecosystems in the transition plan, strategy and business model"
	Describe the organisation's strategic resilience to nature-related risks and opportunities, considering different scenarios.	Chapter ESRS 2, section "Details on topic-specific IROs" and Chapter E4, section "Biodiversity and ecosystems in the transition plan, strategy and business model"
	The location of assets and/or activities in the organisation's direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for prioritised sites.	Chapter E4, Table 30, "Material sites"
Risk and impact management	i. Describe the organisation's processes to identify, assess and prioritise nature-related dependencies, impacts, risks, and opportunities in its direct operations. ii. Describe the organisation's processes to identify, assess and prioritise nature-related dependencies, impacts, risks and opportunities in its value chain(s).	Chapter ESRS 2, section "The DMA process'', and section "Details on topic-specific IROs"
	Describe the organisation's processes to monitor nature-related dependencies, impacts, risks and opportunities.	Chapter ESRS 2, section "Managing sustainability"

Topic	Recommended Disclosures	Section
	Describe how processes to identify, assess, prioritise and monitor nature-related risks are integrated into and inform the organisation's overall risk management processes.	Chapter ESRS 2, sections "Managing sustainability" and Chapter E4, section "Biodiversity and ecosystems in the transition plan, strategy and business model"
Key metrics and targets	Metrics that the organisation uses to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process.	Chapter E4, section "Targets related to biodiversity and ecosystems"
	The targets that the organisation uses to manage nature-related risks and opportunities, as well as the status of target achievement.	Chapter E4, section "Targets related to biodiversity and ecosystems"

Table 65: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

DR	SFDR	Pillar 3	Benchmark regulation	EU Climate law	Location in report
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d	x		x		Relevant experience among Board members and Group Management
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			x		Relevant experience among Board members and Group Management
ESRS 2 GOV-4 Statement on due diligence paragraph 30	x				Statement on due diligence
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	x	x	x		Immaterial
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	x		x		Immaterial
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	x		x		Immaterial
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			x		Immaterial
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14			x		Climate transition plan

DR	SFDR	Pillar 3	Benchmark regulation	EU Climate law	Location in report
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		x	x		Targets related to climate change mitigation and adaptation
ESRS E1-4 GHG emission reduction targets paragraph 34	x	x	x		Targets related to climate change mitigation and adaptation
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	x				Energy consumption and mix
ESRS E1-5 Energy consumption and mix paragraph 37	x				Table 22
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	x				Table 22
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	x	x	x		Table 23
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	x	x	x		Table 26
ESRS E1-7 GHG removals and carbon credits paragraph 56				X	Immaterial
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			x		Phase-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).		x			Phase-in
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		x			Phase-in

DR	SFDR	Pillar 3	Benchmark regulation	EU Climate law	Location in report
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			x		Phase-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	x				Not reported
ESRS E3-1 Water and marine resources paragraph 9	x				Immaterial
ESRS E3-1 Dedicated policy paragraph 13	x				Immaterial
ESRS E3-1 Sustainable oceans and seas paragraph 14	x				Immaterial
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	x				Immaterial
ESRS E3-4 Total water consumption in m 3 per net revenue on own operations paragraph 29	x				Immaterial
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	x				Material sites and impacts on species
ESRS 2- SBM 3 - E4 paragraph 16 (b)	x				Material sites and impacts on species
ESRS 2- SBM 3 - E4 paragraph 16 (c)	x				Material sites and impacts on species
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	x				Governing documents and guidelines for biodiversity and ecosystems
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	x				Governing documents and guidelines for biodiversity and ecosystems

DR	SFDR	Pillar 3	Benchmark regulation	EU Climate law	Location in report
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	x				Governing documents and guidelines for biodiversity and ecosystems
ESRS E5-5 Non-recycled waste paragraph 37 (d)	x				Table 37
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	x				Table 37
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	x				Material impacts risks and opportunities related to Statnett's own workforce
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	x				Material impacts risks and opportunities related to Statnett's own workforce
ESRS S1-1 Human rights policy commitments paragraph 20	x				Governing documents and guidelines for Statnett's own workforce
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			x		Governing documents and guidelines for Statnett's own workforce
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	x				Governing documents and guidelines for Statnett's own workforce
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	x				Governing documents and guidelines for Statnett's own workforce
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	x				Processes to remediate adverse impacts on and

DR	SFDR	Pillar 3	Benchmark regulation	EU Climate law	Location in report
					provide whistleblowing channels for Statnett's own workforce
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	x		x		Table 50
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	x				Table 50
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	x		x		Table 52
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	x				Table 52
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	x				Table 53
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	x		x		Table 54
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	x				Table 55
ESRS S2-1 Human rights policy commitments paragraph 17	x				Governing documents and guidelines for workers in the value chain
ESRS S2-1 Policies related to value chain workers paragraph 18	x				Governing documents and guidelines for workers in the value chain
ESRS S2-1Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	x		x		Governing documents and guidelines for workers in the value chain
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			x		Governing documents and guidelines for workers in the value chain

DR	SFDR	Pillar 3	Benchmark regulation	EU Climate law	Location in report
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	x				Serious incidents
ESRS S3-1 Human rights policy commitments paragraph 16	x				Governing documents and guidelines for affected communities
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	x		x		Governing documents and guidelines for affected communities
ESRS S3-4 Human rights issues and incidents paragraph 36	x				Serious incidents
ESRS S4-1 Policies related to consumers and end-users paragraph 16	x				Immaterial
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	x		x		Immaterial
ESRS S4-4 Human rights issues and incidents paragraph 35	x				Immaterial
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	x				Not relevant
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	x				Not relevant
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	x		x		Immaterial
ESRS G1-4 Standards of anti- corruption and anti-bribery paragraph 24 (b)	x				Immaterial

In accordance with Section 2-2 (8)1 of the Norwegian Accounting Act, the Board confirms that the annual financial statements have been prepared in accordance with the going concern assumption.

Oslo, 5 March 2026

Statnett SF's Board of Directors

Nils Kristian Nakstad	Mette Helene Bjørndal	Maria Sandsmark	Egil Gjesteland
Board Chair	Board member	Board member	Board member
Wenche Teigland	Christian Reusch	Ingeborg Ligaarden	Børre Langgård
Board member	Board member	Board member	Board member
	Steinar Jøråndstad	Elisabeth Vike Vardheim	
	Board member	CEO	

Corporate governance

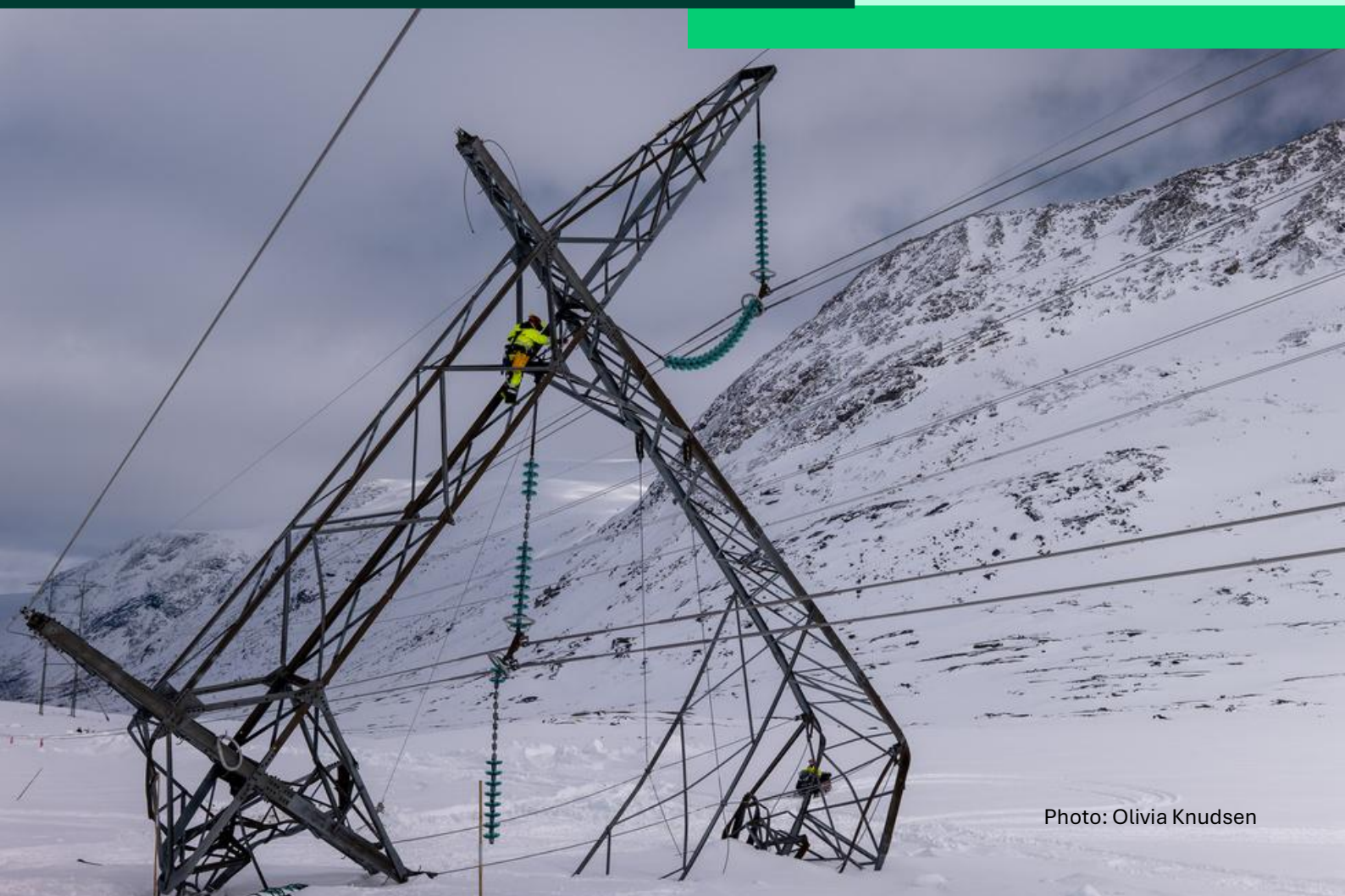


Photo: Olivia Knudsen

Corporate management

Corporate management at Statnett enables the company's owners to apply the government's principles of good corporate governance. The company reports on its compliance in accordance with the Norwegian Code of Practice for Corporate Governance (www.nues.no).

1. Implementation and reporting on corporate governance

Statnett SF is a state enterprise (SF) owned by the Norwegian State through the Ministry of Energy.
The enterprise is organised as a group.

Sound corporate governance is a prerequisite for stable long-term value-creation and helps ensure that Statnett delivers products and services that meet the requirements and expectations of customers, public authorities and other stakeholders.

The Board ensures that Statnett exercises sound corporate governance and adequate internal control. Together with Statnett's governance principles, policies, rules, processes, procedures and other internal governing documents, these guidelines provide the overarching frameworks of the management system. These frameworks contribute to effective risk management and facilitate continuous improvement and more efficient operations.

2. Business

Statnett is responsible for fulfilling sectoral policy goals within the energy sector, and the responsibility of Statnett is stated in its Articles of Association. The enterprise is responsible for a socio-economically rational operation and development of the national transmission grid. Statnett shall, on its own or in conjunction with others, plan, design, build, own and operate power transmission infrastructure.
Statnett's Articles of Association are displayed on the Group's website.

The Government's Ownership White Paper (Report to the Storting 6 (2022–2023): Greener and more active state ownership) clarifies the owner's expectations relating sustainable and the most efficient possible attainment of sectoral policy goals.

3. Equity and dividends

The owner's dividend policy is established through the Norwegian national budget. Dividends are approved at the Annual General Meeting following each financial year. The owner's dividend policy for the 2025 financial year is to pay a dividend corresponding to 50 per cent of the Group's underlying (net) profit. The dividend basis is defined as the Group's net profit for the year, after tax, adjusted for the change in the year's accumulated post-tax higher/lower revenue account. In other respects, the capital structure is managed through the issuance and repayment of current and non-current debt, as well as changes in liquidity reserves.

4. Equal treatment of owners

Statnett is a state-owned enterprise with no tradable shares. As a result, the company does not have dedicated guidelines governing equal treatment of owners.

5. Shares and negotiability

Statnett is a state-owned enterprise with no tradable shares. The sale of shares in the enterprise would involve a change in form of incorporation, which, in turn, would require a change in legislation to be adopted by parliament.

6. General Meeting

As sole owner, the Ministry of Energy exercises the ultimate authority in the enterprise through the General Meeting. The Annual General Meeting considers the adoption of Statnett SF's income statement and balance

sheet, including allocation of the net profit for the year or coverage of the net loss for the year, adoption of the consolidated income statement and consolidated balance sheet. Other matters that fall to the General Meeting in accordance with legislation or the company's Articles of Association are also considered. This includes the election of the Board of Directors and remuneration of Board members and Board committees. The Board and the auditor participate in the General Meeting.
The General Meeting adopts Statnett's Articles of Association, which establish frameworks for Statnett's activities. The Annual General Meeting is held each year by the end of June. In accordance with the Norwegian Act relating to state-owned enterprises, the meeting is chaired by the Board Chair.

7. Nomination committee

The owner-elected Board members are appointed by the Ministry of Energy at the General Meeting. Employee-elected members and their deputy members are elected by and from among the company's employees in accordance with the applicable regulations in the Norwegian Act relating to state-owned enterprises.
The Board Chair is elected by the General Meeting.

8. Board of Directors, composition and independence

Statnett does not have a corporate assembly.
In accordance with the Articles of Association, the company's Board of Directors should consist of seven to nine members along with deputy members. In 2025, Statnett's Board of Directors consisted of nine members, three of whom were elected by and from among the company's employees. In accordance with Section 21 of the Norwegian Act relating to state-owned enterprises, Board members are elected for a term of up to two years, but can remain in office until a new Board member has been elected even if their term of office has expired.
With the exception of employee-elected representatives, the Board members are independent of the enterprise and owner.

9. The work of the Board of Directors

The Board of Directors has overarching responsibility for ensuring that Statnett executes a sustainable and most efficient possible attainment of its sectoral policy goals. The Board sets and evaluates Statnett's strategy.
The Board is responsible for the management of Statnett and ensures that the company's activities are conducted in compliance with Statnett's objectives and Articles of Association, and that Statnett complies with laws, regulations and other formal requirements. The Board is responsible for ensuring appropriate management, governance and control of Statnett. The Board's work follows an annual plan and is performed in compliance with adopted rules of procedure for the Board. The rules of procedure for the Board of Directors clarify the Board's role and responsibilities, and help maintain the Board's independence in its work. The Board also adopts the mandate stating the duties and obligations of the CEO, supervises the CEO and ensures that Statnett is appropriately organised. The CEO is responsible for the day-to-day operation of Statnett.

The Board helps ensure that it is appropriately composed, and that the Board's work is based on transparency, trust, competency and impartiality.
The Board members' collective competency is intended to contribute to effective, long-term value-creation and development at Statnett. Statnett satisfies statutory requirements for representation of both genders on the Board. A total of ten board meetings were held in 2025.

Conflicts of interest and disqualification
Statnett uses valuations prepared by independent third parties for material transactions between the company and related parties.

Statnett's Code of Conduct obliges employees, consultants and the Board of Directors to report any issues that could affect the integrity or the reliability of the work they perform for Statnett.

Audit Committee
As a company issuing listed bonds, Statnett is obliged to have an Audit Committee to review matters for consideration by the Board. The Board has adopted a mandate for the Audit Committee. The mandate for the

Audit Committee includes the statutory responsibilities of the Committee relating to preparing the Board's review of financial accounts, attestation of the annual and sustainability reporting, the Auditor's report and the attestation of the above-mentioned documents, assessing and monitoring the auditor's independence, and preparing for the company's election of an auditor. In addition, in accordance with its mandate, the Committee will follow up the internal audit. The Vice Chair of the Board is the Chair of the Audit Committee. The Committee held nine meetings in 2025.

Remuneration Committee

The Board has established a Remuneration Committee to prepare matters regarding establishing the CEO's terms of employment for consideration by the Board, together with the main principles for remuneration of Statnett's Group management. The Board has adopted a mandate for the Remuneration Committee. The Remuneration Committee, which is chaired by the Board Chair, held three meetings in 2025.

Project Committee

The Board has established a Project Committee and adopted a mandate for the Project Committee. The purpose of the Project Committee is to review matters regarding projects considered by the Board, ensure sound governance and control of the projects and review the reporting regarding the projects provided by the administration to the Board. The Project Committee, which is chaired by Board member Egil Gjesteland, held eight meetings in 2025.

Dialog with the owner

In addition to general meetings, the Ministry of Energy holds meetings with the Board of Directors in its capacity as company owner. These are intended to serve as an informal forum in which the Board and owner can exchange opinions and discuss matters of major economic or strategic importance for Statnett. The views expressed by the owner at these meetings are for Statnett's Board and administration's consideration. Items that require a formal decision from the owner are to be discussed at the General Meeting.

Board member	Role	Number of meetings attended
Nils Kristian Nakstad	Board Chair	10
Wenche Teigland	Vice Chair	10
Maria Sandsmark	Board member	10
Christian Reusch	Board member	9
Egil Gjesteland	Board member	9
Hilde Singsaas	Board member until 24 June	5
Mette Helene Bjørndal	Board member from 24 June	4
Steinar Jøråndstad	Employee-elected Board member	10
Ingeborg Ligaarden	Employee-elected Board member	8
Børre Langgård	Employee-elected Board member	10
Erika Stadler	Employee-elected deputy Board member	2

10. Guidelines and compliance

Compliance with prevailing laws and regulatory requirements is a prerequisite for Statnett's operations. This is operationalised through the company's own guidelines set out in the governing documents. Statnett's governing documents and key processes, together with the company's organisation and delegation of responsibility, form the basis for internal control in the company.

Statnett is certified to ISO 55001, *Asset management*.

Code of Conduct
Statnett's Code of Conduct forms the foundation for the company's business ethics. The code describes expectations and requirements regarding each individual's conduct. The Code of Conduct applies to all permanent and temporary employees of Statnett, including consultants, as well as Board members.
All Statnett's policies, instructions and rules of procedure are based on the principles set out in the Code of Conduct.

Statnett has appointed an Ethics and Whistleblowing Committee whose mandate is to ensure compliance with the requirements of the Norwegian Working Environment Act by facilitating reporting of any issues of concern.
The Committee also serves as a whistleblowing channel for both Statnett employees and external parties.

Supplier Code of Conduct
Our Supplier Code of Conduct is based on the same principles as Statnett's own internal Code of Conduct and expresses Statnett's requirements for its suppliers, other business associates and their representatives.
The Code's guidelines have been drawn up to clearly communicate our standards in this area and will form part of the obligations of suppliers who enter into a contractual relationship with Statnett. Statnett's requirements and standards must also be complied with by any subcontractor or supplier throughout the contract chain. Violation of these guidelines is deemed to be a serious matter and may result in sanctions. Compliance with the Code's guidelines is followed up by means of inspections on and audits of the suppliers.

Sustainability
Statnett's sustainability report forms part of the Board of Directors' Report. Statnett reports in accordance with the updated requirements of the Norwegian Accounting Act, which implements the EU Corporate Sustainability Reporting Directive (CSRD) and the accompanying European Sustainability Reporting Standards (ESRS) into Norwegian law. The sustainability report includes targets set, work carried out and actions taken within the area of sustainability. Statnett's activities related to the disclosure obligations under the Equality and Anti-Discrimination Act are described on statnett.no.

11. Remuneration paid to the Board of Directors

Remuneration paid to the Board of Directors is determined by the Ministry of Energy in its capacity as company owner. A detailed overview of the remuneration paid to the Board of Directors is disclosed in the annual financial statements.

12. Remuneration of executive personnel

Statnett complies with the government's principles for remuneration of senior executives in state-owned enterprises. The Board issues a declaration on remuneration of senior executives in compliance with Article 8 of the company's Articles of Association, the Norwegian Public Limited Liability Companies Act, the Norwegian Accounting Act and the guidelines for state-owned enterprises. This declaration is presented at the General Meeting. A detailed overview of remuneration paid to senior executives can be found in the notes to the annual financial statements and the declaration on remuneration, which are published on the company's website.
The General Meeting has adopted guidelines for the remuneration of senior executives at Statnett and the reporting of this. These guidelines form the basis for the 2025 declaration on remuneration paid to senior executives.

13. Information and communications

Statnett is subject to the Norwegian Freedom of Information Act, the rules on the provision relating to information to the energy market, the National Security Act and the regulations relating to Emergency Preparedness in the Power Supply System. Statnett distributes financial and operational information in compliance with relevant legislation and practises both open governance and transparency with regard to how we handle any negative impacts on fundamental human rights and decent working conditions. Financial and operational information, as well as the enterprise's financial calendar, can be found on Statnett's website.

14. Takeovers

Statnett is a state-owned enterprise with no tradable shares. Due to this, Statnett has not implemented any principles on how the company shall act on any takeover bids.

15. Auditor

The external auditor is elected by the General Meeting and is independent of Statnett. The auditor presents its annual audit plan to the Audit Committee. The auditor meets the Audit Committee when relevant items are due to be considered, and participates in the Board meeting that reviews the Board of Directors' Report, including the sustainability report and annual financial statements. The auditor holds an annual meeting with the Board without management being present. As an important element of work to ensure the auditor's independence, the Board has established guidelines concerning engagement of the auditor for services other than auditing. The auditor reviews the company's internal control each year in conjunction with the Audit Committee. Details of the auditor's remuneration, split between audit and other services, are disclosed in the annual financial statements.

16. Guidelines for equality and diversity

Statnett's guidelines for diversity, equality and inclusion are described in the sustainability report.

Risk management and internal control

Statnett's ability to identify and manage risk is a prerequisite for long-term value creation. The aim of Statnett's holistic risk management is to ensure appropriate risk exposure in accordance with the Board's risk tolerance and the company's adopted strategy. Risk management serves as a strategic tool that contributes to effective prioritisation and sound decision-making, to enable Statnett to achieve its goals. The systems for risk management and internal control enable Statnett to identify, evaluate and report risks. This in turn allows the company to respond strategically, operationally and financially.

Roles and responsibilities

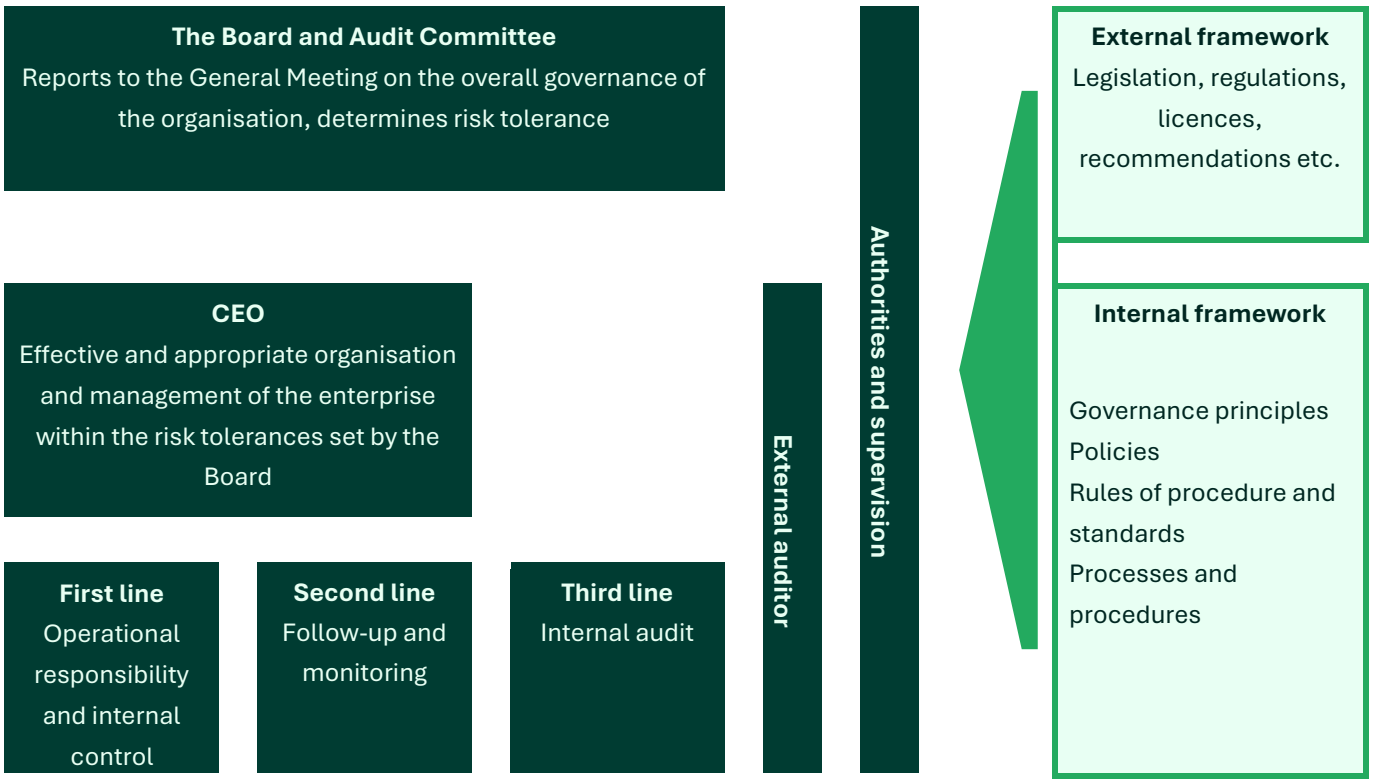
Statnett's Board has overall responsibility for ensuring that the company has appropriate risk management systems and good internal control. The Board oversees important processes and monitors significant risk areas.

Three-line model for governance and control

Statnett's Audit Committee prepares sustainability and financial reporting matters for consideration by the Board and manages the relationship with the company's external and internal auditors.

Group management is responsible for the operationalisation of the company's risk management and internal control, including ensuring that material risks are handled in line with Statnett's goals and corporate social responsibility. Responsibility for day-to-day management is delegated to managers at all levels of the company, applying the guiding principle that risk is owned and managed at the lowest possible organisational level.

Statnett's risk management and internal control systems are organised in accordance with the three-line model. This model highlights the roles and responsibilities relating to management and control of the enterprise: it distinguishes between three lines, where the first line comprises risk owners and those responsible for risk management and the implementation of internal control actions within their own organisation.



The second line monitors and follows up risk within its specific area. These units provide support and advice to the first line with respect to risk management and compliance. The third line (Internal Audit) provides independent assessments for the Board, based on its observations of the efficiency of the risk management and internal control systems.

Framework and implementation

The framework for risk management and internal control is based on recognised frameworks such as the COSO framework (Committee of Sponsoring Organizations of the Treadway Commission) and on guidelines for risk management set out in ISO 31000.

The policy and instructions for risk management and internal control provide requirements and guidelines for consistent implementation within Statnett. The status of the most important risks and plans to manage these are regularly reviewed by the Board. Risks relating to personal safety, security and emergency preparedness, and sustainability are defined as fixed risk areas that are followed up regularly.

Principles for financial risk management are set by the Board through the adopted finance policy.
The company's finance policy establishes specific frameworks for financial management, including for foreign exchange rate and raw material exposure, liquidity management and credit risk.

Strategic risk

Strategic risk relates to Statnett's strategic focus areas and to Statnett not achieving its overarching strategic goals.

Changes to the power system
The integrated power system is experiencing major changes relating to electrification, increased demand and the phasing-in of more renewable energy. This is resulting in greater variations in electricity production and a need for more flexible consumption. The power flow is more volatile, which will also have an effect on system operations. At the same time, the integration of power systems across international boundaries has amplified the complexity and vulnerabilities of the system. As a result, the consequences of any faults may now be greater.

To reduce long-term risk, Statnett continuously strives to improve solutions for efficient system operations, including the development of new and automated solutions for handling congestion and imbalances.
The move towards a higher degree of automation is being effected in close collaboration between TSOs, regulators and market actors.

Geopolitical changes
We are facing major geopolitical unrest, including threats to European security, increasing rivalry between major powers and more international regional conflicts. As a result, there is an increased risk of both physical and cyber incidents that could disrupt the power supply. There are also changes to the regulations for global trade and increased use of protectionist measures. This represents a risk to the supply chain and has an impact on both prices and access to goods and critical components.

Framework conditions in Norway and Europe
The financial regulation of Statnett by the Norwegian Energy Regulatory Authority (NVE-RME) is an important framework condition for the company's social mission and strategy. The Authority sets Statnett's permitted revenue from regulated activities, with the risk that this does not fully reflect changes in costs and activity at a time of great changes in the power market. There are also risks relating to changes in the regulation, even though the main principles have been stable over time and are regarded as among the most stable in Europe by Moody's Investors Service.

The European Commission is working to establish a system for cost distribution in connection with offshore investments in the grid between the countries that will benefit from the expansion. This work is part of the EU's broader efforts to accelerate the rollout of renewable energy and strengthen the European energy system's resilience. We are working to ensure that these principles reflect an appropriate cost distribution for Statnett and our grid customers.

Statnett is working closely with other Nordic and Northern European system operators to facilitate increased focus on renewables and electrification, while also maintaining good security of supply.
This collaboration is vital in order to manage the increasing challenges relating to the transition of the energy system, which requires more extensive control and the exchange of power and system services between countries.

Project portfolio risk
Statnett will substantially increase grid capacity going forward and has a rapidly growing portfolio of grid projects. We also have a large digital project portfolio for system operations. Major risk attaches to operating such a large project portfolio. Statnett must ensure sufficient capacity both internally and externally. Many countries are focusing on expanding their grid capacity, as a result of which Statnett may experience long lead times and high costs for critical components.

Operational risk

Operational risk is linked to physical assets, people, processes and the use of technology in Statnett's day-to-day activities. Management of operational risk involves handling uncertainties, opportunities and risks in ongoing operations, as well as the consequences of undesired events.

Statnett continuously strives to minimise undesired operational risk, for example through further development of management systems and internal control. This also includes the strengthening of operational planning and risk assessments.

Health and safety
Statnett's project activities and operational tasks involve a high inherent risk of personal injury. We actively endeavour to ensure that all employees enjoy safe working conditions and to minimise the risk of personal injuries in our construction projects. Statnett's safety policy is designed to prevent any serious personal injury through a focus on safety culture, prevention, risk management and internal control.

Plant operations
Infrastructure operations are subject to risks relating to maintenance and the upgrading of infrastructure.
The assessment of necessary maintenance and upgrades is critical to maintaining secure and efficient operation of the power system. At the same time, planned and unplanned shutdowns represent an increased vulnerability in the system, requiring careful coordination to minimise risk.

System operations
The power system's vulnerability is dynamic and varies continuously based on factors such as production, consumption and available facilities. As a result, there is a constant need for monitoring and for adapting the risk management. One critical task in system operations is the continuous balancing of load flow, voltage and frequency to maintain stability in the power system. Good emergency preparedness reduces downtime and the consequences of faults and errors.

In system operations, the N-1 principle plays a key role in planning and operations – i.e. the loss of a single grid element will not result in a power outage. Nevertheless, simultaneous faults can occur, especially during extreme weather conditions, potentially resulting in major consequences. More extreme weather increases risk and uncertainty in our operational work, and all new facilities are designed to withstand extreme weather events.

Statnett must procure sufficient reserves from the market to be able to ensure there is always a balance in the power system. Such reserves play a key role in day-to-day operations. Statnett is working to secure good access to reserves in consultation with other market actors.

Physical and digital security
We are facing a more complex and heightened threat picture, both physically and digitally. A number of serious incidents directed against critical infrastructure in other countries have highlighted the vulnerability of modern society and the necessity of robust security. Statnett is monitoring the security outlook and taking actions to protect critical infrastructure to the best extent possible. This includes making contingency arrangements to be able to handle targeted attacks and withstand demanding long-term scenarios.

The development of robust digital security has been accorded a high priority. Resilient infrastructure is vital for Statnett's operations. The use of new technology such as artificial intelligence (AI) is further complicating the risk landscape, although such technology can also be used to protect our own solutions.

Protecting critical infrastructure requires close cooperation, both internally and across sectors. Statnett is committed to increasing Norwegian, Nordic and European cooperation to strengthen emergency preparedness in the power system.

Sustainability
The world is facing an environmental crisis due to human activity and loss of biodiversity. The goal of ensuring a socially equitable transition must be taken into account in developing Statnett's transmission grid. The need for new transmission capacity must be met with limited use of natural areas, as well as the least possible impact on biodiversity, natural landscapes, individuals and local communities. Greenhouse gas emissions from our own operations must be reduced to a minimum.

Statnett adopts the precautionary principle and takes a holistic approach to our responsibility for nature and the climate when planning, constructing and operating our facilities. Conflicts of interest can arise in multiple areas where grid expansion is being considered. Statnett has extensive experience of engaging in early and meaningful dialogue with various stakeholders to help address such issues.

Statnett has established systems for internal control in accordance with the Norwegian Energy Act Regulations, and these are followed up through internal procedures and systems.

Our work on climate and nature risk, and our efforts to reduce the risk of negative impacts on human rights and decent working conditions, are described in more detail later in the present report.

Financial risk

Statnett is exposed to financial risk relating to its financial capacity and ability to raise capital or influence its revenue cap in order to be able to carry out necessary restructuring and investments.

Market risk
Some of Statnett's costs are affected by power prices, but the risk is reduced as these costs are recovered through the revenue regulation framework. The costs of volume changes in transmission losses and system operations are included in the revenue cap, with a two-year delay. Power prices also affect congestion revenues, which arise when there are price differences between different areas in the power grid. These revenues can vary considerably depending on the power prices. However, revenue regulation functions as a levelling mechanism by which any higher or lower revenue is balanced over time, which helps reduce Statnett's long-term financial risk.

Statnett is exposed to risks relating to the supplier market. The company's central supplier markets are experiencing a marked increase in demand from many countries, resulting in longer lead times for key components, increased time consumption and higher costs for projects. This is due in part to the ambitions of various European countries for grid expansion, creating competition for resources and capacity. In addition to increased demand, 2025 has been characterised by uncertainty relating to tariffs and possible export restrictions, as well as how these issues may impact both the price level and lead times in the supplier market.

Interest rate risk
The Group is exposed to interest rate risk through its borrowing, liquidity and financial hedging activities. Statnett SF is exposed to the interest element of the revenue cap (the NVE-RME interest rate). However, interest rate costs on debts correlate with revenues via the NVE-RME interest rate, which reduces the interest rate risk. Residual risk and profit variations are reduced by interest rate swaps. Internal frameworks are in place to regulate how much of the loans has fixed or flexible interest rates.

Liquidity risk
Liquidity risk relates to payment obligations falling due. It is a goal of Statnett to ensure that there is sufficient liquidity for operations and investments on a rolling 12-

month basis without raising new debt. This reduces the risk of Statnett being unable to refinance its debt in periods of limited capital access. Statnett has access to multiple lending markets and a spread debt maturity structure, and has a credit rating of A+ (Standard & Poor's) and A2 (Moody's Investors Service).

See also note 15 Derivatives and hedge accounting for a discussion of Statnett's financial derivative contracts.

Foreign exchange risk

Foreign exchange risk arises in the event of income or costs, borrowings, bank deposits or investments in securities in foreign currency. In connection with procurements for investment projects, Statnett may be exposed to foreign exchange risk, but major procurement contracts are denominated in or converted to NOK. All borrowings denominated in foreign currency are converted to NOK by means of currency swap agreements.

Credit risk

Statnett is exposed to credit risk through investment of surplus liquidity in banks and fixed-income funds. Requirements have been established for counterparties' creditworthiness and maximum exposure for each placement. Statnett also assumes credit risk as balance settlement operator in the regulated market. This is minimised through procedures for follow-up and collateral. Counterparty risk for derivative counterparties is reduced by means of CSA agreements.

Statnett holds auctions twice a month for Electricity Price Area Differentials (EPAD) contracts. This is a scheme that gives market actors an opportunity for better risk hedging in the power market. Settlement in the market takes place through Nasdaq Clearing, where Statnett must provide collateral for the contracts. Statnett assumes risk relating to the size of security, and this will increase relative to volume and price differences between electricity price areas. Following the acquisition of Nasdaq Clearing by Euronext Clearing in 2025, clearing is expected to be managed by Euronext Clearing from March 2026 onwards.

Financial regulation of Statnett

Statnett's operating revenue mainly derives from regulated activities. The Norwegian Energy Regulatory Authority (NVE-RME) determines how much revenue Statnett can collect from regulated activities each year, and the underlying profit/loss is based on this permitted revenue. However, the revenue derives from transmission charges (tariff) and congestion revenue, which vary. This means that each year the accounting profit/loss deviates from the underlying profit/loss.

Regulated operating revenue

Statnett's operating revenue from regulated activities comprises the tariff paid by transmission grid customers, fee revenue from the role as balance settlement operator and congestion revenue. The transmission charge (tariff) is established ahead of the calendar year. On some occasions, the charge can be changed during the calendar year. Please refer to our website for more information about how we calculate the tariff. The balance settlement operator receives fee revenue for balance settlement of the Norwegian power system and operation of Elhub, the central data hub for meter values and market processes in the Norwegian power market. Congestion revenues arise when power is transmitted from areas with a low power price to areas with a high power price in Norway and to other countries via interconnectors.

Permitted revenue

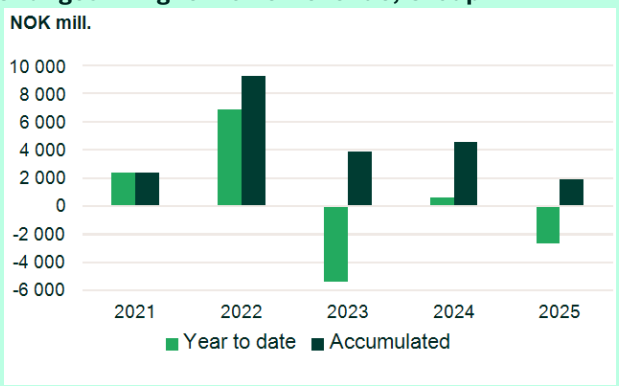
Permitted revenue is intended to cover costs arising from the role of system operator and from grid activity and provide a reasonable return on investment. The prerequisite is that the grid must be built, operated and utilised efficiently. In order to give Statnett incentives to be cost-effective, the revenue cap is adjusted by applying an efficiency factor. The factors are determined by comparing Statnett's costs with a historic cost level, taking into account changes in the size of the infrastructure base. The revenue cap is also adjusted by a general productivity requirement of 0.23 per cent per year. The fees determined for the balance settlement operator should cover annual operating expenses and provide a reasonable return on invested capital, provided efficiency is maintained.

Higher/lower revenue

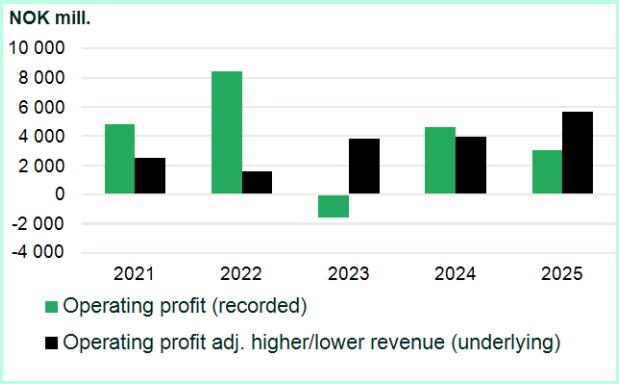
In any given year, the regulated operating revenue will normally differ from the permitted revenue set by NVE-RME after the end of the year. These differences are known as higher or lower revenue, which in accordance with NVE-RME regulations are equalised over time through adjustment of future transmission charges. Consequently, higher/lower revenues represent temporary amounts that are not recognised in the balance sheet in accordance with the accounting rules. This results in a difference between the accounting profit/loss and the underlying profit/loss.

In recent years, major variations in congestion revenue have resulted in substantial higher/lower revenues and fluctuations in Statnett's recognised operating revenue and accounting profit/loss. Underlying revenue and profit/loss, adjusted for higher/lower revenue, are more stable than reported in the financial statements, although underlying variables can also be volatile in the event of major changes in the basis used to calculate permitted revenue.

Changes in higher/lower revenue, Group



Group EBIT adjusted for higher/lower revenue



Financial reporting

2025

Photo: Vetle Hofstad

Comprehensive income

Parent company				Group	
2024	2025	*(Amounts in NOK million)*	Note	2025	2024
		Operating revenue			
17 152	18 945	Regulated operating revenue	4	20 048	18 313
-8	-355	Change in fair value of EPAD contracts	4	-355	-8
17 144	**18 590**	**Total operating revenues from regulated activities, including EPAD**	4	**19 693**	**18 305**
518	562	Other operating revenue	4	512	656
17 661	**19 152**	**Total operating revenue**		**20 205**	**18 961**
		Operating expenses			
4 482	6 297	Ancillary services	5	6 297	4 482
1 474	1 693	Transmission losses	5	1 693	1 474
1 746	2 052	Salaries and payroll costs	6, 7, 23	2 110	1 806
3 184	3 340	Depreciation, amortisation and impairment	8, 9	3 666	3 503
2 894	3 310	Other operating expenses	27	3 371	3 076
13 780	**16 692**	**Total operating expenses**		**17 137**	**14 341**
3 881	**2 460**	**Operating profit**		**3 068**	**4 621**
935	1 185	Financial income	10	606	482
2 926	2 684	Financial expenses	10	2 669	2 915
-1 991	**-1 498**	**Net financial items**		**-2 063**	**-2 432**
1 890	**962**	**Profit before tax**		**1 005**	**2 189**
411	190	Income tax expense	19	213	469
1 479	**772**	**Profit for the year**		**792**	**1 720**
		Other comprehensive income			
396	-513	Changes in fair value of cash flow hedge reserve	15, 28	-513	396
-87	113	Tax effect	19, 28	113	-87
309	**-400**	Other comprehensive income to be reclassified to profit or loss in subsequent periods		**-400**	**309**
165	356	Changes in estimate deviations of pensions	7, 28	356	165
-36	-78	Tax effect	7, 19, 28	-78	-36
129	**278**	Other comprehensive income not to be reclassified to profit or loss in subsequent periods		**278**	**129**
438	**-122**	**Total other comprehensive income**		**-122**	**438**
1 917	**650**	**Total comprehensive income**		**670**	**2 158**

Balance sheet

Parent company				Group	
31.12.2024	31.12.2025	*(Amounts in NOK million)*	Note	31.12.2025	31.12.2024
		Assets			
		Non-current assets			
2 121	2 374	Intangible assets	8	2 795	2 618
65 304	69 714	Tangible assets	8	76 488	72 279
8 423	11 624	Assets under construction	9	11 647	8 422
2 339	2 332	Investment in subsidiaries	20	-	-
189	189	Investments in joint ventures and associates	20	204	196
432	732	Pension assets	7	732	433
5 667	4 419	Derivatives	15	4 419	5 667
3 810	3 990	Other non-current financial assets	14	191	188
88 286	**95 374**	**Total non-current assets**		**96 476**	**89 804**
		Current assets			
49	95	Inventories		95	49
2 379	3 912	Trade and other current receivables	11	3 661	1 866
4 906	1 365	Market-based securities	12, 18	2 060	5 522
1 083	416	Derivatives	15	416	1 083
7 143	5 923	Cash and cash equivalents	13, 18	5 993	7 210
15 560	**11 711**	**Total current assets**		**12 225**	**15 729**
103 846	**107 085**	**Total assets**		**108 701**	**105 533**
		Equity and liabilities			
		Equity			
5 950	5 950	Contributed capital		5 950	5 950
881	481	Hedge reserve	15	481	881
17 158	17 598	Other equity accrued		19 111	18 651
23 989	**24 029**	**Total equity**		**25 542**	**25 482**
		Non-current liabilities			
5 379	5 535	Deferred tax liability	19	5 781	5 602
281	303	Pension liabilities	7	304	282
947	1 633	Other liabilities	24	1 652	966
784	1 000	Derivatives	15	1 000	784
53 482	62 197	Long-term interest-bearing debt	16, 18	62 187	53 471
60 874	**70 668**	**Total non-current liabilities**		**70 924**	**61 105**
		Current liabilities			
13 491	7 387	Short-term interest-bearing debt	16, 18	7 118	13 290
5 475	4 873	Trade and other current payables	17	4 916	5 549
18	128	Derivatives	15	128	18
-	-	Tax payable	19	73	88
18 984	**12 388**	**Total current liabilities**		**12 235**	**18 945**
103 846	**107 085**	**Total equity and liabilities**		**108 701**	**105 533**

Oslo, 5 March 2026,

Statnett SF's Board of Directors

Nils Kristian Nakstad	Mette Helene Bjørndal	Maria Sandsmark	Egil Gjesteland
Board chair	Board member	Board member	Board member
Wenche Teigland	Christian Reusch	Ingeborg Ligaarden	Børre Langgård
Board member	Board member	Board member	Board member
	Steinar Jøråndstad	Elisabeth Vike Vardheim	
	Board member	CEO	

Changes in equity

Parent company

(Amounts in NOK million)	Contributed capital	Hedge reserve	Other equity accrued	Total equity
01.01.2024	**5 950**	**572**	**16 343**	**22 865**
Profit/loss for the year	-	-	1 479	1 479
Other comprehensive income, note 28	-	309	129	438
Dividends declared	-	-	-793	-793
31.12.2024	**5 950**	**881**	**17 158**	**23 989**
01.01.2025	**5 950**	**881**	**17 158**	**23 989**
Profit/loss for the year	-	-	772	772
Other comprehensive income, note 28	-	-400	278	-122
Dividends declared	-	-	-609	-609
31.12.2025	**5 950**	**481**	**17 598**	**24 029**

Group

(Amounts in NOK million)	Contributed capital	Hedge reserve	Other equity accrued	Total equity
01.01.2024	**5 950**	**572**	**17 596**	**24 118**
Profit/loss for the year	-	-	1 720	1 720
Other comprehensive income, note 28	-	309	129	437
Dividends declared	-	-	-793	-793
31.12.2024	**5 950**	**881**	**18 651**	**25 482**
01.01.2025	**5 950**	**881**	**18 651**	**25 482**
Profit/loss for the year	-	-	792	792
Other comprehensive income, note 28	-	-400	278	-122
Dividends declared	-	-	-609	-609
31.12.2025	**5 950**	**481**	**19 111**	**25 542**

Cash flow

Parent company 2024	Parent company 2025	*(Amounts in NOK million)*	Note	Group 2025	Group 2024
		Cash flow from operating activities			
1 890	962	Profit before tax		1 005	2 189
-25	-31	Loss/gain(-) on sale of fixed assets	8	-30	-25
3 184	3 340	Depreciation, amortisation and impairment	8	3 666	3 503
-	-6	Net paid taxes	19	-22	-12
2 106	2 095	Interest recognised in the income statement	10	2 268	2 317
487	510	Interest received	10	303	252
-2 465	-2 561	Interest paid, excl. construction interest	10	-2 558	-2 466
-40	18	Changes in trade accounts receivable	11	23	-9
-105	42	Changes in trade accounts payable	11, 17	42	-132
-160	-1 230	Changes in Nasdaq collateral related to EPAD[1]	18	-1 230	-160
984	-1 661	Changes in other accruals[1,2,3]	11,17	-1 202	1 013
5 856	**1 478**	**Net cash flow from operating activities**		**2 265**	**6 470**
		Cash flow from investing activities			
455	62	Proceeds from sale of tangible assets	8	62	455
-7 494	-10 360	Purchase of tangible and intangible assets and assets under construction	8, 9	-10 436	-7 506
-353	-504	Construction interest paid	9	-504	-353
285	260	Cash flow from short-term loan receivables	11	-	-
1 177	3 646	Proceeds from sale of market-based securities	12	3 661	1 202
-4 722	-	Purchase of market-based securities	12	-50	-4 822
293	441	Received dividends and group contributions	10, 20, 22	27	22
-10 360	**-6 455**	**Net cash flow from investing activities**		**-7 240**	**-11 003**
		Cash flow from financing activities			
13 367	18 682	Proceeds from new interest-bearing debt	16	18 683	13 367
-5 556	-12 075	Repayment of interest-bearing debt	16	-12 074	-5 554
-91	-76	Repayment of principal on lease liabilities (IFRS 16)[2]	16	-76	-91
2 099	-2 277	Changes in collateral under CSA (Credit Support Annex) agreements	16, 18	-2 277	2 099
-793	-609	Dividends paid		-609	-793
9 026	**3 645**	**Net cash flow from financing activities**		**3 647**	**9 028**
4 522	**-1 332**	**Net cash flow for the period**		**-1 328**	**4 495**
2 550	7 143	Bank deposits at the beginning of the year	13	7 210	2 644
71	112	Currency exchange rate effects on bank deposits		111	71
7 143	5 923	Bank deposits at the end of the year	13	5 993	7 210

[1] The changes in Nasdaq collateral related to EPAD has been extracted and presented as a separate line item under operating activities. Comparative figures have therefore been restated compared with previously reported amounts.

[2] The classification of payments of capitalised lease liabilities has been changed from operating activitites to financing activities. Comparative figures have also been reclassified.

[3] Changes in other accruals mainly relates to movements in non-interest-bearing short-term receivables and payables. The main drivers are settlement and clearing items with customers and suppliers, as well as accruals of earned income and accrued expenses related to power purchases and sales. In addition, the line item includes significant amounts related to public fees, payroll and other short-term debt.

Note 1 General information and basis for preparation of financial statements

General information

Statnett SF (the parent company) is a Norwegian state-owned enterprise that was founded on 20 December 1991. The sole owner is the Norwegian State, represented by the Ministry of Energy (ME). Statnett has issued bond loans that are listed on the Oslo Stock Exchange, the London Stock Exchange and Euronext Dublin as of 31 December 2025. The company's head office is located at Nydalen allé 33, 0484 Oslo, Norway.

The financial statements were approved by the Board of Directors on 5 March 2026.

The consolidated financial statements are presented in Norwegian kroner (NOK), which is also the parent company's functional currency. All amounts are rounded to the nearest million NOK.

Basis of preparation of the financial statements

The consolidated financial statements for the Statnett Group and the financial statements for the parent company have been prepared in accordance with the current International Financial Reporting Standards (IFRS®), as adopted by the EU, and incorporated in the Norwegian Accounting Act.

The financial statements have been prepared on the basis of the historical cost principle, with the following exceptions:

- Derivatives, financial assets and liabilities are classified at fair value through profit or loss, amortised cost or fair value through other comprehensive income.
- The carrying amount of hedged assets and liabilities is adjusted in order to recognise changes in fair value as a result of the hedging.

The accounting policies are discussed in individual notes to the consolidated financial statements.

The following notes are considered to contain material accounting policy information:

- Note 3 Estimates, management judgement and climate risk
- Note 4 Operating revenue
- Note 5 Ancillary services and transmission losses
- Note 7 Pensions
- Note 8 Tangible and intangible assets
- Note 9 Assets under construction
- Note 12 Market-based securities
- Note 15 Derivatives and hedge accounting
- Note 16 Interest-bearing debt
- Note 19 Taxes
- Note 21 Joint operations
- Note 24 Other liabilities
- Note 26 Contingent assets and liabilities

Measurement of fair value

The Group uses the following measurement hierarchy to measure and present the fair value of financial instruments:

- Level 1: Fair value is measured using listed prices from active markets for identical financial instruments. No adjustments are made regarding these prices.
- Level 2: Fair value is measured using other observable input than used at Level 1, either directly (prices) or indirectly (derived from prices).
- Level 3: Fair value is measured using input that is not based on observable market data.

Information on the measurement hierarchy is provided in the relevant notes for the various financial instruments. (Notes 12, 14 and 15).

Segment reporting

Statnett has identified its reporting segments based on the risks and rates of return that affect the business. The Group considers that there is only one operating segment. This corresponds with the internal reporting to the Group's ultimate decision-maker, which is the CEO. Statnett's operating revenue are mainly from regulated activities and comprises the tariff paid by transmission grid customers, fee revenue from the role as balance settlement operator and congestion revenue. Internal reporting is based on the Group's underlying profit before tax, by adjusting the ordinary profit for the change in higher/lower revenue as explained in Note 4. The business is reported as a single geographical segment. The company's subsidiaries do not qualify as separate reporting segments in accordance with IFRS criteria. The company and the Group are therefore reported as a single operating segment.

Note 2 Changes in accounting policies and new accounting standards

There were no changes in accounting policies and no new or amended accounting standards that had an impact on the Group's consolidated financial statements for 2025.

Other amendments

The IASB has issued certain minor amendments and clarifications to standards, effective from 1 January 2025 onwards. No effects of significance for the Group have been identified in relation to these amendments.

The following section describes new standards or amendments that are, or may become, relevant for Statnett.

IFRS 18 Presentation and Disclosure in Financial Statements

In 2024, the IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements*, which replaces the current IAS 1 *Presentation of Financial Statements*. The standard becomes effective for financial years beginning in 2027 and will include comparative information. Statnett does not plan early adoption.

The objective of IFRS 18 is to introduce a more standardised statement of profit or loss, enhancing comparability and providing improved note disclosures on material matters. The standard also introduces disclosure requirements for management-defined performance measures (Management Performance Measures, MPMs), which are specified subtotals of income and expenses.

Statnett has initiated a project to adapt its chart of accounts, classifications and note structure in line with IFRS 18. The changes will not affect the Group's total profit or equity. Instead, they will result in a more structured and transparent presentation of the financial statements.

Main changes in presentation and note disclosures
The statement of profit or loss will be divided into the main categories operating, investing, financing, income tax and discontinued operations. This provides a clearer distinction between the various income and expense streams of the business.

The operating category includes all income and expenses that are not included in the other categories and, for Statnett, will mainly consist of items currently presented as operating profit.

The investing and financing categories will largely comprise items currently presented as financial income and expenses. Under IFRS 18, these items will be split between investing and financing depending on the underlying transaction. As a result, items previously presented together as net financial income and expenses will be presented in greater detail in the statement of profit or loss. The investing category includes returns from assets that generate income largely independently of other resources. For Statnett, this will include dividends and group contributions, results from associates and jointly controlled entities, interest income from bank deposits and intra-group loans, as well as gains and losses on investments in shares and other financial assets. The financing category includes income and expenses related to the raising and management of financing. For Statnett, this will include interest on borrowings,

fees related to the raising and repayment of loans, as well as derivatives and collateral arrangements related to financing.

The income tax category will include items currently presented under tax. The final category, discontinued operations, is not expected to be relevant for Statnett based on current assessment and will be monitored on an ongoing basis.

New subtotals will be introduced in the statement of profit or loss. Currently, *Operating profit*, *Net financial items* and *Profit before tax* are presented. Upon implementation of IFRS 18, an additional subtotal, *Profit before financing and tax*, will be introduced. This subtotal will include items belonging to the investing category that are currently presented under *Net financial items*.

Foreign exchange effects shall, under IFRS 18, be presented in the same category as the income and expenses arising from the item that gives rise to the foreign exchange effect. For Statnett, this will result in changes to the accounting for foreign exchange effects related to bank deposits, receivables and liabilities that are currently presented under financial income and expenses. Upon implementation of IFRS 18, foreign exchange effects related to bank deposits and receivables will be presented within the investing category, while those related to liabilities will be presented within the financing category.

Statement of cash flows
The statement of cash flows is currently prepared using the indirect method, based on *Profit before tax*. Upon implementation of IFRS 18, the starting point will be *Operating profit*, which will reduce the items included under *Cash flows from operating activities*. Interest paid and interest received will be split between investing and financing activities, in line with the categorisation in the statement of profit or loss.

Further work
Statnett will continue its preparatory work ahead of the effective date of IFRS 18 and will update the presentation of the financial statement and note disclosures in line with final decisions and guidance from the EU and relevant authorities.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

The standard was issued in 2024 and addresses disclosure requirements for entities that are not publicly accountable and that are subsidiaries of an IFRS-reporting group. The objective of the standard is to allow such entities to apply IFRS with reduced disclosure requirements.

The standard is issued with an effective date of 1 January 2027, but has not yet been endorsed for use in the EU. It is not expected that subsidiaries of Statnett will adopt the new standard.

Regulatory assets and regulatory liabilities

Since 2021, the IASB has been working on the development of a new IFRS standard on regulatory assets and regulatory liabilities. The standard is now in its final phase and is expected to be issued in the second quarter of 2026, with an effective date no earlier than for financial periods beginning in 2028. The new standard is expected to have a significant impact on entities subject to financial regulation, including Statnett.

The objective of the standard is to ensure recognition and measurement of future rights to consideration and obligations to refund amounts arising from revenue regulation, based on accounting transactions in the reporting period. Currently, Statnett reports an “underlying result”, defined as IFRS profit adjusted for changes in higher/lower

revenue for the period. The new standard is expected to largely eliminate the differences between IFRS profit and underlying result, as higher/lower revenue will be recognised as regulatory assets and liabilities in the period in which they arise. This will result in improved matching of regulated revenues and costs related to regulated activities.

In 2025, the IASB made several important clarifications ahead of the issuance of the new standard. Among other things, it was decided that inflation adjustments shall be recognised in profit or loss when they are included in regulatory depreciation. Clarifications have also been provided on the measurement of regulatory assets and liabilities, the discount rates to be applied, and the applicable transition requirements, including traceability to the regulatory asset base. These changes will require adjustments to Statnett's accounting policies, systems and note disclosures. Statnett is closely monitoring developments and assessing the implications for future financial reporting.

Note 3 Estimates, management judgements and climate risk

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies. This impacts the carrying amounts of assets and liabilities at the balance sheet date and reported income and expenses for the period.

This note provides an overview of areas characterised by a high degree of uncertainty and where significant discretionary judgements are required to determine carrying amounts. No estimates have been identified that are considered to result in a significant risk of material changes in the carrying amounts of assets and liabilities in the next accounting period. See the detailed description below.

Material accounting principle

Some amounts that affect the consolidated financial statements must be estimated. This requires management to make assumptions regarding values or uncertain conditions at the time of the preparation of the financial statements. Key accounting estimates are estimates of importance for the presentation of the Group's financial position and results, and which require management's discretionary judgement. Such estimates often relate to conditions characterised by significant measurement uncertainty. Management evaluates such estimates on an ongoing basis based on historical results and experience, consultations with experts, trends, forecasts and other methods that management considers reasonable in individual cases. Changes in accounting estimates must be recognised prospectively with effect on future periods.

Main sources of estimate uncertainty

Asset retirement obligations

The Group has obligations relating to the removal of parts of the transmission grid, including transformer substations, overhead lines, and subsea and onshore cables where a legal or constructive obligation to remove such assets has been identified. The recognition of asset retirement obligations involves the use of judgement, particularly with respect to the timing of recognition, as further described under significant accounting policies in Note 24.
Asset retirement obligations are measured at the present value of estimated future costs of removal. The measurement is subject to estimation uncertainty, and the key assumptions typically include:

- Timing of removal
- Scope and total cost of the removal work
- Discount rate

Changes in these assumptions may result in significant adjustments to the Group's recognised retirement obligations and the corresponding carrying amount of property, plant and equipment. Further description and specification of asset retirement obligations are provided in Note 24.

Useful economic life of tangible assets

Statnett owns and is responsible for developing and operating the transmission grid in a socio-economically rational manner. This includes transformer substations, high-voltage power lines, subsea and onshore cables. The useful economic life of the components that make up the transmission grid depends on multiple factors, including technological developments, regulatory requirements and environmental and climate risk. As a result, there is a risk

that the useful economic life of the various facilities may change, which could have a material impact on future depreciation charges. Useful economic lives are based on technical lifetimes which are determined in consultation with technical personnel and continuously assessed against retirements of facilities and through analysis of fully depreciated assets still in operation.
Statnett conducts an annual assessment of the useful economic life used as a basis for its various classes of property, plant and equipment. This year's assessment has resulted in changes to the lifetime of components containing SF_6 gas, while no other changes in useful lives have been concluded. The assessment of the useful life of components containing SF_6 gas is closely linked to Statnett's evaluation of climate risk and is described in further detail below.

Climate risk
The power grid will contribute to Europe's and Norway's goal of becoming emission-free by 2050. The transition to a low-emission society gives Statnett the opportunity to contribute to a sustainable future by developing and upgrading the power grid for the transport of renewable energy, but with reduced climate emissions and limited use of natural areas. However, more frequent extreme weather events and the transition to a low-emission society are also creating heightened risk and uncertainty around the Group's operational activities and financial results. Statnett operates critical infrastructure with a long useful economic life throughout Norway. This makes climate and nature risk highly relevant topics. Climate risk includes both physical risks and transition risks.

Physical risk entails the risk that climate change may lead to limitations or disruptions in Statnett's transmission capacity due to extreme weather or climate change, as well as the risk of shorter useful economic lives or the need to recognise impairments. Planning and scenario analyses are important tools for preventing damage as a result of more extreme weather events. Statnett's technical experts assess the implications that a higher frequency of extreme weather events and climate change may have on the technical lifetime of various infrastructure components. The assessments form part of the annual assessment of useful economic lives referred to in the previous section. Climate risks and increased frequency of extreme weather conditions have been central in relation to this year's assessment of useful economic life. It has not been concluded that such climate changes entail a risk of material changes in depreciation or a need to recognise impairment losses in the next financial year.

Transition risk refers to the risk that Statnett's facilities are subject to restrictions, increased costs, or reduced useful lives due to changes in technology, market conditions, new legal requirements, reductions in own emissions or other factors.

In 2025, Statnett prepared a comprehensive transition plan for climate, nature and people, which was published in February. Statnett's activities meet the criteria under the EU Taxonomy for climate change mitigation and climate change adaptation.
The transition to a low-emission society is essential to limit global temperature increases to 1.5 degrees, in line with the Paris Agreement. Electrification is key to reducing emissions in society, and Statnett plays a central role in enabling this transition.

Statnett operates several gas-insulated installations, and emissions of SF_6 gas
constitute Statnett's primary embedded emissions and represent a significant transition risk. Statnett has set a target to become SF_6-free by 2050 and has implemented several measures aimed at phasing out SF_6 and limiting SF_6 leakage from its facilities. Statnett's target takes into account the EU's new Regulation on fluorinated greenhouse gases (including SF_6) published in 2024, which introduces a phased-out approach for SF_6 in new installations. Efforts are underway to implement alternative gases and install sensor technology to detect and prevent leaks.
For older installations with useful lives extending beyond 2050 there is currently no technological solution available that enables the use of alternative gases. In order to achieve Statnett's target of SF_6-free installations and the emission

reduction targets set out in the transition plan, it has been assessed as probable that Statnett will need to undertake accelerated replacement of older SF_6 components. This results in the recognition of an asset retirement obligation of approximately NOK 98 million, with a corresponding increase in the carrying amount of property, plant and equipment and a reduction in useful economic lives. Overall, this will lead to increased depreciation of approximately NOK 33 million per year from 2026 onwards.

Tax treatment of maintenance costs

On 22 August 2025, Statnett received a decision from the Norwegian tax authorities regarding amendment of the tax assessment for 2018 concerning deductions for maintenance costs relating to replacement of components in the transmission grid.

The amendment will not have any impact on the Group's tax expense, but results in a reclassification within deferred tax assets, from tax losses carried forward to deferred tax assets relating to tax-reducing temporary differences. For further details, see Note 19 Taxes.

Note 4 Operating revenue

Statnett is certified as the transmission system operator in Norway and derives most of its revenues from activities regulated by the Norwegian Energy Regulatory Authority (RME). RME regulates revenues in accordance with the methodology and principles set out in the Regulation on Network Revenues (Nettinntektsforskriften). This regulation applies to both Statnett and NordLink Norge AS. Operating revenues related to Statnett's licence as a grid owner are presented as "Operating revenues from regulated grid operations".

Statnett also holds a licence as the settlement responsible party in Norway, granted by RME. Statnett has been assigned national responsibility for coordinating the metering and settlement of all electricity trading and for ensuring that all inputs to and withdrawals from the power system are correctly settled, thereby ensuring financial balance in the electricity market. The licence also includes the development and operation of Elhub AS. Operating revenues from settlement activities relate to fee income in Elhub AS and Statnett and are presented accordingly.

Other operating revenues comprise revenues from activities outside regulated operations. These include, among other things, consultancy assignments for external parties, construction activities for distribution system operators (customer projects) and rental income.

Significant accounting policies

Grid operations

Operating revenue from regulated grid operations

Statnett's operating revenues from regulated activities are described below.
The accounting principles applied are as follows:.

a) The fixed element of tariff revenue is recognised on an ongoing basis throughout the year, based on the established tariff for the year in question.
b) The energy element of tariff revenue is recognised in line with the customer's metered input and withdrawal of power from the grid.
c) Other grid revenue is primarily recognised based on the customer's metered use of the grid.
d) Congestion revenue is recognised on the basis of metered input and withdrawal of power from the grid between different price areas, and on each side of international interconnectors.
e) Extraordinary reimbursements to grid owners are recognised in the period to which RME's resolution applies.
f) Compensation paid to other grid owners is recognised on an ongoing basis throughout the year based on estimates of the other owners permitted revenues.

Tariff revenue

As operator of the transmission grid and individual components thereof, Statnett is responsible for invoicing users for services they receive. Statnett sets tariffs annually based on permitted revenue and a tariff model developed by Statnett in accordance with guidelines issued by RME. The pricing system consists of fixed elements and variable elements (energy elements). Fixed elements are invoiced evenly throughout the year, while energy elements are invoiced in line with the customers' metered inputs or withdrawals from the grid.

Congestion revenue

Congestion revenues arise as a result of price differences between bidding zones within Norway and between Norway and connecting countries via interconnectors. Price differences occur when the market seeks to transfer more power

between bidding zones or across interconnectors than available transmission capacity allows. Congestion revenues are calculated by multiplying the price difference by the transferred power volume on an hourly basis.
The owners of an interconnector share congestion revenues, typically on a 50/50 basis. In Norway, Statnett SF owns the Norwegian share of all interconnectors and therefore receives all such revenues, in addition to all congestion revenues between domestic bidding zones.

EPAD (Electricity Price Area Differentials)

At the request of the Ministry of Energy, Statnett initiated in 2024 a pilot scheme under which it acts as counterparty for a limited volume of EPAD contracts. The first auction was conducted in December 2024 for selected bidding zones in Norway. In 2025, it was decided that the scheme will become permanent from March 2026.
The purpose of the scheme is to strengthen liquidity in the forward market.
An EPAD is a contractual right or obligation to receive or pay an agreed price difference between the area price and the system price during a specified period. A market participant may therefore use the contract to hedge a fixed price differential between the area price and the system price. Under the scheme, Statnett assumes counterparty positions in such contracts subject to certain price conditions and up to a limited volume (MW) per bidding zone. The contracts are financially settled and are presented as derivatives in the statement of financial position. Realised and unrealised effects relating to these derivative contracts are classified as part of operating revenues from regulated activities. See Note 15 Derivatives for further information on Statnett's financial derivative contracts.

Extraordinary distribution of congestion revenues to other grid owners
The Ministry of Energy has adopted a temporary regulation on the use of congestion revenues, under which Statnett may compensate underlying grid owners for transmission losses costs exceeding a specified normal level of NOK 0.40 through direct transfers. Statnett assesses whether congestion revenues are available for distribution. RME then calculates the compensation requirement and decides on any distribution. Compensation payments are recognised in the applicable earning period, and operating revenues from regulated activities are presented net of such transfers. In 2025, Statnett paid NOK 1,329 million in such transfers.

Permitted revenue
Permitted revenue is calculated based on regulations established by RME (Nettinntektsforskriften) and associated guidelines. RME sets an annual upper limit for permitted revenue for grid companies, including Statnett. This consists of a revenue cap and an addition to the revenue cap intended to cover certain costs excluded from the revenue cap. The revenue cap is based on costs related to grid operations, including system operation costs, from two years prior. This includes cost of capital, where the return (covering both debt and equity costs) is calculated using a reference interest rate for grid operations. Costs related to transmission losses are also included in the revenue cap and are determined by valuing the actual metered losses in MWh from two years prior at a regulated reference electricity price based on the spot price in the revenue cap year.

To provide incentives for cost-efficient operations, the revenue cap is adjusted by an efficiency factor related to the operation and development of the grid operation. This factor is determined by comparing Statnett's costs with its historical cost level, taking into account development in the transmission grid asset base. In addition, the revenue cap is adjusted for a general productivity requirement of 0,23 per cent per year.

In addition to the revenue cap, Statnett's permitted revenue include the following additions: Property taxes for the year, cross-border compensation, Elhub-fees, costs related to approved R&D projects and an investment supplement. The supplement for investments ensures that capital expenditure is reflected in the permitted revenue for the year in which

the investment is available for use. In addition, Statnett's permitted revenue is adjusted for interruptions through KILE (quality-adjusted revenue cap for energy not supplied).

Higher/lower revenue
Statnett's operating revenues from regulated grid operations will differ from the permitted revenue determined by RME. This is because tariffs are set in advance of the year, before congestion revenues and permitted revenue are known. The deviation is referred to as higher or lower revenue, depending on whether actual revenues are higher (higher revenue) or lower (lower revenue) than permitted revenue.

Higher revenue, including interest, is returned to customers through reduced future tariffs, while lower revenue, including interest, may be recovered from customers through increased future tariffs. The obligation to reduce future tariffs and right to collect increased tariffs does not meet the IFRS criteria for balance sheet recognition and therefore represent a contingent liability (accumulated higher revenue) or a contingent asset (accumulated lower revenue). Annual changes in these items are therefore not recognised in the IFRS income statement but are reported as part of the underlying result.

Costs for ancillary services increased significantly in the period 2021–2024. Statnett's forecasts indicate that these costs will stabilise at a new and higher level compared with pre-2020 levels. Under the current regulatory framework, this results in a permanent loss for Statnett. Consequently, on 25 September Statnett applied to RME requesting compensation for the increase in system service costs for the period 2021–2024. The application was answered by letter from RME dated 6 January, in which compensation for increased system service costs for the period 2021–2024 was approved.

Statnett has recognised the compensation relating to the years 2021–2023 as a change in higher/lower revenue for 2025, i.e. with a two-year lag as described under "Permitted revenue". Of the total compensation of NOK 5.2 billion, NOK 4.92 billion relates to 2025.

Settlement responsibility

Operating revenue from regulated settlement activities
The balance settlement operator is responsible for the balance settlement in the Norwegian power system, operation and development of the Elhub datahub, and issuance of electricity certificates and guarantees of origin. Elhub AS is a wholly owned subsidiary that operates the technical infrastructure for processing and distributing metering data in the Norwegian power market and provides system support for the Ediel market participant register. Operating revenue from the role of the balance settlement operator is mainly recognised in accordance with the actual metered input and withdrawal of power from the grid.

Permitted revenue – fee income
Statnett is responsible for balance settlement in Norway, while the task is performed by eSett on behalf of Statnett. The operations are financed through fees. Permitted revenue is determined on a cost-recovery basis, subject to the assumption of efficient operations. Statnett may charge fees to balance responsible parties to cover costs related to balance settlement, as well as a share of procurement costs for balancing capacity, administrative costs and other balancing-related costs attributable to the settlement responsibility.

In addition to balance settlement, Statnett is responsible for the registers for guarantees of origin and electricity certificates. Costs associated with these tasks are also covered through fees.

In December 2025, RME approved fee revenues for Elhub for the period 2026–2028. The financial regulation of Elhub is largely continued as before and is based on a cap-and-floor model for revenue regulation. The purpose of the cap-and-floor regulation is to provide Elhub with incentives for cost efficiency, while a return floor ensures risk sharing between Elhub's owners and customers. Fee rates for the current period have been adjusted to facilitate recovery of the closing lower revenue balance from the previous fee period

Higher/lower revenue
There is a deviation between actual fee income and permitted revenue determined by RME. This difference arises because fee income is based on forecasts, while permitted revenue is determined at the end of the fee period. This is referred to as higher/lower revenue – settlement responsibility and affects the level of future fees.
Higher/lower revenue – settlement responsibility is not recognised in the income statement but is included in the calculation of the underlying result, in the same manner as higher/lower revenue in grid operations.
Reimbursement to grid operators

General principles

Other operating revenue
Revenue from customer projects is recognised when control of Statnett's deliverable is transferred to the customer.

For consultancy assignments to external parties, control is considered to transfer continuously as the service is performed. When Statnett constructs facilities for distribution grid owners, transfer of control may occur either continuously during construction or upon completion of the facility, depending on the specific contractual terms. Invoiced and accrued customer project revenues are included in Trade and other current receivables. For customer projects expected to result in a loss, the entire expected loss is recognised as an expense.

Operating revenue

(Amounts in NOK million)

Parent Company			Group	
2024	2025	Operating revenue from regulated grid operations	2025	2024
6 396	6 086	Tariff revenue fixed element	6 086	6 396
692	1 184	Other grid revenue	1 184	692
304	192	Tariff revenue energy element	192	304
11 071	13 612	Congestion revenue	13 612	11 071
-781	-1 329	Congestion revenue paid to grid owners	-1 329	-781
-796	-746	Income from other owners in the grids	2	12
16 886	**18 999**	**Total operating revenue from regulated grid operations**	**19 747**	**17 694**
886	1 084	Fee revenue from the balance settlement operator	1 440	1 239
-620	-1 138	Fee revenue covered by balance settlement	-1 138	-620
266	**-54**	**Total fee revenue**	**302**	**620**
17 152	**18 945**	**Total operating revenue from regulated activities**	**20 048**	**18 313**
-8	-355	Fair value changes of EPAD contracts	-355	-8
17 144	**18 590**	**Total operating revenue from regulated activities incl. EPAD**	**19 693**	**18 305**
518	562	Other operating revenue	512	656
17 661	**19 152**	**Total operating revenue**	**20 205**	**18 961**

Permitted revenue regulated operations

(Amounts in NOK million)

Parent Company			Group	
2024	2025	Permitted revenue grid operations	2025	2024
15 186	15 182	Revenue cap	15 941	15 958
1 527	1 325	Supplement to revenue cap	1 316	1 575
16 713	**16 507**	**Total permitted revenue for regulated grid operations**	**17 257**	**17 533**
		Permitted revenue for the balance settlement operator		
96	100	Permitted fee revenue for the balance settlement operator	418	405
16 809	**16 607**	**Total permitted revenue grid operations and the balance settlement operator**	**17 675**	**17 938**

Higher/lower revenue — This year's change and total balance

(Amounts in NOK million)

Parent Company 2024	Parent Company 2025	Regulated grid operations	Group 2025	Group 2024
-164	-2 134	This year's higher/lower revenue (-/+), not recognised	-2 134	-152
-	4 920	This year's non-recognised effects for the year resulting from the compensation decision – higher/lower revenue (–/+)[1]	4 920	-
-212	-263	This year's provision for interest higher/lower revenue (-/+), not recognised	-263	-212
-49	-26	This year's higher/lower revenue adjustment prior periods (-/+), not recognised	-29	-49
-425	**2 497**	**This year's changed balance for higher/lower revenue (-/+)**	**2 494**	**-413**
-4 120	-4 545	Balance higher/lower revenue (-/+), incl. interest as on 1 Jan.	-4 534	-4 121
-425	2 497	Changed balance for higher/lower revenue (-/+), incl. Interest	2 494	-413
-4 545	**-2 047**	**Balance higher/lower revenue (-/+), incl. interest as on 31**	**-2 039**	**-4 534**

[1] See further explanation under the section 'Higher/lower revenue – underlying result' under grid operations. This is included in permitted revenue for 2026

Parent Company 2024	Parent Company 2025	Balance settlement operator	Group 2025	Group 2024
-171	154	This year's higher/lower revenue (-/+), not recognised	116	-214
-5	-6	This year's provision for interest higher/lower revenue (-/+), not recognised	4	6
-	-	This year's higher/lower revenue adjustment prior periods (-/+), not recognised	16	-23
-176	**148**	**This year's changed balance for higher/lower revenue (-/+)**	**136**	**-231**
-20	-197	Balance higher/lower revenue (-/+) incl. interest 1 Jan.	-1	230
-176	148	Changed balance for higher/lower revenue (-/+) incl. interest	136	-231
-197	**-49**	**Balance higher/lower revenue (-/+) incl. interest 31 Dec.**	**135**	**-1**

Parent Company 2024	Parent Company 2025	Total balance regulated grid operation and the balance settlement operator	Group 2025	Group 2024
-4 140	-4 741	Balance higher/lower revenue (-/+) 1 Jan.	-4 535	-3 891
-164	-2 134	Change in balance for grid operations, excl. interest	-2 134	-152
-	4 920	Change in balance for imbalance settlement, RME's compensation decision	4 920	-
-171	154	Change in balance for imbalance settlement, excl. interest	116	-214
-217	-269	Interest on change in balances	-260	-207
-49	-26	Prior years' adjustments	-13	-72
-4 741	**-2 096**	**Total balance higher/lower revenue (-/+) 31 Dec.**	**-1 906**	**-4 535**

Underlying profit and return on invested grid capital

(Amounts in NOK million)

Parent company			Group	
2024	2025		2025	2024
3 802	2 500	Operating profit within grid operations	3 022	4 392
3 802	**2 500**	**Total operating profit grid operations**	**3 022**	**4 392**
-425	-2 423	This year's higher/lower revenue (-/+) from grid operations, incl. interest, not recognised	-2 426	-413
-	4 920	This year's higher/lower revenue (-/+) from the compensation decision, not recognised	4 920	-
3 377	**4 997**	**Underlying operating profit from grid operations**	**5 516**	**3 979**
79	-40	Operating profit outside grid operations	46	229
-176	148	This year's higher/lower revenue (-/+) from imbalance settlement, incl. interest, not recognised	135	-231
3 280	**5 105**	**Underlying operating profit**	**5 697**	**3 977**
-1 991	-1 498	Net financial expenses	-2 063	-2 432
1 289	**3 607**	**Underlying profit before tax**	**3 634**	**1 545**
-279	-772	Tax expense, incl. not recognised tax effects on higher/lower	-791	-327
1 010	**2 835**	**Underlying result**	**2 843**	**1 218**

Underlying operating profit from grid operations is the operating profit adjusted for the non-recognised change in higher/lower revenue from grid operations.

Basis for return on invested grid capital

The regulatory asset base is defined as the average of the incoming and outgoing balance for invested grid capital, plus one per cent of net working capital. The invested grid capital is defined as the initial historical acquisition cost. The share of common fixed assets is included.

Parent company			Group	
2024	2025		2025	2024
66 313	69 103		76 028	73 466

Return on invested grid capital

Return is defined as the underlying operating profit/loss compared to the regulatory asset base. The reported underlying operating profit/loss is given as the operating profit/loss adjusted for this year's higher/lower revenue not recognised from the grid operation.

Parent company			Group	
2024	2025	*(Return in percentage)*	2025	2024
5,1 %	7,2 %		7,3 %	5,4 %

Note 5 Ancillary services and transmission losses

Ancillary services are costs relating to Statnett's responsibility for maintaining an instantaneous balance in the power grid and ensuring satisfactory delivery quality, as defined in the Regulations Relating to System Responsibility. The frequency in the power grid must be 50 Hz. As transmission system operator (TSO), Statnett is responsible for ensuring that this frequency remains stable. The requirement for reserve capacity for regulatory purposes is split between primary, secondary and tertiary reserves. Statnett purchases reserves in agreed capacity markets for the elspot and regulating power markets. Prices are affected by available power, regulating opportunities and prices in the regulating markets.

The change in ancillary service costs in 2025 is mainly due to increased costs related to tertiary reserves. In 2025, system operation transitioned from manual frequency-controlled balancing to automatic balancing, with the objective of minimising imbalances per bidding zone. In order to optimise imbalances at the bidding zone level, reserves must either be geographically distributed across the different bidding zones or there must be available transmission capacity between bidding zones to allow the transfer of reserves. In addition to handling normal imbalances, the system must be capable of managing dimensioning faults in order to restore normal operation if critical components in the power system fail.

Flow-based market coupling was introduced on 29 October 2024. This method takes greater account of the physical characteristics and constraints of the power grid in capacity calculation. It has contributed to significantly higher utilisation of the power system and provides more accurate capacities and prices in the energy market, resulting in increased socio-economic efficiency. With increased transmission capacity allocated to the energy market, less capacity remains available for sharing reserves across Nordic bidding zones to manage imbalances. Consequently, Statnett must procure reserves locally in each bidding zone, which has resulted in increased reserve procurement volumes.

Statnett purchases transmission losses (volume) at spot price (market price) through the market exchanges for the hour in which the transmission loss occurs. During any transformation or transfer of energy, a portion of energy will always be lost. The size of the loss will vary depending on factors such as temperature, grid load and the electricity price. Transmission losses have been reduced compared to last year due to lower average electricity prices.

Material accounting policies

Costs relating to ancillary services and transmission losses are recognised as incurred.

Ancillary services can be split into the following categories:

Primary reserves
Primary regulation is automatically and immediately activated in the event of changes in the power grid frequency using a pre-agreed reserve capacity. The requirement to maintain a reserve capacity for regulating purposes imposes limitations on producers, as they are unable to generate and sell the full capacity of all their generators. Primary reserve costs represent expenses incurred by Statnett through the purchase of reserve capacity from producers. The volume of primary reserves is determined by pan-Nordic agreements, and reserves for normal operation are procured through market-based solutions.

Secondary reserves

Automatic secondary reserves are activated to release activated primary reserves, enabling the system to rapidly respond to any new faults or imbalances. Automatic secondary reserves are activated by a signal sent from the TSO to a market participant or power plant, which then adjusts its generation accordingly. Secondary reserves are also referred to as Automatic Frequency Restoration Reserves (aFRR) and are primarily used in the Nordic region to manage frequency deviations. The volume of secondary reserves is determined by pan-Nordic agreements, and the reserves are procured through market-based solutions.

Tertiary reserves

Until February 12, 2024, Statnett purchased reserves to ensure sufficient regulation resources in a weekly market. Thereafter, Statnett switched to daily purchases of tertiary regulation reserves. In addition, reserves that do not meet the requirements for standard bids are procured. These reserves are purchased monthly and replace the former seasonal market (RKOM Season).

Cross-border compensation

The European power system is interconnected through transmission lines and cables that cross national borders. Cross-border compensation represents compensation paid to grid owners in countries through which electricity flows (transit countries), as these flows utilise transmission capacity in their grids.

Special regulation

In certain cases, transmission capacity can be restricted (congested), which may mean that the bids in the regulating power market cannot be utilised in the “correct” price order. Activated adjustments that are not in price order are categorised as special regulations and are compensated through the associated bid price. These do not affect the regulating power price. Statnett incurs a cost equal to the difference between the price of activated bids used for special regulations and the actual hourly price in the primary direction in the regulating power market, multiplied by the specially regulated volume.

Specification of ancillary services

Parent company			Group	
2024	**2025**	*(Amounts in NOK million)*	**2025**	**2024**
61	56	Net regulating and peak power	56	61
549	555	Primary reserves	555	549
525	498	Secondary reserves	498	525
2 572	4 572	Tertiary reserves	4 572	2 572
521	192	Cross-border compensation	192	521
183	422	Special adjustments	422	183
71	2	Other system services	2	71
4 482	**6 297**	**Total ancillary services**	**6 297**	**4 482**

Specification of transmission losses

Parent company			Group	
2024	**2025**		**2025**	**2024**
2 888	2 797	Volume (GWh)	2 797	2 888
510	605	Price (NOK/MWh)	605	510
1 474	1 693	Transmission losses	1 693	1 474
-	-	Transmission losses other grid owners	-	-
1 474	**1 693**	**Total transmission losses**	**1 693**	**1 474**

Note 6 Salaries and payroll costs

Salaries and payroll costs represent the total expenses for remuneration of personnel in the Group, including compensation to the Group's Board of Directors. Salary costs relate only to the Group's own employees and do not include expenses relating to third-party contract staff. Ordinary salaries include both fixed salaries and hourly wages and are paid on an ongoing basis. Holiday pay is normally paid during the vacation months of the following year. Employer's national insurance contributions are normally paid in arrears every other month.

General accounting policies

Salary costs are expensed as incurred. Ordinary salaries are earned on an ongoing basis. Holiday pay accrues based on ordinary salary. Employer's national insurance contributions are calculated and expensed for all salary-related costs. Pensions are earned in accordance with separate rules (see Note 7). Remuneration paid to the Board of Directors is earned on an ongoing basis, in accordance with individual agreements approved by the General Meeting. The salary costs have been reduced by the value of separately capitalised investment activities, consisting of wage costs and a share of directly allocable shared expenses.

Specification of salaries and personnel costs

Parent company			Group	
2024	**2025**	*(Amounts in NOK million)*	**2025**	**2024**
1 941	2 272	Salaries	2 349	2 011
324	357	Employer's national insurance contributions (NICs)	369	337
286	309	Pension costs (note 7)	319	296
189	235	Other benefits	240	193
2 740	**3 173**	**Total salaries and personnel costs**	**3 277**	**2 837**
-994	-1 121	Of which own investment projects	-1 167	-1 031
1 746	**2 052**	**Net salaries and personnel costs**	**2 110**	**1 806**
1 833	2 058	Number of full-time equivalents	2 135	1 957

Employee loans

As of 31 December 2025, employee loans totalled NOK 2 million. The loans are repaid through salary deductions over a period of up to two years. The loans are interest-free for the employee. The interest benefit on loans that exceeds 3/5 of the Norwegian National Insurance Scheme's basic amount is taxable at the prevailing base rate set by the authorities.

Note 7 Pensions

The parent company and subsidiaries operate defined-benefit and defined-contribution pension plans that provide employees with future pension benefits. All the defined-benefit plans have been closed, and all the Group's new employees are enrolled in the defined-contribution plans.

The Group's pension plans satisfy the requirements of the Norwegian Mandatory Occupational Pension Act. For the defined-contribution plans, the Group pays an agreed annual contribution to the employee's pension plan, but any risk for the future pension is borne by the employee. The future pension will be determined by the amount of the regular contributions and the return on the pension funds over time. In the defined-benefit plans, the Group pays an agreed level of pension to the employee based on their final salary. The cost for the accounting period reflects the employee's accrual of agreed future pension benefits in the financial year.

Material accounting policies

Defined-contribution pension plans
In defined-contribution pension plans, the company makes an agreed contribution to the employee's pension fund. The future pension will be determined based on the amount of the contributions and the return on the pension fund. Once the contributions have been paid, the employer has no further payment obligations for the defined-contribution pension plan, and no pension liability is recognised in the balance sheet. The pension cost relating to the defined-contribution plans equals the contributions to the employees' pension funds for the reporting period.

The AFP early retirement plan is a defined-benefit multi-employer plan that is recognised as a defined-contribution plan, since pension payouts are not attributable to individual participating companies.

Defined-benefit pension plans
In the defined-benefit pension plans, the company agrees to pay employees a certain level of pension on retirement, normally defined as a percentage of final salary. The company is responsible for the future pension benefit payments, and the financial value of this obligation must be recognised in the income statement and the balance sheet.

The accrued liability is determined using a linear accrual model, and is measured as the present value of the estimated future pension payments accrued at the reporting date. The net liability recognised in the balance sheet is the sum of the accrued pension liability less the fair value of any related pension assets.

Changes in the liability relating to defined-benefit plans which are due to changes in pension plans, and which result in an immediate entitlement to a paid-up policy are recognised in their entirety in the income statement. Changes in pension liabilities and assets attributable to changes in and deviations from calculation assumptions are called actuarial gains and losses. Actuarial gains and losses are recognised in equity through "Other comprehensive income" in the period in which they arise. The discount effect of the pension liabilities and expected return on pension assets is presented net under "Salaries and payroll costs" as this is deemed to reflect the Group's pension cost most accurately.

Further information about the pension plans

Defined-contribution plans
Most of the Group's employees are enrolled in pension plans classified as defined-contribution plans. The contribution level in defined-contribution plans is based on maximum contribution rates permitted in the Norwegian Defined-Contribution Pension Scheme Act. Defined-contribution plans also encompass pension plans that are shared among multiple companies, where the pension premium is determined independently of the demographic profile of each individual company (multi-employer plan).

The Group is a member of the private contractual early retirement scheme (AFP plan). Under the AFP plan, employees receive a life-long addition to their pension. The pension can be drawn from age 62, also while the employee continues to work. The AFP plan is a defined-benefit, multi-employer plan, organised through a joint office and funded through premiums stipulated as a percentage of salary. The premium level has increased annually since the plan was established and is expected to continue to increase in the years to come.

Defined-benefit plans
The Group has a closed pension plan classified as a funded defined-benefit plan, in addition to closed unfunded defined-benefit plans, financed from the company's current earnings. For employees affected by the transition to a defined-contribution plan a compensation scheme was established. This plan is an unsecured defined-benefit plan, providing annual accruals until the age of 67. Payments under the compensation scheme occur at the age of 67 or upon earlier resignation.

Certain members of Group management have individual supplemental agreements. For further information, please see Note 23, Remuneration to Group management.

The net pension liability in the balance sheet is presented after adjusting for the effect of changes in estimates recognised in "Other comprehensive income". The net pension liability is recognised under "Pension liabilities". When a plan's funds exceed the estimated liability, net pension assets are reported under "Pension assets".

Accrued pension rights are primarily funded through pension plans in Statnett SF's Pensjonskasse. In addition, the parent company has early retirement pension obligations that are funded through operations.

Employees who leave the Group before retirement age receive a paid-up policy. These paid-up policies are managed by Statnett SF's Pensjonkasse and Storebrand Livsforsikring AS. Statnett has no further obligations to employees once the paid-up policies have been issued. Assets and liabilities are measured on the date of issuance of the individual policy and are separated from pension assets and liabilities.

An external actuary calculates the pension liabilities. When calculating the pension liabilities, account is taken of the employer's national insurance contributions that the company is required to pay when paying direct pensions as well as premiums for funded plans.

Assumptions for defined-benefit plans
The Group uses the Norwegian Accounting Standards Board's assumptions as a basis for pension calculations, after assessing the extent to which these are applicable to the Group.

The discount rate is based on the discount rate for covered bonds (OMF). Statnett considers the OMF market to represent a sufficiently deep market to be used to calculate the discount rate.

Pension costs

Parent company			Group	
2024	2025	*(Amounts in NOK million)*	2025	2024
97	76	Defined benefit plan	78	100
157	190	Defined contribution plan	196	164
31	43	Defined multi-employer plan	45	32
286	**309**	**Pension costs**	**319**	**296**
32	41	Employer's contributions	42	33
318	**350**	**Total pension costs, incl. employer's contribution**	**361**	**329**
-165	**-356**	**Changes in estimate variances in other comprehensive income**	**-356**	**-165**

Net estimated pension liabilities

Parent company			Group	
2024	2025	*(Amounts in NOK million)*	2025	2024
2 695	2 636	Gross pension liabilities	2 647	2 702
-2 849	-3 067	Gross pension assets	-3 076	-2 857
-154	**-431**	**Net pension liabilities**	**-429**	**-155**
-434	-732	Net pension assets - funded plan	-732	-435
280	301	Unfunded pension	302	281
-154	**-431**	**Net pension liabilities**	**-429**	**-155**

Funded and unfunded pension liabilities

Parent company			Group	
2024	2025	*(Amounts in NOK million)*	2025	2024
		Change in gross pension liability		
2 807	2 696	Gross pension liability on 1 Jan.	2 707	2 811
79	77	Present value of the year's pension contributions	77	84
85	103	Interest costs of pension liability	103	85
-177	-160	Actuarial gains and losses	-161	-178
-26	-	Employer's contribution on premium paid	-	-26
-74	-80	Disbursed pension/paid-up policies	-80	-74
2 695	**2 636**	**Gross pension liabilities as on 31 Dec.**	**2 647**	**2 702**

Parent company			Group	
2024	2025	*(Amounts in NOK million)*	2025	2024
		Change in gross pension assets		
2 656	2 849	Fair value of pension assets at 1 Jan.	2 857	2 671
84	110	Interest income on pension assets	110	85
-13	195	Actuarial gains and losses	195	-14
184	-	Premium paid	1	185
-62	-70	Pension/paid-up policies disbursed	-78	-70
2 849	**3 084**	**Fair value of pension assets as at 31 Dec.**	**3 085**	**2 857**
-154	**-465**	**Net pension liabilities/-assets as at 31 Dec.**	**-467**	**-155**

Changes in estimate variances for the year

Parent company			Group	
2024	2025	*(Amounts in NOK million)*	2025	2024
-321	-116	Change in discount rate	-116	-321
13	-195	Changes in pension assets	-195	13
143	-44	Other changes	-44	143
-165	**-356**	**Total changes in estimate variances for the year**	**-356**	**-165**

Financial/actuarial assumptions, parent company and Group	**2025**	**2024**
Discount rate corporate covered bonds (OMF)	4,00 %	3,90 %
Interest income on pension assets	4,00 %	3,90 %
Expected wage adjustments	4,00 %	4,00 %
Expected pension adjustments	2,75 %	3,00 %
Expected adjustment of basic amount (G) under NIS	3,75 %	3,75 %
Mortality table	K2013 BE	K2013 BE

Sensitivity analysis

The figures below give an estimate of the potential effect of a change in certain assumptions for defined-benefit pension schemes. The following estimates and estimated pension costs for 2025 are based on the facts and circumstances on 31 December 2025. Actual results may differ significantly from these estimates.

Sensitivities decrease (increase) of benefit obligation as of year-end

(Amounts in NOK million, except per cent)

Parent company			Group	
155	6,4 %	Discount rate increase 0.5 per cent	155	6,4 %
-24	-1,0 %	Expected salary increase 0.5 per cent	-24	-1,0 %
-22	-0,9 %	Expected pension increase 0.5 per cent	-22	-0,9 %

Percentual breakdown of pension assets into investment categories, parent company and Group as at 31 December	**2025**	**2024**
Norwegian shares	12 %	11 %
Global shares	21 %	23 %
Held-to-maturity bonds	8 %	8 %
Nordic bonds	11 %	10 %
Global bonds	24 %	26 %
Property	10 %	10 %
Private equity	6 %	5 %
Money market	7 %	4 %
Bank deposits	1 %	2 %
Total	**100 %**	**100 %**

Members of the defined-benefit plan

Parent company			Group	
2024	2025		2025	2024
789	780	Members of the pension fund	783	792
576	586	Of which pensioners	587	577
213	**194**	**No. of active pension scheme members**	**196**	**215**

Disbursement flow Statnett SF

The weighted average duration of the pension obligation related to the main pension scheme in Statnett SF is estimated at 10 years. This estimate is based on the pension assumptions as at 31 December 2025.
Statnett SF's Pension Fund does not match pension assets to the maturity structure of the pension obligations in the schemes as they stand at 31 December 2025.

Note 8 Tangible and intangible assets

Tangible assets comprise power lines, substation infrastructure, buildings, land, ICT equipment etc. that are necessary for the Group's operations.

Material accounting policies

Tangible assets
Tangible assets are recognised in the balance sheet at cost price less accumulated depreciation and write-downs. The acquisition cost of an asset comprises its purchase price, including non-refundable taxes relating to the purchase, costs directly attributable to bringing the asset to its intended location and condition, less any discounts. Directly attributable costs include elements such as wages, assembly and installation costs, delivery costs, construction loan interest, document fees and transaction costs. One-off compensation in connection with land acquisition etc. is included in the cost price of the operating asset. Ongoing compensation payments are small sums and are recognised in the income statement in the year in which the compensation is paid.

With the exception of plot, tangible assets are depreciated to their estimated residual value at the end of their estimated useful economic life on a straight-line basis from the time they are available for use. The same applies to operating assets acquired from other grid owners. Material components of an operating asset are depreciated individually. Materiality is assessed based on the cost price of the components in relation to the cost price of the asset as a whole.

The value of assets and work carried out is transferred from "Assets under construction" to "Tangible assets" when the asset is available for use. In projects where material components become available for use at different times, each finished component is transferred to "Tangible assets" as and when it becomes available for use. The criteria used to determine when a component is considered available for use is described in Note 9, Assets under construction.

Cost estimates for the retirement of tangible assets are recognised as part of the acquisition cost at the time the Group is considered to have a legal or constructive removal obligation. The estimate is measured as the present value of the expenditure expected to be incurred at a future point in time. The annual interest expense resulting from the liability being one year closer to settlement is expensed. The estimate may be subsequently amended as a result of a change in the estimated size of the expenditure, a change in the expected schedule and/or a change in the discount rate. The changes are recognised in the balance sheet as an increase or decrease in the carrying amount of the asset. If a potential decrease is higher than the asset's carrying amount, the excess amount is recognised in the income statement. For further details on asset retirement obligations, see Note 24: Other liabilities.

Maintenance costs are recognised in the income statement as they accrue.

Depreciation
Depreciation is based on management's assessment of the useful economic life of tangible assets. These assessments may change, for example, due to technological developments and past experiences. This may result in a change in the asset's estimated useful economic life and consequently its depreciation. It is difficult to predict either the speed or nature of technological developments, and management may change its views on such matters over time. If expectations change significantly, depreciation will be adjusted with effect for future periods. The estimated useful economic life, depreciation method and residual value are assessed at least once a year. For most assets, the residual value at the end of their useful economic life is estimated at zero.

Intangible assets
Intangible assets are measured at acquisition cost on initial recognition. In subsequent periods, intangible assets are recognised at acquisition cost less accumulated amortisation and write-downs. Intangible assets with a finite useful economic life are amortised over their useful economic life, which is assessed at least once a year. Intangible assets are amortised on a straight line as this most accurately reflects their use.

General principles

Right-of-use assets
Right-of-use assets are recognised as tangible assets, i.e. on the same accounting line as the corresponding underlying assets would have been presented if they were owned.

On initial recognition of leases, right-of-use assets are measured at the value of the estimated lease liability plus restoration costs at the end of the lease term, and material expenses relating to the establishment of the lease.

After initial recognition, right-of-use assets are measured at acquisition cost less any accumulated depreciation and any accumulated write-downs. Depreciation is recognised on a straight-line basis over the term of the lease. The cost of right-of-use assets is adjusted to reflect any changes resulting from reassessments of the lease liabilities. Statnett has chosen to apply the recognition exemptions in IFRS 16 for short-term leases (maturing with 12 months) and for leases where the underlying asset is of low value. For leases containing service elements, Statnett separates the value of such service elements so that these are not recognised in the balance sheet.

Research and development
Research costs are expensed on an ongoing basis.

Expenses relating to development activities are recognised in the balance sheet if the product or process is technically and commercially feasible and the Group has adequate resources to complete the development. Expenses recognised in the balance sheet include the cost of materials, direct wage costs and a share of directly attributable overheads. Capitalised development costs are recognised at acquisition cost, less any accumulated depreciation and write-downs. Capitalised development costs are depreciated on a straight-line basis over their useful economic lives.

Assessment of useful economic life and climate risk

There has been a change in the estimate of useful economic life in 2025, for further information about the annual assessment of useful economic life, the effects of the estimate change and the consequences climate risk has on our assets, this is disclosed in Note 3 Estimates, management assumptions and climate risk.

Parent company

(Amounts in NOK million)	Power lines	Land and subsea cables	Main circuit equip-ment	Control and auxiliary equipment	ICT equip-ment	Buildings and land	Other	Total
Acquisition cost on 1 Jan. 24	**26 993**	**12 836**	**19 610**	**5 963**	**7 244**	**18 937**	**1 934**	**93 517**
Additions, acquisition cost	418	368	1 059	326	1 572	1 756	256	5 756
Disposals, acquisition cost	-273	-69	-331	-95	-139	-193	-58	-1 158
Acquisition cost on 1 Jan. 25	**27 139**	**13 135**	**20 338**	**6 195**	**8 678**	**20 500**	**2 131**	**98 115**
Additions, acquisition cost	1 667	603	1 829	382	1 133	2 219	169	8 001
Disposals, acquisition cost	-70	-24	-89	-27	-66	-82	-53	-410
Acquisition cost on 31 Dec. 25	**28 735**	**13 714**	**22 078**	**6 550**	**9 745**	**22 636**	**2 247**	**105 706**
Accumulated depreciation and amortisation on 1 Jan. 24	**7 534**	**2 571**	**5 521**	**2 676**	**4 650**	**3 974**	**1 278**	**28 204**
Depreciation and amortisation	413	337	594	283	758	595	119	3 099
Disposals, depreciation and amortisation	-111	-26	-186	-66	-139	-38	-48	-614
Accumulated depreciation and amortisation on 1 Jan. 25	**7 835**	**2 882**	**5 929**	**2 894**	**5 269**	**4 531**	**1 349**	**30 689**
Depreciation and amortisation	432	334	588	282	872	610	157	3 274
Disposals, depreciation and amortisation	-53	-4	-50	-27	-66	-95	-50	-345
Accumulated depreciation and amortisation on 31 Dec. 25	**8 214**	**3 211**	**6 467**	**3 149**	**6 075**	**5 046**	**1 456**	**33 618**
Carrying value on 31 Dec. 24	**19 304**	**10 253**	**14 409**	**3 301**	**3 409**	**15 969**	**782**	**67 426**
Carrying value on 31 Dec. 25	**20 522**	**10 503**	**15 611**	**3 401**	**3 670**	**17 590**	**791**	**72 088**
Of which asset retirement obligations								
Carrying value on 31 Dec. 24	90	174	81	-	-	16	-	361
Carrying value on 31 Dec. 25	451	184	191	-	-	40	-	866
Acquisition cost for tangible fixed assets fully depreciated, but still in use	335	207	1 135	1 152	3 653	597	799	7 879
Depreciation rate (straight-line)	2 %	2-7%	2-5%	3-13%	5-33%	0-7%	0-33%	

Purchase of grid facilities

Theres is no additions in 2025 that include purchase of grid facilities due to the third energy package.

Group

(Amounts in NOK million)	Power lines	Land and subsea cables	Main circuit equip-ment	Control and auxiliary equipment	ICT equip-ment	Buildings and land	Other	Total
Acquisition cost on 1 Jan. 24	**27 265**	**18 057**	**21 079**	**6 176**	**8 188**	**19 780**	**2 012**	**102 557**
Additions, acquisition cost	418	368	1 059	326	1 619	1 756	256	5 803
Disposals, acquisition cost	-274	-70	-331	-96	-132	-193	-58	-1 154
Acquisition cost on 1 Jan. 25	**27 410**	**18 355**	**21 807**	**6 406**	**9 675**	**21 343**	**2 209**	**107 205**
Additions, acquisition cost	1 667	603	1 829	382	1 186	2 218	171	8 057
Disposals, acquisition cost	-70	-24	-89	-27	-66	-82	-53	-410
Acquisition cost on 31 Dec. 25	**29 006**	**18 935**	**23 548**	**6 762**	**10 784**	**23 479**	**2 327**	**114 842**
Accumulated depreciation and amortisation on 1 Jan. 24	**7 558**	**3 123**	**5 654**	**2 750**	**5 060**	**4 049**	**1 308**	**29 501**
Depreciation and amortisation	418	468	624	296	887	606	119	3 417
Disposals, depreciation and amortisation	-111	-26	-186	-66	-133	-38	-51	-611
Accumulated depreciation and amortisation on 1 Jan. 25	**7 864**	**3 565**	**6 092**	**2 980**	**5 814**	**4 616**	**1 376**	**32 307**
Depreciation and amortisation	436	465	619	294	1 005	622	157	3 599
Disposals, depreciation and amortisation	-53	-4	-50	-27	-66	-88	-50	-338
Accumulated depreciation and amortisation on 31 Dec. 25	**8 248**	**4 024**	**6 661**	**3 248**	**6 742**	**5 154**	**1 481**	**35 558**
Carrying value on 31 Dec. 24	**19 545**	**14 791**	**15 715**	**3 426**	**3 861**	**16 727**	**833**	**74 898**
Carrying value on 31 Dec. 25	**20 759**	**14 910**	**16 887**	**3 514**	**4 043**	**18 325**	**846**	**79 284**
Of which asset retirement obligations								
Carrying value on 31 Dec. 24	90	174	81	-	-	16	-	361
Carrying value on 31 Dec. 25	451	184	191	-	-	40	-	866
Acquisition cost for tangible fixed assets fully depreciated, but still in use	335	207	1 135	1 152	3 718	597	679	7 823
Depreciation rate (straight-line)	2 %	2-7 %	2-5 %	3-13 %	5-33 %	0-7 %	0-33 %	

Expenditure on research and development

Research and development activities that have been carried out and do not meet the criteria for being capitalised in 2025 and 2024 have been expensed with NOK 42 million and NOK 36 million respectively.

Specification of intangible assets

Intangible assets consist of software, technology qualification and goodwill. In the primary statements for the Parent Company and the Group, software and technology qualification are presented within the category “ICT equipment”. Goodwill is presented within the category “Other”.

Parent company *(Amounts in NOK million)*	**Technology qualification**	**Software**	**Goodwill**	**Total intangible assets**
Acquisition cost on 1 Jan. 24	**104**	**4 467**	**-**	**4 571**
Additions, acquisition cost	-	885	-	885
Disposals, acquisition cost	-	-	-	-
Acquisition cost on 1 Jan. 25	**104**	**5 351**	**-**	**5 455**
Accumulated depreciation and amortisation on 1 Jan. 25	**18**	**2 431**	**-**	**2 449**
Depreciation and amortisation	14	618	-	633
Disposals, depreciation and	-	-	-	-
Accumulated depreciation and amortisation on 31 Dec. 25	**32**	**3 049**	**-**	**3 082**
Carrying value on 31 Dec. 24	**86**	**2 036**	**-**	**2 121**
Carrying value on 31 Dec. 25	**71**	**2 302**	**-**	**2 374**

Group *(Amounts in NOK million)*	**Technology qualification**	**Software**	**Goodwill**	**Total intangible assets**
Acquisition cost on 1 Jan. 24	**104**	**5 416**	**53**	**5 572**
Additions, acquisition cost	-	952	-	952
Disposals, acquisition cost	-	-	-	-
Acquisition cost on 1 Jan. 25	**104**	**6 367**	**53**	**6 523**
Accumulated depreciation and amortisation on 1 Jan. 25	**18**	**2 935**	**-**	**2 954**
Depreciation and amortisation	14	760	-	775
Disposals, depreciation and	-	-	-	-
Accumulated depreciation and amortisation on 31 Dec. 25	**32**	**3 695**	**-**	**3 728**
Carrying value on 31 Dec. 24	**86**	**2 480**	**53**	**2 618**
Carrying value on 31 Dec. 25	**71**	**2 671**	**53**	**2 795**

Right-of-use assets

(Amounts in NOK million)	Land and buildings	Fiber	Vehicles	Total right-of-use assets
Acquisition cost on 1 Jan. 25	**289**	**30**	**78**	**397**
Additions, acquisition cost	91	-	57	**148**
Disposals, acquisition cost	-	-	-	**-**
Index adjustment of leases	4	-	-	**4**
Acquisition cost on 31 Dec. 25	**384**	**30**	**135**	**549**
Accumulated depreciation and amortisation on 1 Jan. 25	**-94**	**-13**	**-13**	**-120**
Depreciation	-43	-3	-31	**-77**
Disposals, depreciation	-	-	-	**-**
Accumulated depreciation and amortisation on 31 Dec. 25	**-137**	**-15**	**-44**	**-196**
Carrying value on 31 Dec. 25	**247**	**14**	**91**	**352**

See Note 10 for interest expenses and Note 16 for the maturity analysis of lease liabilities.

Lease income and lease expenses in the

(Amounts in NOK million)	2024	2025
Sublease income from right-of-use assets	13	13
Total	**13**	**13**

Future lease entered into in 2025 with commencement in 2026

In June 2025, Statnett entered into a long-term lease in Bergen. The lease for office premises and parking spaces commences on 1 April 2026, while the lease for a warehouse commences on 1 July 2026. The agreement includes a non-cancellable lease term of 12 years, with two extension options of two years each, on the same terms but adjusted to market rent. The extension options are assessed to be reasonably certain to be exercised.

Annual lease payments amount to NOK 11.6 million. The lease is indexed annually in line with the Consumer Price Index (CPI) published by Statistics Norway. The undiscounted total of future lease payments is NOK 186.8 million. The discounted present value, based on an incremental borrowing rate of 5.2%, is NOK 128.8 million.

The lease will be recognised on the balance sheet at commencement in 2026, with a right-of-use asset and a corresponding lease liability measured at the present value of future lease payments. The effects of future CPI indexation are not included in the estimates.

Note 9 Assets under construction

Statnett has embarked on a phase of major investments. Most of these investments are made through in-house projects recognised in the balance sheet as “assets under construction” until the assets are available for use.

Material accounting policies

Assets under construction are recognised in the balance sheet at acquisition cost less any write-downs. Assets under construction are not depreciated. Construction projects start with a feasibility and alternatives study. Once the study’s conclusions are available, and the main development concept has been selected, project costs cease to be expensed in the income statement and are recognised in the balance sheet instead. At this point, a licence has not been granted and no final investment decision has been made. Statnett has generally found that once a main concept has been selected for development, it is highly probable that the project will be fulfilled. If Statnett no longer deems project completion probable, the capitalised project costs are written down.

Accrued costs for construction projects are measured in accordance with the stage-of-completion method. Assessment of the stage of completion is based on a number of discretionary judgements, including evaluations of whether project activities qualify for capitalisation or whether Statnett has assumed the risk for and control of project deliverables. Ongoing assessments are made of whether licensing conditions or other causes necessitate a full or partial write-down of project expenses incurred. These assessments are performed per project.

Borrowing costs relating to own assets under construction are capitalised as construction loan interest. The interest is calculated based on the average borrowing interest rate and the scope of the investment, since the funding is not allocated to specific projects.

When assets under construction are available for use, they are reclassified as tangible or intangible assets. The term “available for use” means that the asset is in the location and condition necessary to be capable of operating in the manner intended by management. In the case of grid infrastructure, available for use means the grid infrastructure is ready to operate in the power grid.

Specification of this year's change of assets under construction

Parent company			Group	
2024	**2025**	*(Amounts in NOK million)*	**2025**	**2024**
6 286	**8 423**	**Assets under construction on 1 January**	**8 422**	**6 320**
-	5	Hedge accounting effects	5	-
6 286	**8 428**	**Acquisition cost on 1 January**	**8 427**	**6 320**
7 252	9 993	Additions	10 078	7 266
353	504	Capitalised construction loan interest	504	353
-5 378	-7 221	Transferred to tangible and other intangible fixed assets	-7 282	-5 426
-86	-67	Write-downs	-67	-86
8 428	**11 638**	**Acquisition cost on 31 December**	**11 660**	**8 427**
-5	-13	Hedge accounting effects	-13	-5
8 423	**11 624**	**Assets under construction on 31 December**	**11 647**	**8 422**

Capitalisation of construction interest	**2025**	**2024**
Average rate for capitalisation of construction interest	4,83 %	5,20 %

Contractual obligations

As of 31 December 2025, contractual obligations totalled NOK 18 billion. The total reported obligation reflects residual contractual obligations for construction projects.

Note 10 Financial income and expenses

Financial income and financial expenses mainly comprise interest income and interest expenses relating to the Group's financing. Other financial items not attributable to operating conditions are also recognised in these items.

General principles

Interest income and interest expenses on loans and receivables are calculated using the effective interest method and recognised in the income statement as they accrue/are incurred.

Interest income, as well as unrealised and realised changes in the value of market-based securities, are presented net as "Net gain/loss from market-based securities".

Interest expenses relating to estimated future asset retirement obligations are recognised as "Other interest costs". The interest element of the asset retirement obligations is discussed in more detail in Note 24 Other liabilities.

Interest expenses relating to assets under construction are recognised in the balance sheet together with the asset, see Note 9 Assets under construction.

Foreign exchange gains or losses deriving from operating assets and liabilities, as well as the hedging of these items, are classified as other operating expenses, see Note 27 Other operating expenses. Unrealised foreign exchange gains or losses relating to the hedging of loans are presented net as a change in the value of derivatives. Other foreign exchange effects are presented as "Net currency exchange gain/loss".

The interest element of pension costs is recognised in salary costs, see Note 7, Pensions.

Information regarding the Group
Investments in associates are recognised in accordance with the equity method in the consolidated financial statements. Statnett's share of profits/losses in associates are presented net as "Net financial income from associates" or "Net financial expenses from associates". Please also see Note 20, Investments in subsidiaries, joint ventures and associates.

Information regarding the parent company
Investments in subsidiaries and associates are recognised in accordance with the cost method in the parent company's financial statements. Group contributions and dividends received from associates and subsidiaries are recognised in the income statement as financial income, to the extent that they do not exceed accrued earnings during the period of ownership. Group contributions and dividends are recognised in the year they are adopted. Write-downs and reversals of write-downs of shares in subsidiaries and gains/losses on the sale of shares in subsidiaries are presented as "Net financial income from Group companies" or as "Net financial expenses from Group companies".

Specification of financial income and financial costs

Parent company			Group	
2024	**2025**	*(Amounts in NOK million)*	**2025**	**2024**
		Financial income		
270	414	Group contribution and dividend from subsidiaries	-	-
22	27	Net financial income from associates	35	46
248	221	Interest income from subsidiaries	-	-
239	289	Other interest income	293	244
156	104	Net gain/loss from market-based securities	135	177
-	130	Other financial income	143	16
935	**1 185**	**Total financial income**	**606**	**482**
		Financial costs		
12	14	Interest costs from subsidiaries	-	-
2 927	3 082	Other interest costs	3 081	2 927
-353	-504	Capitalised construction interest	-504	-353
9	14	Interest expense from lease liabilities	14	9
3	10	Net currency exchange loss	10	3
329	67	Other financial costs	68	329
2 926	**2 683**	**Total financial costs**	**2 669**	**2 915**

Note 11 Trade and other current receivables

This note presents trade and other current receivables relating to the Group's operating activities. Other current receivables may be either interest-bearing or non-interest-bearing.

General principles

Trade receivables are recognised and presented in the original invoice amount (the transaction rate) at the invoicing date. Subsequently, trade and other current receivables are measured at amortised cost using the effective interest method. The interest element is not calculated, as it is considered immaterial in the context of the Group's trade and other current receivables.

Impairment losses

Trade and other current receivables are assessed for impairment on an ongoing basis. Impairment losses on trade receivables are recognised using the simplified approach in accordance with IFRS 9 and are measured at an amount equal to lifetime expected credit losses. A loss allowance is recognised when the loss potential is material and it is considered highly probable that the receivable will not be settled. A receivable is derecognised when collection efforts have failed and there is objective evidence that a loss-triggering event has occurred.

Other current receivables mainly comprise accrued congestion revenue and advance payments. Upon initial recognition, the loss allowance is measured at an amount equal to 12-month expected credit losses. Credit risk is assessed on an ongoing basis for individual assets, and where there is a significant increase in credit risk, the loss allowance is measured at an amount equal to lifetime expected credit losses.

Specification of trade and other current receivables

Parent company			Group	
2024	2025	*(Amounts in NOK million)*	2025	2024
408	385	Trade receivables	376	397
294	9	Short-term receivables group companies	-	-
1 677	3 517	Other short-term receivables	3 285	1 468
2 379	**3 911**	**Total trade and other current receivables**	**3 661**	**1 866**

Age distribution trade receivables as at 31 December 2025

(Amounts in NOK million)	Not due	1-30 days	31-60 days	61-90 days	Over 90 days	Total trade rec.
Parent company	313	46	5	3	18	385
Group	302	48	5	3	18	376

Impairment testing

Trade and other current receivables account for a relatively small proportion of the Group's balance sheet, and inaccurate assessments of customers' ability to pay would not normally result in material misstatements in the financial statements. A material share of the Group's revenue derives from the Group's contracts with customers for connection to and use of the transmission grid. Stringent sanctions and requirements for pledging collateral mean that the risk of losses on these trade receivables is considered to be low. A particular assessment is made of other material trade receivables that are past due for payment.

As of 31 December 2025, no provisions for losses on trade or other current receivables have been recognised in either the consolidated or the parent company's financial statements.

Note 12 Market-based securities

This note shows the size of the Group's surplus liquidity that is invested in market-based securities.

Material accounting policies

Market-based securities that are part of a trading portfolio and debt instruments that are held to meet cash flows over and above payments of principal amounts and interest are classified at fair value with changes in value through profit or loss. Market-based securities are recognised at fair value at valuation level 1, since the securities are listed on a stock exchange and freely tradable. Please also see the description of the measurement hierarchy in Note 1 General information and basis for preparation of financial statements.

Market-based securities

Parent company			Group	
Acquisition cost	**Carrying value**	*(Amounts in NOK million)*	**Acquisition cost**	**Carrying value**
		Bond- and money market-funds		
1 351	1 365	Norwegian investment grade bonds and money market funds	1 927	1 950
1 351	**1 365**	**Total fixed income funds**	**1 927**	**1 950**
		Equity funds		
-	-	Norwegian equity funds	28	55
-	-	Foreign equity funds	24	55
-	**-**	**Total equity funds**	**52**	**110**
1 351	**1 365**	**Total market-based securities**	**1 979**	**2 060**

Note 13 Cash and cash equivalents

This note shows the Group's holdings of cash and cash equivalents.

General principles

Cash and cash equivalents consist solely of bank deposits. Bank deposits include deposits under Credit Support Annexes (CSA agreements) that can be freely used by the Group. Restricted bank deposits are funds that the Group may only use to a limited degree. Restricted bank deposits relate to withholding tax, deposits for power trading and subordinated capital in the balance settlement.

Specification of cash and cash equivalents

Parent company			Group	
2024	**2025**	*(Amounts in NOK million)*	**2025**	**2024**
6 412	5 578	Bank deposits	5 644	6 475
731	345	Restricted bank deposits[1]	349	735
7 143	**5 923**	**Total cash and cash equivalents**	**5 993**	**7 210**

[1] Certain deposits have been reclassified from restricted funds to unrestricted funds compared with the reporting as of 31 December 2024.

Cash and cash equivalents exclude unused drawdown facilities of NOK 8,000 million.

Note 14 Non-current financial assets

This note shows financial items of a long-term nature and includes both interest-bearing and non-interest-bearing items.

General principles

Financial assets that are not expected to be realised within 12 months of the reporting date are classified as non-current. Non-current receivables and non-current loans receivable from Group companies are recognised at fair value at the agreement date plus any transaction costs, and subsequently measured at amortised cost using the simplified effective interest rate method. Shares that are not part of a trading portfolio are recognised at fair value through profit or loss.

Impairment losses
Impairments of non-current receivables and non-current loans receivables from Group companies are assessed on an ongoing basis. If the expected credit risk is deemed to have materially increased, a loss provision is recognised in an amount corresponding to the expected loss over the asset's lifetime.

Specification of other non-current financial assets

Parent company			Group	
2024	**2025**	*(Amounts in NOK million)*	**2025**	**2024**
113	116	Long-term receivables	113	110
3 619	3 796	Long-term loans Group companies	-	-
75	75	Subord. capital in Statnett SF's pension fund	75	75
3	3	Shares and funds	3	3
3 810	**3 990**	**Total Other non-current financial assets**	**191**	**188**

Subordinated capital in Statnett SF's Pensjonskasse is recognised at fair value on the transaction date. Shares and funds are recognised at fair value at valuation level 3. Please refer to Note 1, General information and basis for preparation of financial statements, for a description of the measurement hierarchy.

There were no transfers between the respective levels in neither 2024 nor 2025. There were no changes in level 3 in neither 2024 nor 2025.

Non-current loans receivable from Group companies accounts for a material share of non-current financial assets. The risk of default for these loans is considered very low both in the short and long term, due in part to these companies' equity adequacy, association with regulated activities, including deliverables to the parent company, and financing agreements and guarantees with the parent company.

Non-current receivables consist mainly of advance payments and other receivables. Impairment testing is carried out on an ongoing basis, and a loss provision is recognised for material changes in the items' credit risk.

Based on impairment testing at the end of the year, no loss provisions were recognised for non-current receivables or loans to subsidiaries as of 31 December 2025.

The difference between the carrying amount and fair value of non-current financial assets is considered to be immaterial.

Note 15 Derivatives and hedge accounting

This note describes which of the Group's risk exposures are hedged using derivatives when the criteria for hedge accounting are met. The description includes how the risk exposures arise, which derivatives are used as hedging instruments and the Group's hedging policy when using derivatives. The information and tables will be the same for the parent company and the Group due to the fact that only the parent company uses financial derivatives and hedge accounting.

Description of risk exposure hedged in accordance with the rules for hedge accounting

Foreign exchange risk

Foreign exchange risk is the risk of fluctuations in exchange rates affecting Statnett's income statement and balance sheet. Foreign exchange risk arises when the Group has income or expenses, raises loans, has bank deposits, or makes investments in securities in foreign currency. Statnett may also be exposed to foreign exchange risk in procurement contracts for investment projects. The Group's finance policy defines guidelines for hedging the foreign exchange risk for loans and major procurement contracts. Major procurement contracts are hedged or entered into in Norwegian kroner (NOK).

Interest rate risk

The Group is exposed to interest rate risk through its loan portfolio, liquidity holdings, placements in interest and money market funds and financial derivative contracts. Interest rate risk relating to the loan portfolio is hedged using interest swaps. Interest on loans can be hedged both from fixed to floating and from floating to fixed interest rates. Limits have been established regarding the proportion of Statnett's loans that should be at floating interest rates and criteria for hedging interest on loans.

Material accounting policies

The Group applies the rules for hedge accounting when derivatives are used to hedge interest rate and foreign exchange risk, and when the criteria for hedge accounting under IFRS 9 are met.

Derivatives are initially recognised at fair value on the date the contract is entered into, and subsequently on an ongoing basis at fair value. Derivatives with a positive value are classified as assets, while derivatives with a negative value are classified as liabilities in the financial statements. On realisation, changes in fair value and gains/losses are immediately recognised in the income statement if the derivative is not part of a hedging relationship that satisfies the criteria for hedge accounting. Embedded currency derivatives in major procurement contracts are separated from the host contract and measured separately. Derivatives that hedge the Group's borrowings (interest-rate derivatives) are classified as interest-bearing, while derivatives that hedge foreign exchange risk (currency derivatives) for procurements, EPAD contracts or other derivatives which are not directly linked to interest-bearing debt, are classified as non-interest-bearing. Derivatives are recognised and presented individually. Derivatives that mature within 12 months are classified as current, while derivatives that mature later than12 months forward are classified as non-current.

Specification of derivatives

Parent company			Group	
2024	**2025**	*(Amounts in NOK million)*	**2025**	**2024**
5 663	4 409	Derivatives, interest-bearing	4 409	5 663
4	10	Derivatives, non-interest-bearing	10	4
5 667	**4 419**	**Total derivatives, non-current assets**	**4 419**	**5 667**
1 072	296	Derivatives, interest-bearing	296	1 072
10	120	Derivatives, non-interest-bearing	120	10
1 083	**416**	**Total derivatives, current assets**	**416**	**1 083**
6 750	**4 835**	**Total derivatives, assets**	**4 835**	**6 750**
784	1 000	Derivatives, interest-bearing	1 000	784
-	-	Derivatives, non-interest-bearing	-	-
784	**1 000**	**Total derivatives, non-current liabilities**	**1 000**	**784**
-	-	Derivatives, interest-bearing	-	-
18	128	Derivatives, non-interest-bearing	128	18
18	**128**	**Total derivatives, current liabilities**	**128**	**18**
802	**1 128**	**Total derivatives, liabilities**	**1 128**	**802**
5 947	**3 707**	**Total derivatives, net asset (+) / liability (-)**	**3 707**	**5 947**

Derivatives are measured at fair value at valuation level 2, see description of the measurement hierarchy in Note 1 General information and basis for preparation of financial statement.

Description of derivatives used in hedging relationships

The Group uses different types of derivatives and strategies to manage foreign exchange and interest rate risk deriving from procurement contracts and new loans in foreign currency. Interest swaps or combined currency and interest swaps are used to manage foreign exchange and/or interest rate risk in loan contracts. Foreign exchange forward contracts can be used to manage foreign exchange risk in procurement contracts.

The Group uses the following types of hedging relationships

Fair-value hedges

A fair value hedge is defined as a hedge of the exposure to changes in the fair value of a recognised asset, liability or binding agreement that can be attributed to a particular risk and can affect profit or loss. Changes in the fair value of derivatives designated as hedging instruments are recognised in the income statement on an ongoing basis. Changes in the fair value of hedged items are similarly recognised in the income statement within the same accounting line. Changes in value of fair-value hedges of hedged items recognised at amortised cost are amortised in the income statement over the residual term to maturity

The key terms of loans hedged using interest swaps or combined interest and currency swaps are matched so that there is complete alignment between cash flows in the hedged item and the hedging instrument. Although terms and cash flows align, fluctuations will occur due to basis spread changes in derivative contracts between relevant currencies. These unrealised changes in value during the hedging relationship only affect the hedging instrument, giving rise to an inefficiency in the hedging which is recognised in the income statement on an ongoing basis. In 2025, NOK 130 million was recognised as income for this ineffectiveness in fair value hedges.

Foreign exchange forward contracts can be used to hedge the fair value of any major procurement contracts that have not been entered into in the Group's functional currency. Fair value is calculated for both the hedging instrument and the hedged item. Different maturity dates for the hedging instrument and hedged item and rolling of the hedging instrument will result in inefficiency that is recognised in the income statement under "Other operating expenses". Realised effects of the hedge for the hedging instrument and the hedged item are recognised in the income statement in the same period.

The Group discontinues fair-value hedging if one of the criteria are met:

- The hedging instrument expires, or is sold, terminated or exercised,
- The hedge does not satisfy the terms for hedge accounting, or
- The Group deems it appropriate to cancel the hedge for other reasons.

Should a hedging relationship expire, the change in value of the hedged item that has been recognised in the balance sheet is amortised over the residual term using the effective interest rate method.

Cash flow hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with the whole or a component of a recognised asset or liability or a highly probable forecast transaction, which could also affect profit or loss.

All derivatives defined as hedging instruments in cash flow hedges are recognised at fair value in the balance sheet. The effect is recognised as a cash flow hedge reserve. The effective portion of changes in the fair value of the hedging instrument is recognised in "Other comprehensive income", and reclassified to profit or loss on the implementation of the transaction that the derivative is hedging and is presented on the same line as the hedged transaction. If the change in the fair value of the hedging instrument is greater than that of the hedging object, the ineffective portion is recognised in the income statement on an ongoing basis (over hedging). If the forecast future transaction is no longer expected to be implemented, the amount previously recognised in other comprehensive income is recognised under financial income or financial expenses. If the hedging instrument expires or is sold, terminated or exercised, or Statnett elects to discontinue the hedging relationship, despite the fact the hedged transaction is expected to take place, accumulated gains or losses remain in other comprehensive income and are transferred from equity to the income statement when the transaction is implemented, with the result that the hedging instrument and the hedged item are recognised in profit or loss in the same period. If the hedged transaction is no longer expected to take place, the accumulated unrealised gains or losses on the hedging instrument are immediately recognised in the income statement.

Economic hedges – derivatives not included in hedge accounting

Statnett also holds both interest swaps and forward exchange futures contracts that do not qualify for hedge accounting under IFRS. These derivatives are measured at fair value and all changes in value are recognised in the income statement as "Financial income" or "Financial expenses". These types of derivatives are referred to as "free-standing derivatives".

EPAD's are recognised as derivatives measured at fair value through profit and loss. Activities related to these instruments in Statnett is considered as operational activities with profit and loss from the contracts classified as regulated revenues in the financial statement.

Fair value measurement

Foreign exchange forward contracts are measured at fair value based on observable forward rates on contracts with similar terms at the balance sheet date. The fair value of interest and currency swaps is the present value of future cash flows based on observable market interest rates and foreign exchange rates at the balance sheet date. The fair value of interest swaps is the present value of future cash flows based on observable market interest rates at the balance sheet date. Since 2020, the Group has used market data from Bloomberg to calculate the fair value of interest and currency swaps and pure interest swaps. By using market data from a single source, the Group ensures that the fair value can be calculated at the same point in time on the balance sheet date for all contracts.

Repayment profile for derivatives related to debt

Parent Company and Group *(Amounts in NOK million)*	**Under 1 year**	**1 to 5 years**	**5 to 10 years**	**10 to 15 years**	**> 15 years**	**Total market**	**Type of hedge accounting**
Assets							
Interest and currency swap	296	2 069	1 458	38	227	4 088	Fair value hedge
Interest and currency swap	-	-	617	-	-	617	Cash flow hedge
Total assets 31.12.2025	**296**	**2 069**	**2 075**	**38**	**227**	**4 705**	
Total assets 31.12.2024	**1 072**	**1 428**	**3 633**	**316**	**287**	**6 736**	
Liabilities							
Interes swap fixed to floating	-	-21	-142	-	-	-163	Fair value hedge
Interest and currency swap	-	-	-490	-347	-	-837	Fair value hedge
Total liabilities 31.12.2025	**-**	**-21**	**-632**	**-347**	**-**	**-1 000**	
Total liabilities 31.12.2024	**-**	**-32**	**-752**	**-**	**-**	**-784**	

The table below shows the effect of cash flow hedges that are recognised as a cash flow hedge reserve (negative figures reduce the Group's equity). No effects relating to hedging instruments that no longer qualify for hedge accounting were recognised in the income statement in the financial years 2024 or 2025.

Development in cash flow hedge reserve

(Amounts in NOK million)	**31.12.2025**	**31.12.2024**
Cash flow hedge reserve before tax on 1 January	1 129	733
Change in market value	-513	396
Cash flow hedge reserve before tax on 31 December	**616**	**1 129**
Deferred tax on cash flow hedge reserve	-136	-248
Cash flow hedge reserve after tax on 31 December	**481**	**881**

Embedded derivatives and hedged procurement contracts in foreign currency

At year-end, the Group have foreign exchange forward contracts related to the currency hedging of significant procurement contracts denominated in foreign currencies with fixed payment milestones. The hedging has been designated as a fair value hedge, and the contract has been hedged at the spot rate of the forward contract. The forward points (forward premium) are recognised as other operating expenses. Unrealised changes in fair value of the hedging instrument amounts to NOK 13 million and is adjusted towards assets under construction (see note 9). As of the end of 2025, there are no significant embedded derivatives that have been separated from the host contract.

Effects from the IBOR reform (changes of interest reference rates)

During two phases, certain amendments have been made to IFRS 9, IAS 39 and IFRS 7 in terms of reliefs that can ensure continued hedge accounting under the transition to new interest reference rates under the IBOR reform. Statnett has chosen to early adopt the amendments from phase 1 as from 2019 and from phase 2 as from 2020.

In 2021, Statnett adhered to the ISDA "Fallback Protocol" that provides replacement rates for IBOR rates that will discontinue. All of Statnett's derivative counterparties in 2021, have either adhered to the ISDA "Fallback Protocol", or have entered an equivalent bilateral agreement with Statnett. No active financial instrument has so far been affected by the changes, only interest on collateral (CSA). The transition to new reference rates has not caused changes to accounting of or cash flows related to financial instruments. Nor, have the amendments impacted Statnett's hedge accounting, and none of the hedge accounting relationships have been cancelled following the amendments. The IBOR reform has not changed Statnett's approach to financial risk management. Please see note 16 Interest-bearing liabilities for a specification of interest-bearing debt and derivatives pr. currency.

Statnett has issued bond loans and entered derivative agreements with NIBOR as reference rate. On the date of reporting, Statnett has not identified reliable indicators suggesting that NIBOR will be replaced by a new reference rate, all though alternatives have been discussed, including a transition to a rate based on NOWA (Norwegian Overnight Weighted Average). Consequently, Statnett has no ongoing process for replacing NIBOR with a new reference rate in affected agreements.

Note 16 Interest-bearing debt

This note presents the Group's current and non-current interest-bearing debt. The composition and level of interest-bearing debt are managed through the company's financing activities and are described in more detail in Note 15, Derivatives and hedge accounting.

Material accounting policies

Interest-bearing debt relating to hedge accounting is measured at fair value at valuation level 2. Please see the description of the hierarchy in Note 1, General information and basis for preparation of financial statements.

Other interest-bearing debt is recognised at the fair value of the funds received, net after transaction costs. Loans are subsequently recognised at amortised cost using the effective interest method, where the difference between net funds and the redemption value is recognised in the income statement over the term of the loan.

General principles

Lease liabilities are measured at the present value of fixed lease payments over the lease term, taking into account prolongation options or termination rights that it is reasonably certain that the Group will use. Statnett has exercised the exception provision by consecutively expensing short-term lease agreements of up to 12 months and low-value contracts. The first year's instalments are classified as current.

Specification of interest-bearing debt

Parent company *(Amounts in NOK million)*	**2025**		**2024**	
Debt	**Carrying**	**Fair value**	**Carrying**	**Fair value**
Long-term interest-bearing debt	61 904	61 750	53 244	53 368
Long-term interest-bearing debt Group companies	10	10	11	11
Long-term lease liabilities	283	283	227	227
Total long-term interest-bearing debt	**62 197**	**62 043**	**53 482**	**53 607**
Short-term interest-bearing debt	7 037	7 037	13 230	13 230
Short-term interest-baring debt Group companies	269	269	201	201
Short-term lease liabilities	81	81	60	60
Total short-term interest-bearing debt	**7 387**	**7 387**	**13 491**	**13 491**

Group *(Amount in NOK million)*				
Debt				
Long-term interest-bearing debt	61 904	61 750	53 244	53 368
Long-term lease liabilities	283	283	227	227
Total long-term interest-bearing debt	**62 187**	**62 033**	**53 471**	**53 596**
Short-term interest-bearing debt	7 037	7 037	13 230	13 230
Short-term lease liabilities	81	81	60	60
Total short-term interest-bearing debt	**7 118**	**7 118**	**13 290**	**13 290**

Changes in liabilities arising from financing activities

Parent company			Group	
2024	**2025**	*(Amounts in NOK million)*	**2025**	**2024**
55 825	67 775	Liabilities in debt portfolio 01.01.	67 563	55 699
13 367	18 682	Borrowing of new debt (cash flow, received)	18 682	13 367
-5 554	-12 073	Repayment of debt (cash	-12 073	-5 554
2 099	-2 277	Changes in CSA liabilities (cash flow, received)	-2 277	2 099
1 869	-1 539	Changes in fair value (non-cash flow)	-1 539	1 869
-2	-1	Changes in intercompany	-	-
88	68	Changes in intercompany	-	-
84	77	Other (non-cash flow)	77	84
67 775	**70 712**	**Liabilities in debt portfolio 31.12.**	**70 433**	**67 563**

Repayment profile for interest-bearing debt

Parent company

The loans are measured at amortised cost adjusted for the effect of fair value hedging.

Maturity date *(Amounts in NOK million)*	**Under 1 year**	**1 to 5 years**	**5 to 10 years**	**10 to 15 years**	**15 years +**	**Total**
Fixed rate loans						
Certificate issues	1 000	-	-	-	-	1 000
Bond issues	829	16 449	17 063	17 101	539	51 981
Lease liabilities	81	200	75	4	5	365
Total fixed rate loans 31.12.2025	**1 910**	**16 649**	**17 138**	**17 105**	**544**	**53 346**
Total fixed rate loans 31.12.2024	**6 537**	**11 857**	**22 845**	**6 111**	**610**	**47 960**
Floating rate loans						
Collateral under CSA agreements[1]	3 813	-	-	-	-	3 813
Other interest-bearing debt	269	10	-	-	-	279
Bond issues	550	2 661	-	-	-	3 211
Loans from financial institutions	849	2 740	4 103	862	381	8 935
Total floating rate loans 31.12.2025	**5 481**	**5 411**	**4 103**	**862**	**381**	**16 238**
Total floating rate loans 31.12.2024	**6 956**	**6 697**	**4 100**	**859**	**401**	**19 013**
Total interest-bearing debt 31.12.2025	**7 391**	**22 060**	**21 241**	**17 967**	**925**	**69 584**
Total interest-bearing debt 31.12.2024	**13 493**	**18 554**	**26 945**	**6 970**	**1 011**	**66 973**

[1] Debt related to collateral under CSA agreements (Credit Support Annex) reflecting unrealised gains/losses on derivatives.
The agreements are settled weekly based on change in market value of the derivative exceeding defined limits.

Group

The loans are measured at amortised cost adjusted for the effect of fair value hedging.

Maturity date *(Amounts in NOK million)*	**Under**	**1 to 5**	**5 to 10**	**10 to 15**	**15**	**Total**
Fixed rate loans						
Certificate issues	1 000	-	-	-	-	1 000
Bond issues	829	16 449	17 063	17 101	539	51 981
Lease liabilities	81	200	75	4	5	365
Total fixed rate loans 31.12.2025	**1 910**	**16 649**	**17 138**	**17 105**	**544**	**53 346**
Total fixed rate loans 31.12.2024	**6 537**	**11 857**	**22 845**	**6 111**	**610**	**47 960**
Floating rate loans						
Collateral under CSA agreements[1]	3 813	-	-	-	-	3 813
Other interest-bearing debt	-	-	-	-	-	-
Bond issues	550	2 661	-	-	-	3 211
Loans from financial institutions	849	2 740	4 103	862	381	8 935
Total floating rate loans 31.12.2025	**5 212**	**5 401**	**4 103**	**862**	**381**	**15 959**
Total floating rate loans 31.12.2024	**6 755**	**6 686**	**4 100**	**859**	**401**	**18 801**
Total interest-bearing debt 31.12.2025	**7 122**	**22 050**	**21 241**	**17 967**	**925**	**69 305**
Total interest-bearing debt 31.12.2024	**13 292**	**18 543**	**26 945**	**6 970**	**1 011**	**66 761**

[1] Debt related to collateral under CSA agreements (Credit Support Annex) reflecting unrealised gains/losses on derivatives.
The agreements are settled weekly based on change in market value of the derivative exceeding defined limits.

Maturity of fixed interest in the Group indicates the period for which the interest rate in the group's debt portfolio is fixed, including adjustments for effects of associated interest rate derivatives.

Maturity of fixed interest of the loan portifolio *(Amounts in NOK million)*	**Under 1 year**	**1 to 5 years**	**5 to 10 years**	**10 to 15 years**	**15 years +**	**Total**
Interest-bearing debt 31.12.2025	61 023	4 498	3 775	4	5	69 305
Interest-bearing debt 31.12.2024	58 536	4 453	3 756	5	11	66 761

Specification of interest-bearing debt and derivatives	**Principal debt Currency** *(Amounts in million)*	**Principal debt NOK** *(Amounts in NOK million)*	**Principal swap NOK** *(Amounts in NOK million)*	**Interest rate loan**	**Interest rate swap**	**Fair value swap** *(Amounts in NOK million)*
Secured liabilities - fair value hedging						
NOK	-2 800	-2 800	-2 800	3,72 %	5,24 %	-163
SEK	-4 850	-4 766	-4 766	3,09 %	4,88 %	569
USD	-980	-6 605	-6 605	3,18 %	5,22 %	1 991
EUR	-2 692	-29 923	-29 923	3,01 %	5,08 %	691
Secures liabilities - cash flow hedging						
USD [1]	-360	-3 039	-3 039	2,79 %	5,23 %	617
Unsecured liabilities						
NOK - floating interest rate	-9 000	-9 000	-	3,65 %	-	-
NOK - fixed interest rate	-8 786	-8 786	-	4,75 %	-	-
CSA						
NOK	-1 998	-1 998	-	[2]	-	-
EUR	-153	-1 814	-	[3]	-	-
Total						**3 705**

[1] Hybrid accounting policy of USD 360 million Cross Currency Interest Rate Swap. Underlying hedged object is included both as fair value hedge and cash flow hedge
[2] NOWA (Norwegian Overnight Weighted Average rate) – Daily interest for NOK deposits
[3] EONIA overnight – daily interest published by European Banking Federation (EBF)

Note 17 Trade and other current payables

This note presents trade payables and other current non-interest-bearing debt. Trade payables directly relate to operations, while other current payables relate to other liabilities such as public taxes and charges, salaries and holiday pay, accrued interest, etc.

General principles

Non-interest-bearing debt is classified as current when it is part of ordinary operations, is used for trading purposes and matures within 12 months. Other debt is classified as non-current. Trade and other current payables are measured at amortised cost using the effective interest method.

Specification of trade and other current payables

Parent company			Group	
2024	**2025**	*(Amounts in NOK million)*	**2025**	**2024**
2 223	2 246	Trade payables	2 284	2 232
18	42	Current liabilities Group companies	-	-
487	229	Public fees	247	507
403	476	Payroll and vacation pay	490	415
654	606	Accrued interest	606	654
150	152	Asset retirement obligations	152	150
642	774	Accrued power purchases	774	642
392	29	Customer settlement	54	405
508	319	Other short-term debt	309	544
5 475	**4 873**	**Total trade and other current payables**	**4 916**	**5 549**

Note 18 Financial risk management

Financial risk

Statnett SF's finance policy is designed to enable the company to provide the necessary financing of planned operational and investment programmes in accordance with external legal and regulatory requirements and internal risk tolerance. A detailed framework has also been developed for the execution of the finance function in order to minimise the company's credit, interest rate and foreign exchange risks. Statnett SF uses financial derivatives to manage financial risk.

Capital management

The main objective of Statnett's capital management structure is to ensure that the company has a sound financial position that enables it to operate and develop the transmission grid in a socioeconomically rational manner in accordance with established plans and the owner's expectations. Statnett's Board of Directors has decided that the enterprise must maintain a robust A-rating. Dividends are adopted by the General Meeting each financial year. The owner's dividend policy is to distribute 50 per cent of the Group's underlying profit. The dividend basis is defined as the Group's net profit for the year after tax, adjusted for the change in the year's accumulated post-tax higher/lower revenue. In other respects, the capital structure is managed through the raising and repayment of current and non-current debt, as well as changes in liquidity reserves. The loan agreements do not impose any capital requirements on the company that are expected to restrict the Group's capital structure. Nor are there any explicit equity requirements other than those stipulated in applicable laws and regulations. There were no significant changes in the targets and guidelines for capital management during the year.

Overview of capital included in capital structure management

Parent company			Group	
2024	**2025**	*(Amounts in NOK million)*	**2025**	**2024**
53 482	62 197	Long-term interest-bearing liabilities	62 187	53 471
13 491	7 387	Short-term interest-bearing liabilities	7 118	13 290
12 049	7 288	Liquid assets and investment in market-based securities	8 053	12 732
54 924	**62 296**	**Net liabilities**	**61 252**	**54 029**

Liquidity risk

Statnett SF aims to be able to carry out 12 months of operations, investments and refinancing without raising any new debt. This will reduce Statnett's vulnerability during periods of restricted access to capital in the financial markets and periods with unfavourable borrowing conditions. Statnett has established procedures to ensure continuous monitoring and adaptation of its liquidity.

Statnett reduces liquidity risk relating to the maturity of financial liabilities by maintaining a diversified maturity profile, limits on the proportion of the loan portfolio that can mature within a 12-month period, access to multiple sources of funding in Norway and abroad, and sufficient liquidity to cover scheduled operations, investment and financing needs without incurring any new debt within a time horizon of 12 months.

At the reporting date, liquidity consisted of bank deposits, market-based securities and a credit facility of NOK 8 billion. The credit facility has not yet been utilised. Up to NOK 4 billion of the credit facility can be drawn at very short notice. Together with other sources of liquidity, this provides Statnett with good capabilities to handle large liquidity needs that

may arise at short notice, such as the pledging of collateral for derivatives under CSA agreements with weekly settlement.

Statnett SF has a high credit rating. Standard & Poor's and Moody's Investor Service have given Statnett SF credit ratings for non-current borrowings of A+ and A2 respectively. The high credit rating gives Statnett SF good borrowing opportunities.

The table below presents all gross cash flows relating to financial liabilities. Derivatives include the cash outflows in the derivative agreements. The cash flows have not been discounted and are based on interest rates and exchange rates at the end of the reporting period.

(Amounts in NOK million) **Parent company**	**Under 1 year**	**1 to 5 years**	**5 to 10 years**	**10 to 15 years**	**15 years +**	**Total**
Financial liabilities						
Interest-bearing debt and interest payments	9 527	29 718	27 966	19 946	1 136	88 293
Trade acc.payable and other short-term debt	4 879	-	-	-	-	4 879
Derivatives	2 870	18 575	17 666	19 390	733	59 234
Financial liabilities 31.12.2025	**17 276**	**48 293**	**45 632**	**39 336**	**1 869**	**152 406**
Financial liabilities 31.12.2024	**27 854**	**37 518**	**54 471**	**14 446**	**2 258**	**136 548**
Derivatives						
Received	2 429	18 587	18 075	19 392	1 021	59 504
Disbursed	-2 870	-18 575	-17 666	-19 390	-733	-59 234
Net derivatives 31.12.2025	**-441**	**12**	**409**	**2**	**288**	**270**
Net derivatives 31.12.2024	**386**	**-725**	**3 118**	**220**	**378**	**3 376**

(Amounts in NOK million) **Group**	**Under 1 year**	**1 to 5 years**	**5 to 10 years**	**10 to 15 years**	**15 years +**	**Total**
Financial liabilities						
Interest-bearing debt and interest payments	9 527	29 709	27 966	19 946	1 136	88 284
Trade acc.payable and other short-term debt	5 011	-	-	-	-	5 011
Derivatives	2 870	18 575	17 666	19 390	733	59 234
Financial liabilities 31.12.2025	**17 408**	**48 284**	**45 632**	**39 336**	**1 869**	**152 529**
Financial liabilities 31.12.2024	**27 928**	**37 507**	**54 471**	**14 446**	**2 258**	**136 610**
Derivatives						
Received	2 429	18 587	18 075	19 392	1 021	59 504
Disbursed	-2 870	-18 575	-17 666	-19 390	-733	-59 234
Net derivatives 31.12.2025	**-441**	**12**	**409**	**2**	**288**	**270**
Net derivatives 31.12.2024	**386**	**-725**	**3 118**	**220**	**378**	**3 376**

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations and that this will result in a financial loss for the Group.

Specification of maximal credit exposure

Parent company			Group	
2024	2025	*(Amounts in NOK million)*	2025	2024
7 143	5 923	Liquid assets	5 993	7 210
4 906	1 365	Investment in market-based securities	2 060	5 522
660	1 022	Derivatives	1 022	660
3 810	3 990	Long-term receivables, excl. derivatives	191	188
2 379	3 911	Trade accounts and other short-term receivables	3 661	1 887
18 898	**16 211**	**Total maximum credit exposure**	**12 927**	**15 467**

To limit credit risk, Statnett has frameworks establishing requirements for creditworthiness and maximum exposure for each individual counterparty. Furthermore, the company ensures that credit risk in hedging relationships is very low by entering into collateral agreements based on Credit Support Annexes (CSA) for its most important derivative counterparties.

All placements of liquid assets are made within sector frameworks and maximum limits for individual counterparties with a high credit rating, where higher credit ratings result in higher limits. Market-based securities consist of multiple, well-diversified, investment-grade fixed-income funds.

A CSA is a legal document that regulates credit support (collateral) for derivative transactions with weekly settlement of unrealised gains/losses. Unrealised gains on derivatives result in Statnett receiving settlements that increase the company's bank balances and current liabilities. Conversely, unrealised losses on derivatives result in Statnett paying settlements to its counterparties which will reduce the company's bank balances and increase current receivables.

The table below shows the relationship between collateral pledged under the CSA agreements, the unrealised value of derivatives that fall within the scope of the CSA agreements and the unrealised value of all derivative transactions with external counterparties. Deposits are recognised in separate accounts, but are not classified as restricted bank deposits. This means that bank balances may not always fully reflect the amounts actually received from derivative counterparties.

Specification of the relationship between collateral and interest bearing derivatives and FX swaps

	2025		2024	
(Amounts in NOK million)	Received collateral under CSA agreements	Collateral under CSA posed to counterparty	Received collateral under CSA agreements	Collateral under CSA posed to counterparty
Totaly paid	3 813	-	6 090	-
Market value derivatives under CSA agreements	4 120	-	6 224	-
Market value all derivatives	4 130	-	6 242	-

Internal limits define minimum ratings that counterparties in CSA agreements should have received from leading rating agencies. Particularly stringent rating requirements are defined for counterparties without CSA agreements.

Statnett's trading in EPAD contracts also entails collateral requirements and security deposits based on the market value of held derivative contracts. Collateral is received and posted through Nasdaq Clearing, which is Statnett's provider for settlement and clearing services for EPADs. The table below shows the composition of net collateral posted to Nasdaq Clearing at the end of the year. There is also possibilities to replace part of the collateral with bank guarantees, but this option had not been utilised as of the year-end. See also note 29 Events subsequent to the balance sheet date regarding the post-reporting date decision to clearing and collateral requirements.

Specification of the relationship between collateral and derivatives (EPAD)

	2025		2024	
(Amounts in NOK million)	Paid (-) / Received (+)	Market value derivatives	Paid (-) / Received (+)	Market value derivatives
Nasdaq Default Fund	(322)	NA	(0,4)	NA
Initial Margin	(1 062)	NA	(151)	NA
Variation Margin	(6)	(8)	(8)	(8)
Net collateral	**(1 390)**	**(8)**	**(160)**	**(8)**

The Group's customer base primarily consists of municipal energy companies, Norwegian industrial customers and other Nordic TSOs. Historically, losses on accounts receivable have been low and this situation is not expected to change in the immediate future. In the event of default, the Group has efficient procedures to ensure rapid and close follow-up of customers, stringent sanction options and opportunities to demand collateral as part of the grid agreement. Consequently, the Group deems credit risk for accounts receivable to be very low.

Statnett SF has extended loans to subsidiaries, joint ventures and associates. The parent company has established a group cash pool scheme, where the subsidiaries Elhub AS and NordLink Norge AS pool their cash with the cash of their parent. Each of the subsidiaries may draw up to NOK 100 million as a loan from the parent company under the group cash pool scheme. The creditworthiness of the relevant subsidiaries is closely linked to Statnett SF's own credit rating due to ownership, the pledging of guarantees and/or receipt of services. Statnett SF also provides loans if needed to eSett Oy (associate) and Fifty AS (jointly controlled entity). Credit assessments are carried out when loan terms are established. All companies are monitored through board representation. Some of the loan agreements have covenants for equity ratios. No conditions have been registered that indicate potential impairments of loans.

Recognition and measurement of expected credit losses

The Group recognises provisions for expected credit losses on financial assets measured at amortised cost or at fair value through profit or loss under "Other operating expenses" or "Other comprehensive income" in accordance with IFRS 9. The loss provision is based on the Group's assessment of the financial assets' credit risk.

For banks, derivative counterparties and other credit institutions, creditworthiness is regularly assessed during the year through monitoring of official ratings. Counterparty risk is monitored and reported on an ongoing basis to ensure that the enterprise's exposure does not exceed established credit limits and complies with internal rules. Credit risk for trade and other current receivables and non-current receivables is assessed monthly in the event of default or should other information become available that indicates that the borrower may not be able to repay all or parts of its liabilities. A financial instrument is deemed to be in default if it has not been settled at the agreed date. Impairments are recognised using the following methods:

1. Expected credit loss over the asset's lifetime

The expected credit loss resulting from all potential default events during a financial instrument's lifetime.

If the credit risk for a financial instrument has materially increased since initial recognition, the loss provision for that financial instrument is recognised in an amount corresponding to the expected credit loss over its lifetime.

2. Expected credit loss over 12 months

The portion of the expected credit loss during a financial instrument's lifetime that comprises the expected credit loss attributable to potential default events in the 12 months after the reporting date.

If the credit risk for a financial instrument has not materially increased since initial recognition, the loss provision for that financial instrument is recognised in an amount corresponding to the expected credit loss over 12 months.

The Group has defined the following credit risk assessment categories:

Category	Description	Method of impairment recognition
Secure payer	No overdue liabilities and no increase in credit risk since initial recognition.	Expected credit loss over 12 months.
Doubtful payer – not creditworthy	Liabilities more than 30 days overdue, or there has been a significant increase in credit risk since initial recognition.	Expected credit loss over the asset's lifetime; effective interest is calculated on the gross amount.
Doubtful payer – creditworthy	Liabilities more than 90 days overdue, but there are indications that the creditor is creditworthy.	Expected credit loss over the asset's lifetime; effective interest is calculated at amortised cost.
Loss written off	There are indications that the creditor's financial problems are so great that the receivable must be deemed to be lost.	The receivable is written off in full.

See also Note 11, Trade and other current receivables, and Note 14, Non-current financial assets, for further details of loss assessments.

Foreign exchange risk

Foreign exchange risk is the risk of fluctuations in foreign exchange rates that will result in changes in Statnett's income statement and balance sheet. Foreign exchange risk arises when the Group has income or expenses, raises loans, has bank deposits, or makes investments in securities in foreign currency. Foreign exchange risk relating to major procurement contracts and loans in foreign currency is hedged within the framework defined for the execution of the finance function as detailed in Note 15. At the reporting date, there were no material currency reserves that had not been swapped or reserved for future liabilities. The Group has foreign equity funds and shares totalling NOK 55 million.

Interest rate risk

The Group is exposed to interest rate risk through its borrowing portfolio, liquidity reserves and financial hedging activities. Statnett SF is also exposed to the interest rate level used to establish the revenue cap for grid operations (the NVE interest rate).

In order to reduce interest rate risk and minimise fluctuations in profits, the interest expense on Statnett's debt should correlate to the greatest possible extent with the income from grid operations that is derived from the NVE interest rate. This interest rate is calculated annually as an average of the daily observation of the 5-year swap rate. To achieve the desired interest terms on the company's debt, swap agreements linked to the underlying debt are used. At the end of 2024, 85 per cent of the Groups debt is exposed to floating interest rates. The revenue interest rate risk for the Group is based on the regulatory asset base and the NVE interest rate.

Average effective interest rate

The table below shows the average effective interest rate for individual financial instruments.

Parent company			Group	
2024	2025		2025	2024
5,25 %	5,54 %	Investment in market-based securities	5,61 %	5,15 %
4,66 %	4,32 %	Bank deposits	4,32 %	4,66 %
-	-	Shares and equity funds	13,05 %	20,10 %
5,05 %	4,97 %	Loans	4,97 %	5,05 %

Sensitivity analysis

Interest rate sensitivity

(Amounts in NOK million)

Parent company		Change in interest rate level	Group	
2024	2025	*Percentage points*	2025	2024
-18	-11	+ 1	-27	-31
18	11	- 1	27	31

The table above shows the sensitivity on potential changes in the value of asset placements following changes in interest for Statnett SF and the Group. The calculated effect shown demonstrates effect on net financial income following a change of marked interest of +/- 1 per cent as per December 31. For debt instruments the group utilises interest rate swap agreements to minimise variations in profit and loss due to changes in interest rates.

Exchange rate sensitivity

(Amounts in NOK million)

Parent company		Change in NOK exchange rate	Group	
2024	2025	*Percent*	2025	2024
-21	-9	+ 5	-14	-24
21	9	- 5	14	24

The table above shows the sensitivity for Statnett SF and the group's profit and loss due to potential changes in the exchange rate of NOK towards applicable currencies. The calculated effect to profit and loss (before tax) is due to a change in the monetary value of items that are not fully hedged. This mainly includes unsecured bank balances, as well as the net obligation related to euro-denominated CSA deposits and collateral posted to Nasdaq Clearing. Other monetary items and all foreign currency debt is hedged, and following hedge accounting, the change in fair value of debt is offset by change in fair value of the derivative.

Note 19 Taxes

General principles

Income tax is calculated in accordance with ordinary tax rules and by applying the adopted tax rate. The tax expense in the income statement comprises taxes payable and changes in deferred tax liabilities/tax assets. Taxes payable are calculated on the basis of the taxable income for the year. Deferred tax liabilities/assets are calculated on the basis of temporary differences between the accounting and tax values and the tax effect of tax losses and interest expenses carried forward.

Tax-increasing and tax-reducing temporary differences that are reversed or can be reversed are offset. Deferred tax benefit is recognized when it is probable that the company will have sufficient taxable income to utilise the tax benefit. Deferred tax and tax benefit that can be capitalised are capitalised at nominal value and presented net in the balance sheet.

Tax effect of items recognised in other comprehensive income is also recognised in other comprehensive income, and tax effect on items related to equity transactions is recognised in equity.

Statnett is considered to fall within the exemption for governmental entities under the global minimum tax (Pillar Two) rules and will therefore not be subject to the Supplementary Tax Act.

The tax expense comprises the following

Parent company			Group	
2024	**2025**	*(Amounts in NOK million)*	**2025**	**2024**
-	-	Income tax	73	88
411	190	Change in deferred tax/tax benefit	140	381
411	**190**	**Tax**	**213**	**469**

Reconciliation of nominal tax rate and effective tax rate

The following table provides a reconciliation of reported tax expense and tax expense based on nominal tax rate of 22 percent for 2025 and 2024.

Parent company			Group	
2024	**2025**	*(Amounts in NOK million)*	**2025**	**2024**
1 890	962	Profit before tax	1 005	2 189
416	212	Expected tax expense at nominal rate	221	480
		Effect on taxes of:		
-5	-22	Permanent differences	-1	-
-	-	Share of profit/loss in associates	-7	-11
411	**190**	**Tax**	**213**	**469**
22 %	**20 %**	**Effective tax rate**	**21 %**	**21 %**

Breakdown deferred tax

The following table provides a breakdown of the net deferred tax. Deferred tax assets are recognised in the balance sheet to the extent it is probable that these will be utilised. The tax rate used when assessing deferred tax is 22 per cent as of 31 December 2025 and 2024.

Parent company *(Amounts in NOK million)*	31.12.24	Recognised	Other compre-hensive income	Group contribution	31.12.25
Current assets/current liabilities	-3	6	-	-	3
Fixed assets	6 217	855	-	-	7 072
Pension liabilities	33	-17	78	-	94
Other long term items	880	167	-113	-	934
Tax loss carried forward	-1 748	-820	-	-	-2 569
Total	**5 379**	**191**	**-35**	**-**	**5 535**

Group *(Amounts in NOK million)*	31.12.24	Recognised	Other compre-hensive income	Group contribution	31.12.25
Current assets/current liabilities	-125	128	-	-	3
Fixed assets	6 524	845	-	-	7 368
Pension liabilities	33	-17	78	-	94
Other long term items	956	79	-113	-	923
Tax loss/interest expenses carried forward	-1 786	-821	-	-	-2 607
Total	**5 602**	**214**	**-35**	**-**	**5 781**

Deferred tax recognised in other comprehensive income

Parent company			Group	
31.12.24	31.12.25	*(Amounts in NOK million)*	31.12.25	31.12.24
36	78	Change in estimate deviations of pension liabilities	78	36
87	-113	Changes in fair value for cash flow hedges	-113	87
124	**-35**	**Total deferred tax recognised in other comprehensive income**	**-35**	**124**

Uncertain tax positions

On 17 December 2021, Statnett SF received a notice from the Norwegian tax authorities regarding the change in the tax assessment for 2018 concerning deductions for maintenance costs related to the replacement of components in the transmission grid. The notice was preliminary in nature, and it was not possible to quantify any potential exposure. As Statnett SF disagrees on principle with the legal basis for the reassessment, no provision for an uncertain tax position related to the maintenance deduction was recognised in the 2021 annual financial statements.

Both prior to the notice of change in the tax assessment for 2018 being issued on 17 December 2021 and during the period 2022–2025, there have been several meetings between Statnett and the tax authorities. There has been extensive correspondence on the legal basis for the reassessment, the facts, and the calculations. The tax authorities have submitted several decision drafts, most recently on 21 January 2025. The tax authorities issued its decision on 22 August 2025 and maintains its position on the capitalisation requirement for pure insulation measures on power lines. The decision also states that any additional cost arising upon the replacement of power lines that results in increased voltage must be capitalised.

The decision was appealed on 15 December 2025, as Statnett disagrees on principle with the tax authorities' assessments regarding pure insulation measures and the capitalisation requirement of any additional cost. Statnett considers it more likely than not that its position will prevail in the Tax Appeals Board or, if necessary, through litigation.

Should the tax authorities prevail with their view regarding the capitalisation requirement for pure insulation measures of power lines, as well as the obligation to capitalise additional cost when replacing power lines with higher capacity, the estimated exposure related to these costs is calculated at NOK 639 million and NOK 126 million, respectively. The tax effect of the estimated exposure amounts to NOK 168 million and would potentially reduce the deferred tax liability related to tangible assets, offset by a corresponding reduction in the deferred tax asset related to tax loss carryforwards.

Note 20 Investments in subsidiaries, joint ventures and associates

The activities of Group companies are mainly concentrated in the parent company, Statnett SF. The Group also includes four subsidiaries, one joint venture and shareholdings in various associates. Please refer to Note 22, Related parties, for a description of the activities of the subsidiaries, joint ventures and associates.

General principles

Consolidated companies
The consolidated financial statements include Statnett SF and subsidiaries over which Statnett SF alone exerts a controlling influence. Normally, Statnett SF is assumed to exert a controlling influence when its direct or indirect ownership interests account for more than 50 per cent of the voting shares. If Statnett actually or through an agreement owns less than 100 per cent of the voting shares, the Group still makes a concrete assessment of whether the Group actually has control or not.

The consolidated financial statements have been prepared using the transaction method and present the Group as if it were a single entity. The cost price of shares in the subsidiaries is eliminated against equity at the time of acquisition. Any excess value beyond the equity recognised in the subsidiaries is allocated to the assets and liabilities to which the excess value can be attributed. The portion of the cost of purchasing a business that cannot be allocated to specific assets, is presented as goodwill.

Statnett SF's Pension Fund is not part of the Group. Equity contributed to the pension fund is measured at fair value on the transaction date with changes in value through profit or loss, and classified as a non-current financial asset.

Investments in associates
Associates are companies over which Statnett exerts significant influence. This means that Statnett can influence the company's financial and operational decisions, but does not have control over the company. This will normally be the case for companies in which the Group owns between 20 and 50 per cent of the voting shares. Associates are recognised in accordance with the equity method. This means that the Group's share of profit/loss after tax and depreciation of any excess values are recognised in the income statement. The financial statements of associates are restated in accordance with Statnett's accounting policies (IFRSs). In the consolidated balance sheet, shareholdings in associates are recognised as non-current financial assets at historical cost plus accumulated shares of profit/loss, less dividends and any write-downs.

Purchase/sale of subsidiaries, joint ventures and associates
On the acquisition or sale of subsidiaries, joint ventures and associates, the companies are included in the consolidated financial statements for that portion of the year in which they were part of or associated with the Group.

Investments in subsidiaries, joint ventures and associates in Statnett SF (parent company financial statements)
Investments in subsidiaries, joint ventures and associates are recognised in accordance with the cost method in the parent company's financial statements. Group contributions paid (net after tax) are added to the cost price of investments in subsidiaries. Group contributions and dividends received are recognised in the income statement as financial income to the extent that they do not exceed accrued earnings during the period of ownership. Dividends in

excess of accrued earnings during the ownership period are deducted from the carrying amount of the share investment. Group contributions and dividends are recognised in the year they are adopted.

Statnett SF had the following investments at 31 December 2025

(Amounts in NOK thousand) Company	Business nature	Year of acquisition	Registered office	Owner-ship interest	Voting rights	Carrying value
Subsidiaries						
Statnett Forsikring AS	Insurance	1998	Oslo	100 %	100 %	30 200
NordLink Norge AS	Develop and operate national transmission grid	2010	Oslo	100 %	100 %	2 090 262
Nydalshøyden Bygg C AS	Real estate	2013	Oslo	100 %	100 %	1 789
Elhub AS	Data hub for electricity metering data	2014	Oslo	100 %	100 %	209 719
Total subsidiaries						**2 331 970**
Joint ventures and associates						
Fifty AS	Develop and operate regulation and market	2017	Oslo	50 %	50 %	5 000
TSO Holding AS	Marketplace	2002/2008	Bærum	32 %	32 %	55 143
eSett OY	Nordic imbalance settlement	2013	Finland	25 %	25 %	12 668
KraftCERT AS	IT security	2014	Oslo	33 %	33 %	1 623
Nordic RCC A/S	Operational security in Nordics	2022	København, DK	25 %	25 %	114 871
Total joint ventures and associates						**189 305**
Total subsidiaries, joint ventures and associates						**2 521 275**

Group value of companies recorded according to the equity method

(Amounts in NOK thousand)	Group value at 1 Jan.	Increase / Deduction	Result for the year	Dividend	Group value at 31 Dec.
2025					
TSO Holding AS, 32,2%	33 557	-	27 040	-27 370	33 227
eSett OY, 25,0%	26 808	-	766	-	27 574
KraftCERT AS, 33,3%	2 185	-	1 409	-	3 594
Nordic RCC A/S, 25%	133 857	-	5 296	-	139 153
Total associates	**196 407**	**-**	**34 511**	**-27 370**	**203 548**
2024					
TSO Holding AS, 32,2%	33 736	-	21 717	-21 896	33 557
eSett OY, 25,0%	23 774	-	3 034	-	26 808
KraftCERT AS, 33,3%	2 113	-	72	-	2 185
Nordic RCC A/S, 25,0 %	113 136	-	20 721	-	133 857
Total associates	**172 759**	**-**	**45 544**	**-21 896**	**196 407**

Note 21 Joint operations

In connection with the construction of subsea cables for energy transmission to foreign countries, the Group has entered into agreements for construction and operation with the system operators in the Netherlands, Denmark, Germany and England. These arrangements are considered to be “joint operations” under IFRS.

Material accounting policies

A “joint operation” is a joint arrangement in which the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement. The Group recognises its share of assets, liabilities, revenue and operating expenses relating to its interests in joint operations.

Fifty AS
There is one jointly controlled company in the Statnett Group, Fifty AS, which is assessed as a joint operation. The assessment is based first on the fact that Statnett, together with another party, is bound by a contract that gives the parties joint control over Fifty AS. In addition, the parties have equal rights to the assets and are responsible for the liabilities of the company. The investment in the jointly controlled company is recognised in accordance with the principle of proportionate consolidation (“the gross method”), meaning that Statnett recognises its share of revenue, expenses, assets and liabilities on each accounting line in the financial statements.

Subsea cables

The following sections provide further details on the subsea interconnectors Statnett’s assets relating to the interconnectors are included in the asset group “Underground and subsea cables” in the note on “Tangible and intangible assets”.

NorNed
TenneT and Statnett have constructed a subsea cable to transport energy between Norway and the Netherlands, known as the NorNed interconnector. Each party owns its physical half of the cable – Statnett the northern section and TenneT the southern section. The interconnector is 580 km long and has a transmission capacity of 700 MW. The NorNed interconnector entered operation in May 2008. Costs and trading revenue from the operation of the NorNed interconnector are shared equally between TenneT and Statnett.

Skagerrak
Statnett owns Skagerrak Cables 1-3 while the Danish company Energinet has a long-term lease for half of the cable capacity. Revenue from the lease is recognised under “Other operating revenue”. At the end of December 2014, Skagerrak Cable 4 (SK-4) entered operation. Statnett and Energinet each own a physical half of SK-4 – Statnett the northern section and Energinet the southern section. Costs and trading revenue from the operation of the Skagerrak interconnector are shared equally between Energinet and Statnett. The Norwegian Water Resources and Energy Directorate (NVE) has established a study programme for Statnett for a potential reinvestment in the first two power cables to Denmark (SK1 and SK2).

Nordlink
Statnett and the German companies TenneT and KfW have constructed an interconnector to transport energy between Norway and Germany. The project, known as the Nordlink interconnector, has a transmission capacity of 1,400 MW. The cable was put into regular operation on 31 March 2021, following a trial operation period starting in December

2020. The interconnector consists of a 53-km overhead power line on the Norwegian side and a 514-km subsea cable and a 55-km onshore cable on the German side. Ownership is divided equally, with Statnett owning the northern section through its wholly owned subsidiary NordLink Norge AS, and TenneT and KfW the southern section through a jointly owned German company. Costs and trading revenues are shared equally between Germany and Norway.

North Sea Link

In the winter of 2015, Statnett signed a cooperation agreement with the UK company National Grid North Sea Link (NNL) with a view to realising an HVDC interconnector between Kvilldal in Norway and Blyth in North-East England. The North Sea Link project has a transmission capacity of 1,400 MW, and the interconnector consists of converter stations in Blyth and Kvilldal, a 714-km subsea cable, a 6-km onshore cable on the Norwegian side and a 2-km onshore cable on the UK side. Ownership is divided equally, with Statnett owning the eastern section and National Grid NSN Link the western section. Costs and trading revenues are apportioned equally between the parties. The entire facility was completed in 2021 and entered trial operation on 1 October 2021. It became fully operational in autumn 2022.

Note 22 Related parties

General principles
Two parties are related if one party can influence the other party's decisions. Transactions between related parties are to be conducted on market terms.

Owner
As of 31 December 2025 Statnett SF was wholly owned by the Norwegian State through the Ministry of Energy (ME). Statnett has relations with ME both as owner and sector authority.

Regulatory authority
The Norwegian Parliament (Storting) is the legislative authority that passes legislation based on bills put forward by the government. Regulations are adopted by the King in Council. The ME delegates the administration of the greater part of the Norwegian Energy Act to the Norwegian Water Resources and Energy Directorate (NVE). The NVE leads the national preparedness for power supply. The NVE also processes applications for licences to construct power stations, power lines, transformer substations and other power supply infrastructure, as well as the regulation of watercourses. Pursuant to the Norwegian Public Administration Act, any administrative decision made by the NVE may be appealed to the ME as the superior authority.

The Norwegian Energy Regulatory Authority (RME), which is part of the NVE, is appointed as an independent regulatory authority for the electricity market in Norway. The RME's mandate is to ensure that participants comply with the regulations designed to ensure competitive conditions in the power market and an efficiently operated power grid. Any individual decisions made by the RME can be appealed to the Energy Appeals Board.

Other related parties
Investments in subsidiaries, joint ventures and associates are listed in note 20.

Parent company
Statnett SF is the borrower for the Statnett Group's external loans. The central treasury function at Statnett SF coordinates and manages the financial risks relating to foreign currency, interest rates and liquidity within the Group. Loan agreements have been made between Statnett SF and its subsidiaries.

Statnett SF administers the group cash pool system and is the holder of the main account. The participating group companies each have a sub-account linked to the main account. All the bank deposits in the cash pool system are recognised under cash and cash equivalents in Statnett SF's financial statements. Sub-account holders' shares of the main account are included in the intercompany balances. In addition, agreements have been entered into for the purchase and sale of services. All transactions are conducted as part of ordinary operations and on market terms. The most important transactions are described below.

Statnett Forsikring AS
Statnett Forsikring AS is licenced to provide insurance coverage and reinsurance for companies within the Statnett Group where the ownership exceeds 50 per cent. In addition, the company operates both as a direct personal accident insurance company and a non-life insurance company.

NordLink Norge AS
NordLink Norge AS is the owner of the northern section of the NordLink interconnector, look at note 21 Joint operations for more information.

NordLink Norge AS has no employees. Statnett SF has extended a loan to the company in connection with the construction of the interconnector. Statnett SF supplies project, operational and maintenance services, as well as administrative services to support the company's operations. NordLink Norge AS is included in the group cash pool system.

Elhub AS
Elhub AS operates and develops the central datahub for metering values and market processes in the Norwegian electricity market. The company's main function is automated processing and distribution of metering values, as well as processing market activities such as supplier changes, relocations, and reporting in the Norwegian electricity market. The datahub entered operation on 18 February 2019. From 2025, Elhub was assigned the responsibility of developing a digital solution for the "Norway Price," available to all households.

Statnett SF extended a loan to Elhub AS in connection with the development of the datahub. Statnett SF also provides administrative support services within IT, legal affairs, procurement and treasury. Elhub AS is included in the group cash pool system.

Nydalshøyden Bygg C AS
The company is the title holder to the property Nydalen Allé 33 in Oslo where Statnett SF has its head office. The company has extended a loan of NOK 10 million to Statnett SF.

Statnett Sannan AS
The company was liquidated in 2025. As part of the process, a transfer of business was carried out in 2025, whereby the property in Steinkjer was sold to Statnett SF for NOK 6.5 million. The transaction was executed at fair market value. The receivable was settled upon the liquidation of the company.

Fifty AS
Fifty AS is a jointly controlled company owned 50 percent by Statnett SF and 50 % by Svenska Kraftnät. It is considered as a joint operation, see note 21 Joint operations for more information.

The company maintains and develops IT systems to support the balancing of the Nordic power system. Fifty AS delivers licensing, maintenance and administrative services to Statnett SF. There are no employees in the company. Statnett SF provides project services related to the management and development of IT systems, as well as administrative support services to the company.

TSO Holding AS
TSO Holding AS is an associated company owned 32,2 percent by Statnett SF as of 31 December 2025. The associated company owns 34 percent of the shares in Nord Pool Holding AS. Nord Pool Holding AS owns 100 percent of the shares in Nord Pool European Market Coupling Operator AS and Nord Pool AS. Statnett SF purchases power from Nord Pool AS daily to compensate for transmission losses in the grid. Transactions are settled at the prevailing market prices on the power exchange.

eSett OY

eSett OY provides imbalance settlement services to the electricity market participants in Denmark, Finland, Sweden and Norway. The company is equally owned by the four Nordic transmission system operators (TSOs) Energinet, Fingrid, Svenska Kraftnät and Statnett SF, each party holding 25 percent.

Nordic Regional Coordination Centre (Nordic RCC)

Nordic RCC helps the Nordic TSOs in maintaining operational security in the Nordic power system, by calculating transmission capacity to the market and coordinating disconnections. Transactions between the parties are carried out according to the arm's length principle. The company is equally owned by the four Nordic transmission system operators (TSOs) Energinet, Fingrid, Svenska Kraftnät and Statnett SF, each party holding 25 percent.

Dividends and Group contributions

In 2025, Statnett SF received dividends and group contributions from subsidiaries and associates totalling NOK 441 million.

Statnett SF inter-company accounts

	Trade accounts		Lending	
(Amounts in NOK million)	2025	2024	2025	2024
Subsidiaries	22	37	3 806	3 913
Joint ventures and associates	32	19	-	-

	Trade acc. Payable		Borrowing	
(Amounts in NOK million)	2025	2024	2025	2024
Subsidiaries	12	1	279	212
Joint ventures and associates	50	34	-	-

Interest rates

Interest rates on long-term borrowing and lending have been agreed at three or six months' NIBOR with a mark-up in the interval 0,7 - 1,3 percent. The interest rates in the cash pool systems in Norwegian kroner are agreed at one-months NIBOR with a mark-up of 0,44 and 0,52 percent for receivables and liabilities respectively. The interest rates in the cash pool system in Euro is agreed at one-week EURIBOR with a mark-up of 0,3 and 0,38 percent for receivables and liabilities respectively.

Statnett SF's intra-group trading

	Regulated operating revenue		Other oper. revenues		Operating costs	
(Amounts in NOK million)	2025	2024	2025	2024	2025	2024
Subsidiaries	-748	-808	130	116	-193	-181
Joint ventures and	-	-	30	24	-119	-190

	Financial income		Financial costs	
(Amounts in NOK million)	2025	2024	2025	2024
Subsidiaries	222	248	-14	-12
Joint ventures and associates	-	-	-	-

	Group contribution received		Dividend received	
(Amounts in NOK million)	2025	2024	2025	2024
Subsidiaries	334	270	80	-
Joint ventures and associates	-	-	27	22

Note 23 Remuneration to Group Management

Board's statement regarding salaries and other remuneration to senior executives 2025
The statement regarding remuneration paid to the CEO and Group management has been prepared in accordance with the company's Articles of Association, the provisions of the Norwegian Public Limited Liability Companies Act, and "Guidelines for the Remuneration of Senior Executives in Companies with State Ownership", as formulated by the Ministry of Trade, Industry and Fisheries' report on 12 December 2022.

Management remuneration policy
The guiding principle for the Group is that salaries and other benefits for Group management should be competitive, allowing the Group to attract and retain highly skilled senior executives. The compensation should not take a leading position when it comes to salary but still be competitive relative to our industry and other companies recruiting in the same market as Statnett. The salary should simultaneously reflect the individual's experience, scope of responsibility, and results achieved. The management remuneration policy applies to Statnett SF and its subsidiaries.

Guidelines for determining salaries and other remuneration
Based on the Ministry of Trade, Industry and Fisheries' "Guidelines for the Remuneration of Senior Executives in Companies with State Ownership", the Board of Directors has established a framework to determine which elements are to be included in the Group's future salary and remuneration packages for new senior executives. The following frameworks apply:

Fixed salary: The fixed salary is determined based on an assessment of the position in question and of the market, taking into account Statnett's policy of offering competitive terms, without being a salary leader. When a fixed salary is determined, the combined value of the total benefits must be used as a basis.

Pension plan: Membership in Statnett's collective defined contribution pension scheme.

Personal accident insurance: Schemes applicable for other employees including group life-, accident-, sickness insurance as well as occupational injury- and travel insurance, are also applicable for Group management.

Company car scheme: A car allowance can be offered. In exceptional cases, a company car can be offered if required for official business.

Other benefits: Coverage of newspaper, mobile phone and broadband communication costs in accordance with internal guidelines.

Internal Board members: Internal Board members do not receive remuneration. Board insurance exists for all Board members.

These frameworks apply to Statnett SF and its subsidiaries.

Existing schemes for Group management
Remuneration paid to Group management is determined in accordance with the guidelines described above. Due to previous decisions, members of Group management may have different remuneration due to individual agreements entered into before the guidelines were established.

In addition to a fixed salary, Group management is entitled to a car allowance and membership in the Group's collective pension plan. In accordance with previously entered employment contracts, two Group management members have individual pension agreements covering income exceeding 12 times the Norwegian National Insurance Scheme's basic amount (12G). One Group management member has a company car based on previously established employment contracts. In accordance with pre-existing arrangements, the retirement age for two Group management members is 65 years of age. Group management members employed during or after 2019 do not have such a provision in their employment contracts. These employment contracts refer to Statnett practice of limiting the upper age for employment at 70 years, with the possibility of transitioning to other positions at any time after the age of 60, based on a mutual agreement. The company has not established any bonus, share-based remuneration or any other incentive-based schemes for senior executives.

The Board has appointed a new CEO who took up the position on 1 November 2024. The CEO's remuneration in addition to fixed salary is limited to an individual pension scheme based on a previous agreement, our group personal insurance policies, a company car based on a previous agreement, a free newspaper and broadband communication. The CEO has a 12 months severance pay agreement in the event of dismissal from the company. No other Group management members has an agreement granting severance pay. One manager at a subsidiary has an agreement granting 12 months severance pay, including notice period, in the event of dismissal by the company.

Execution of remuneration principles in 2025
Remuneration for senior executives in Statnett and its subsidiaries in 2025 was conducted in accordance with the above-mentioned guidelines. The Board of Directors approves annual salary adjustment for the company's President and CEO and adopts a framework that the President and CEO uses to adjust the salaries of other Group management members. The salaries for the President and CEO and Group management were adjusted in 2025 within the limits as for the rest of the Group employees.

With respect to the need to maintain the present level of remuneration, the Board of Directors comments as follows:

Recruiting: The President and CEO was recruited in 2020 and in 2024. In 2022 and 2023 three external recruiting processes were conducted in Group management. Through these processes we found that Statnett does not take a leading position when it comes to executive pay for the President and CEO and for Group management members. Meanwhile, the current level of remuneration is required in order to attract and recruit future external candidates to Group management.

Remuneration comparison obtained from selected comparable companies and Korn Ferry (HAY):
Information obtained from selected comparable companies show that Statnett does not take a leading position when it comes to the salary for the president and CEO and Group management members. Salary statistics from Korn Ferry (HAY) show that the level of remuneration for the President and CEO and Group management is lower than the average in their respective bands.

Salary band: The increase in average basic salary for Group management is not beyond the annual adjustment for the Group employees in 2025.

Bonus: There are no bonus schemes in Statnett.

It is of the opinion of the Board of Directors that the overall remuneration package paid to senior executives is compliant with respect to the requirements in the Ministry of Trade, Industry and Fisheries' "Guidelines for the Remuneration of Senior Executives in Companies with State Ownership".

Organisation

The Board of Directors has established a Remuneration Committee, consisting of two board members, of which one is appointed by the owner and one is elected by the employees. The Remuneration Committee is an advisory and preparatory body for the Board of Directors, that proposes salary adjustments in accordance with the guidelines specified in this statement. Separate instructions have been prepared for the committee. The EVP People and Sustainability regularly attends Committee meetings. The Director of Employer Responsibility serves as secretary for the Committee.

Remuneration guidelines applicable from 2023

In 2023, the Board of Directors adopted new remuneration guidelines for senior executives at Statnett, based on Article 8 of the Articles of Association, §6-16a and §6-16b of the Norwegian Public Limited Liability Companies Act, and the Ministry of Trade, Industry and Fisheries' regulations relating to guidelines for- and reporting of, the remuneration of senior executives. The guidelines were approved at the Annual General Meeting in 2023.

Remuneration to the Board *(Amounts in NOK)*		**Board remuneration**	
Board members		**2025**	**2024**
Nils Kristian Nakstad	Chair	580 500	550 000
Wenche Teigland	Vice Chair	430 000	411 000
Egil R Gjesteland	Board member	362 000	347 000
Maria Sandsmark	Board member	342 000	327 000
Hilde Singsaas (until June 2025)	Board member	171 000	327 000
Christian Henrik Prahl Reusch	Board member	313 000	292 000
Mette Helene Bjørndal (from June 2025)	Board member	171 000	-
Steinar Jøråndstad	Board member *)	342 000	327 000
Rolf-Amund Korneliussen (until June 2024)	Board member *)	-	163 500
Ingeborg Skjelkvåle Ligaarden	Board member *)	327 500	309 500
Børre Langgård (from June 2024)	Board member *)	327 500	146 000
Anne-Beth Bjørnstad Hanssen (until June 2024)	Deputy board member *)	-	9 000
Erika Stadler (from June 2024)	Deputy board member *)	18 000	9 000
Total board remuneration		**3 384 500**	**3 218 000**

All figures are exclusive of employer's NICs.
Board members receive compensation for their participation in the Audit Committee, Remuneration Committee or Project Committee.
Board remunerations may therefore vary.
*) In the case of employee representatives, only board members' fees are stated.

Remuneration/benefits to Group management 2025 *(Amounts in NOK)*	Area	Salary	Other remuneration[1]	Pension cost	Total remuneration
President and CEO					
Elisabeth Vike Vardheim		4 208 663	217 080	1 042 929	5 468 672
Executive Vice Presidents					
Håkon Borgen (until May)	Offshore Development	1 173 692	65 479	411 892	1 651 063
Cathrine Lund Larsen	Chief Financial Officer	3 042 274	169 355	221 244	3 432 872
Peer Olav Østli	System Operations & Markets	3 061 895	170 548	1 233 458	4 465 901
Tore Langeland (from June)	Asset Operations & Emergency Prepardness	1 589 731	118 420	99 899	1 808 049
Christian Færø [2]	Project Development & Constructions	2 735 896	188 958	221 244	3 146 098
Beate Sander Krogstad (until May)	Digital & IT	1 192 454	71 810	116 430	1 380 694
Gunnar G. Løvås	System Planning & Customers	3 348 244	167 826	221 244	3 737 313
Anne Wilhelmine Flagstad	People & Sustainability	2 862 983	167 061	221 244	3 251 288
Ingeborg Øfsthus	Technology & Innovation	3 195 189	170 780	221 244	3 587 213
Total remuneration		**26 411 021**	**1 507 315**	**4 010 828**	**31 929 164**

All figures are exclusive of employer's NICs.

[1] Included value of company car or fixed car allowance, phone, newspapers and personal insurance.

[2] Christian Færø was consistuted as Executive Vice Presidents for Grid & Asset Management from June 2024, until he became the Executive Vice President for Project Development & Constructions from May 1, 2025.

Remuneration/benefits to the Group management 2024 *(Amounts in NOK)*	Area	Salary	Other remuneration[1]	Pension cost	Total remuneration
President and CEO					
Elisabeth Vike Vardheim (from June) [3]		2 835 862	127 866	615 302	3 579 030
Hilde Tonne (until May)[2]		2 458 787	76 573	87 829	2 623 189
Executive Vice Presidents					
Håkon Borgen	Offshore Development	2 766 275	169 176	978 682	3 914 134
Cathrine Lund Larsen	Chief Financial Officer	2 917 349	163 602	211 072	3 292 023
Peer Olav Østli	System Operations	2 924 888	176 234	1 235 722	4 336 844
Elisabeth Vike Vardheim (until May)[3]	Grid & Asset Management	1 278 473	91 333	439 501	1 809 307
Christian Færø (constituted from June)	Grid & Asset Management	1 443 844	98 903	123 125	1 665 872
Beate Sander Krogstad	Digital & IT	2 810 383	163 506	265 414	3 239 303
Gunnar G. Løvås	Markets & System Development	3 209 196	169 078	211 072	3 589 346
Anne Wilhelmine Flagstad	People & Sustainability	2 742 663	154 258	211 072	3 107 993
Ingeborg Øfsthus (from February)	Technology & Transformation	2 581 703	149 576	194 002	2 925 280
Total remuneration		**27 969 422**	**1 540 106**	**4 572 793**	**34 082 321**

All figures are exclusive of employer's NICs.

[1] Included value of company car or fixed car allowance, phone, newspapers and personal insurance.

[2]Additionally, 6 months' salary is paid during the notice period, amounting to NOK 3,835,048

[3]Elisabeth Vike Vardheim served as Executive Director for Grid & Asset Management until she was constituted as the President and CEO from June 1 and employed as the President and CEO from November 1, 2024.

Terms of employment, Group management

Title/name	Terms relating to retirement age, early retirement pension, retirement pension and severance pay
President and CEO: Elisabeth Vike Vardheim (constituted as of 1 June 2024, employed as CEO from 1 November 2024)	The age limit for the position of CEO is 70 years. In addition to ordinary membership in Statnett's collective pension plan, a private pension agreement has been set up through previous agreements, where the pension, including interest, is secured through a bank savings account, to be paid to the insured. Statnett will, each year until retirement or resignation, pay up to 30 per cent of the difference between the ordinary salary and 12 times the Norwegian National Insurance Schemes basic amount to the pension fund plan. The payment is linked to Elisabeth Vike Vardheim's position and salary as Executive Vice President of Grid & Asset Management, with an annual G adjustment. Upon death, the surviving spouse or spouse equivalent will receive an amount corresponding to the remaining savings account balance including interest from Statnett SF. This lump sum will be taxable in the hands of the recipient. Elisabeth Vike Vardheim is additionally entitled to a pension from the company's collective defined-benefit plan from the age of 67.
Executive Vice President: Håkon Borgen (until May 2025)	Retirement age is 65, with the right to retire with an early retirement pension at any time after the age of 62. In the event of retirement between the ages of 62 and 65, an annual payment of 66 per cent of the pension base will be disbursed. The pension base is adjusted annually by the same percentage increase as in the basic amount under the National Insurance Scheme. In the event that other income is received and this, together with the early retirement pension disbursed by Statnett, exceeds the final salary, the yearly retirement pension will be reduced by 50 per cent of the amount that exceeds the final salary. From the age of 65, the full annual retirement pension is 66 per cent of the pension base. The pension base is adjusted annually by the same percentage increase as in the basic amount under the Norwegian National Insurance Scheme. In the event of death, any surviving spouse and children under the age of 21 will receive a pension. Entitlement to pension benefits beyond those granted through the collective pension plan will lapse if the EVP is no longer employed by Statnett SF by the age of 62. In the event of disability before the age of 65, a disability pension will be payable. The full disability pension equals the retirement pension awarded at the age of 65. The disability pension will be reduced in line with the degree of disability. Håkon Borgen is included in the enterprise's defined contribution plan and related compensation plan from the previous defined benefit pension plan.

Terms of employment, Group management

Title/name	Terms relating to retirement age, early retirement pension and retirement pension
Executive Vice President: Peer Olav Østli	Retirement age is 65 years, with the right to retire with an early retirement pension at any time after 62 years of age. The full qualifying period is 30 years. In the event of retirement between ages 62 and 65, an annual payment of 66 per cent of the pension base will become payable, less one percentage point for each year between the age of 62 and 65. The pension base will be adjusted annually by the same the percentage increase as in the basic amount under the National Insurance Scheme. Pension disbursement may be reduced if the member receives any salary, pension, or remuneration from other companies in the Statnett Group. From the age of 65, the full annual retirement pension is 66 per cent of pension base. The pension base is adjusted annually by the same percentage increase as in the basic amount under the National Insurance Scheme. From the age of 67, the annual retirement pension is covered through the Norwegian National Insurance Scheme and Statnett's Group pension plan, plus 66 per cent of the pension base that exceeds 12 times the Norwegian National Insurance Scheme's basic amount (12G), provided that the full qualifying period (30 years) has been achieved. In the event of death, any children under the age of 21 will receive a children's pension. If the EVP leaves the company before retirement age, a pension rights certificate will be issued, which will secure retirement pension benefits from the age of 65. The pension entitlement will be adjusted by 75 per cent of the increase in the Norwegian National Insurance Scheme's basic amount for each year until retirement. In the event of disability before the age of 65, a disability pension will be payable. The full disability pension equals the retirement pension awarded at the age of 67, based on pensionable income at the time the disability occurred. The disability pension will be reduced in line with the degree of disability.
Executive Vice Presidents: Beate Sander Krogstad Gunnar G. Løvås Cathrine Lund Larsen Anne Wilhelmine Flagstad Ingeborg Øfsthus Christian Færø Tore Langeland	In addition to a fixed salary, the Executive Vice Presidents remuneration is limited to membership in Statnett's defined contribution pension plan, collective insurance schemes, car allowance and coverage of newspapers and broadband communication. Beate Sander Krogstad is also covered by the transitional scheme relating to the former defined-benefit pension plan.

No loans have been granted to, or collateral pledged on behalf of members of Group management or the Board of Directors.

Note 24 Other liabilities

Other liabilities mainly consist of asset retirement obligations related to grid infrastructure, investment grants received, and capital contributions.

Material accounting policies

Retirement obligations for Statnett's facilities arise from licence terms and decisions issued by the licensing authorities under the Energy Act. When a decision is made to remove a facility, Statnett applies for the necessary permits for demolition. For accounting purposes, recognition of the asset retirement obligation is tied to the point in time when asset retirement is assessed to be the most likely outcome (more likely than not) and the cost can be measured reliably. Statnett holds formally time-limited licences. However, regulatory practice is to grant extensions as long as the facility is required for the operation of the transmission grid. The decisive factor in assessing when the 'more likely than not' criterion is met will therefore be the underlying assessment of how long the facility will be in use.

Asset retirement obligations relate to future costs of removing and handling transmission grid assets upon retirement. Measurement of the obligations is subject to uncertainty in the underlying assumptions, where the key assumptions are the timing of removal, the cost of removal, and the discount rate. Statnett determines the timing of recognition of asset retirement obligations based on when it is more likely than not that a facility will be replaced and when the removal is expected to give rise to expenditures exceeding NOK 10 million. The estimated removal cost is based on historical experience and input from Statnett's technical experts. Uncertainty primarily relates to the future cost level, the choice of method, and the scope of necessary measures.

The cash flows underlying the obligation are projected based on expected inflation up to the expected settlement date. The obligations are discounted using the NVE rate, which corresponds to the allowed return element on Statnett's grid assets under the revenue regulation. The increase in the carrying amount of the asset retirement obligation due to discounting effects are recognised as interest expense. See Note 8 Tangible and intangible assets for a more detailed description of the accounting treatment of asset retirement obligations as part of the acquisition cost of tangible assets.

General principles

Investment grants are financial contributions from other companies to finance facilities constructed and subsequently owned by Statnett. If Statnett is required to invest in increased grid capacity because a customer needs to connect to the grid, requires more electricity, or improved power quality, the customer must bear the costs directly attributable to that request. This is referred to as capital contributions. Statnett retains legal ownership of the facility constructed. Investment grants and capital contributions are recognised as a liability when received and recognised as income over the useful life of the related asset.

Specification of changes in other liabilities

Parent company *(Amounts in NOK million)*	Asset retirement obligations	Other liabilities	Total
Liabilities on 1 January 2024	**716**	**159**	**875**
New or changed estimates	108	54	162
Amounts charged against liabilities	-48	-	-48
Accretion expenses	59	-	59
Reclassification to short-term liability	-101	-	-101
Liabilities on 31 December 2024	**733**	**213**	**947**
New or changed estimates	570	171	740
Amounts charged against liabilities	-115	-	-115
Accretion expenses	63	-	63
Reclassification to short-term liability	-2	-	-2
Liabilities on 31 December 2025	**1249**	**384**	**1633**

Group *(Amounts in NOK million)*	Asset retirement obligations	Other liabilities	Total
Liabilities on 1 January 2024	**716**	**179**	**895**
New or changed estimates	108	54	162
Amounts charged against liabilities	-48	-	-48
Accretion expenses	59	-	59
Reclassification to short-term liability	-101	-	-101
Liabilities on 31 December 2024	**733**	**233**	**966**
New or changed estimates	570	170	740
Amounts charged against liabilities	-115	-	-115
Accretion expenses	63	-	63
Reclassification to short-term liability	-2	-	-2
Liabilities on 31 December 2025	**1249**	**403**	**1652**

For expected timing of cash outflows, see note 18 Financial risk management.

Total asset retirement obligations amount to NOK 1 401 million at year-end, of which NOK 1 249 million is a long-term asset retirement obligations and NOK 152 million is reclassified as short-term debt.

Within the Group, only the parent company has asset retirement obligations. The sensitivity analysis below shows the estimated impact of changes in key assumptions related to the asset retirement obligations. The sensitivities presented are those considered most relevant.

Group **Sensitivity analysis for changes in assumptions** *(Amounts in NOK million)*	Discount rate +1%	 -1%	Timing of removal +1 year	 -1 year
Increase (+)/decrease (-) in recognised asset retirement obligations	-90	102	-77	75

Note 25 Secured debt and guarantees

The parent company may not pledge the company's assets as collateral or other security against the company's assets, apart from as collateral to financial institutions in connection with day-to-day banking transactions, and customary collateral as part of day-to-day operations. For details of guarantees issued on behalf of subsidiaries, please refer to Note 22 on related parties.

Note 26 Contingent assets and liabilities

Material accounting policies

Contingent assets and liabilities are potential assets or obligations whose existence depends on future events that are uncertain, such as the outcome of legal disputes or the final settlement of insurance claims. Contingent liabilities are recognised in the financial statements, based on the estimated outcome, if it is probable (more than 50 percent) that an obligation will materialise. When the probability is lower, information is disclosed if the potential obligation is material. A contingent asset will only be recognised in the balance sheet if it is predominantly probable (more than 90 per cent) that the Group will receive the asset. If it is probable that the economic benefits of the asset will flow to the Group, this will be disclosed in a note to the annual financial statements.

In accordance with IFRSs, higher/lower revenue balances are contingent liabilities/assets and are therefore not recognised in the balance sheet. Please see Note 4 for further details.

Disputes or reassessments by the tax authorities may affect both current and deferred tax. When assessing uncertain tax positions, the Group evaluates whether an asset or liability is likely to arise. Any difference between the outcome and amounts recognised will be reflected in tax expense in the period in which the matter is resolved. Reference is made to Note 19 Taxes regarding an ongoing tax case.

Sale of property

In 2014, Statnett entered into an agreement to sell its former head office at Husebyplatået, including Noreveien 22–26 in Oslo, to Husebyplatået AS. The sales price depends on the extent of development for which the buyer is granted building permits. Total accumulated accounting profit recognised in relation to the sale is NOK 17 million. The final settlement has not yet been determined. The zoning plan is expected to be considered by the City of Oslo by 1 July 2027, and a start-up permit is expected to be issued between 1 July 2027 and 1 July 2028. Payment will be made once the start-up permit has been granted. Statnett currently estimates that payments of between NOK 800 and 900 million (2025 NOK) will be received during the period 2027–2035. These expected payments have not been recognised in the financial statements.

Note 27 Other operating expenses

Other operating expenses comprise cost categories that are not classified on the other lines under operating expenses.

General principles

Other operating expenses are recognised as they accrue.

Property tax is classified as an “other operating expense” and recognised in the financial year when an invoice that applies to the current year is received from the municipalities.

Specification of other operating expense

Parent company			Group	
2024	**2025**	*(Amounts in NOK million)*	**2025**	**2024**
131	134	Lease rental payable *	194	163
853	1 083	External services/assignments/hiring/consultants	1 255	1 073
199	211	Insurance	58	61
474	457	Materials and subcontractors	494	542
427	432	Property tax	457	452
297	383	IT costs	305	273
513	610	Miscellaneous	608	512
2 894	**3 310**	**Total other operating costs**	**3 371**	**3 076**

* Includes only rental costs that do not qualify for recognition under IFRS 16 Leases.

Leases recognised in the balance sheet in accordance with IFRS 16 are shown under Note 8 Tangible and intangible assets and Note 16 Interest-bearing debt.

Auditor's fee

Parent company			Group	
2024	**2025**	*(Amounts in NOK thousand)*	**2025**	**2024**
2 945	3 576	Statutory audit	4 445	3 537
1 801	622	Other attestation services	714	1 836
1 150	2 730	Attestation of sustainability reporting	2 730	1 150
-	-	Other assistance	-	-
5 896	**6 928**	**Total fees (excl. VAT)**	**7 889**	**6 523**

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Note 28 Other comprehensive income

Other comprehensive income is part of Total comprehensive income and is also part of Statement of changes in equity. Other comprehensive income to be reclassified to profit or loss in subsequent periods, is recorded as "Other items" in the Statement of changes in equity. Other comprehensive income not to be reclassified to profit or loss in subsequent periods, is recorded as "Other equity accrued" in the Statement of changes in equity

Spesification of other comprehensive income

Parent company/Group *(Amounts in NOK million)*	**Fair value of financial instruments**	**Cash flow hedge reserve see note 15**	**Total Other compre-hensive income recorded in Other items**	**Estimate deviations of pension liabilities**	**Total Other compre-hensive income recorded in Other equity accrued**	**Total Other compre-hensive income**
Carrying value 1.1.24	**-**	**572**	**572**	**-307**	**-307**	**265**
Changes, gross	-	396	396	165	165	561
Tax effect	-	-87	-87	-36	-36	-123
Carrying value 31.12.24	**-**	**881**	**881**	**-178**	**-178**	**703**
Carrying value 1.1.25	**-**	**881**	**881**	**-178**	**-178**	**703**
Changes, gross	-	-513	-513	356	356	-157
Tax effect	-	113	113	-78	-78	35
Carrying value 31.12.25	**-**	**481**	**481**	**100**	**100**	**581**

Note 29 Subsequent events

General principles

Significant events occurring after the balance sheet date that occur before the board has approved the financial statements may either require amendments to the annual accounts or disclosure of the event in the notes. If information arises about events that existed at the balance sheet date, and the event is significant, the financial statements are adjusted.

RME decisions
A decision on compensation for increased ancillary services costs for the period 2021–2024 was received in early January. Statnett has recognised the portion relating to 2021–2023 as a change in higher/lower revenue for 2025. The amount totals NOK 4.92 billion and affects the underlying result. See Note 4 for further details.

The decision on the revenue cap from RME for 2025 was received in February 2026 and is described in more detail in Note 4.

Collateral EPAD
In January 2025, it became known that Euronext Clearing had acquired Nasdaq Clearing, and that the positions held by Nasdaq Clearing will be transferred to Euronext Clearing in March 2026. This means that Statnett can no longer be a direct member of the clearinghouse, but must conduct clearing through a bank (GCM). In February 2026, Statnett entered into an agreement with a bank to use guarantees instead of cash collateral for the initial margin upon the transition to Euronext Clearing. This is a non-adjusting event that does not affect the amounts recognized as of 31 December 2025, but it will change the handling of collateral from the transition in 2026 onward. See also Note 18 for information about collateral related to EPAD.

No events have occurred after the balance sheet date that would have significantly affected the financial statements or the assessments made.

Declaration and statement

Photo: Vetle Hofstad

Declaration from the Board of Directors and CEO

In accordance with Section 5-5, second paragraph of the Norwegian Securities Trading Act, we confirm that:

- The financial statements for 2024 have been prepared in accordance with IFRSs, including such supplementary disclosures required by the Norwegian Accounting Act. The disclosures in the financial statements provide a true and fair view of the assets, liabilities, financial position and results of the parent company and the Group as a whole.
- The disclosures in the Board of Directors' Report and the chapter on corporate governance provide a true and fair view of the parent company and the Group's development, results and position, as well as a description of the most important risk factors and uncertainties facing the Group.
- The Board of Directors' Report has also been prepared in accordance with sustainability reporting standards pursuant to Section 2-6 of the Norwegian Accounting Act and in compliance with Article 8(4) of the EU Taxonomy Regulation.

Oslo, 5 March 2026

Statnett SF's Board of Directors

Nils Kristian Nakstad Board Chair	Mette Helene Bjørndal Board member	Maria Sandsmark Board member	Egil Gjesteland Board member
Wenche Teigland Board member	Christian Reusch Board member	Ingeborg Ligaarden Board member	Børre Langgård Board member
	Steinar Jøråndstad Board member	Elisabeth Vike Vardheim CEO	

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To the General Meeting of Statnett SF

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Statnett SF, which comprise:

- The financial statements of the parent company Statnett SF (the Company), which comprise the balance sheet as at 31 December 2025, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.
- The consolidated financial statements of Statnett SF and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2025, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as of 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other 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 opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of Statnett SF for 8 years from the election by the general meeting of the shareholders on 22 june 2018 for the accounting year 2018 (with a renewed election on 24 june 2024).

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Investments in tangible fixed assets and plants under construction

Description of the Key Audit Matter	How the matter was addressed in the audit
Refer to the notes 8 and 9 in the group financial statement for specification and description of accounting principles for Statnett's investments in tangible fixed assets and plants under construction. Refer also to note 3 for a description of related estimates and assumptions, and description of the impact investments have on the permitted revenue in note 4. At 31 December 2025, the carrying value of tangible fixed assets amounts to NOK 76 488 million and the carrying value of assets under construction amounts to NOK 11 647 million. The Group's investments amount to NOK 10 582 million in 2025. Investments include additions and construction interest capitalized on plants under constructions. For investments management must make assumptions about: • whether costs should be capitalized or expensed, for accounting and tax purposes • estimate accrued costs and stage of completion of the projects at the end of the reporting period For assets under construction, management must make assumptions about when projects are transferred from assets under construction to tangible asset, "the asset is ready to use". For assets that are ready to use and facilities purchased, management must make assumptions about identification of significant components of the asset and remaining useful life for the components. Due to size and complexity of tangible fixed assets and plants under construction, the level of management judgement involved and the impact on the permitted revenue, investments in tangible fixed assets and plants under construction is identified as a key audit matter.	We have assessed Statnett's process for following up investment projects and tested the design and implementation of controls established when transferring projects from assets under construction to tangible assets, identification of significant components for projects and purchased facilities, estimating remaining useful life and stage of completion and estimating when the asset is ready to use. We have evaluated and challenged management's assessment about: • whether costs should be capitalized or expensed, for accounting and tax purposes • when projects are transferred from assets under construction to tangible asset • remaining useful life • degree of identification of significant components • method for estimating stage of completion of the projects, and • estimated accrued costs at the end of the reporting period We have tested a sample of this year's additions and evaluated if they are correctly capitalized or expensed. We have also tested a sample of estimated stage of completion and accrued costs at the end of the reporting period. For assets ready to use in 2025 we have for a sample tested when the project is transferred from assets under construction to tangible assets, identification of significant components and estimated remaining useful life. We have assessed the adequacy of the related disclosures in the financial statement.

Other Information
The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our statement on the Board of Directors' report applies correspondingly to the statement on Corporate Governance.

Our statement that the Board of Directors' report contains the information required by applicable law does not cover the sustainability report, for which a separate assurance report is issued.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of accounting, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Statnett SF, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 'stane-2025-12-31.zip', have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities
Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 5 March 2026
Deloitte AS

Guro Magnetun Heimvik
State Authorised Public Accountant
(electronically signed)

Note: This translation from Norwegian has been prepared for information purposes only.

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To the General Meeting of Statnett SF

INDEPENDENT SUSTAINABILITY AUDITOR'S LIMITED ASSURANCE REPORT

Limited assurance conclusion
We have conducted a limited assurance engagement on the consolidated sustainability statement of Statnett SF, included in Bærekraftsrapport of the Board of Directors' report (the "Sustainability Statement"), as at 31 December 2025 and for the year then ended.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not prepared, in all material respects, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Group to identify the information reported in the Sustainability Statement (the "Process") is in accordance with the description set out in section about double materiality analysis in ESRS 2 General disclosures, on page 47-62, and
- compliance of the disclosures in Taxonomy for sustainable activities of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

Basis for conclusion
We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information ("ISAE 3000 (Revised)"), issued by the International Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Sustainability auditor's responsibilities section of our report.

Our independence and quality management
We have complied with the independence and other ethical requirements as required by relevant laws and regulations in Norway and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other matter
The comparative information included in the Sustainability Statement for the financial year 2023 and previous years was not subject to an assurance engagement. Our conclusion is not modified in respect of this matter.

Responsibilities for the Sustainability Statement
The Board of Directors and the Managing Director (management) are responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance with the ESRS and for disclosing this Process in section about double materiality analysis in ESRS 2 General disclosures, on page 47-62 of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the Sustainability Statement, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the ESRS,
- preparing the disclosures in Taxonomy for sustainable activities of the Sustainability Statement, in compliance with the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that management determines is necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Inherent limitations in preparing the Sustainability Statement
In reporting forward-looking information in accordance with ESRS, management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Sustainability auditor's responsibilities
Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Sustainability Statement, in relation to the Process, include:

- obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process set out in section about double materiality analysis in ESRS 2 General disclosures, on page 47-62.

Our other responsibilities in respect of the Sustainability Statement include:

- identifying where material misstatements are likely to arise, whether due to fraud or error; and
- designing and performing procedures responsive to where material misstatements are likely to arise in the Sustainability Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed
A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- obtained an understanding of the Process by:
    - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
    - reviewing selected parts of the Group's internal documentation of its Process; and

- evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Group was consistent with the description of the Process set out in section about double materiality analysis in ESRS 2 General disclosures, on page 47-62.

In conducting our limited assurance engagement, with respect to the Sustainability Statement, we:

- obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statement by
    - obtaining an understanding of the Group's control environment and selected processes, control activities and information system relevant to the preparation of the Sustainability Statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control

- evaluated whether the information identified by the Process is included in the Sustainability Statement;
- evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the ESRS;
- performed inquires of relevant personnel and analytical procedures on selected information in the Sustainability Statement;
- where applicable, compared selected disclosures in the Sustainability Statement with the corresponding disclosures in the financial statements and other sections of the Board of Directors' report;
- evaluated selected methods, selected assumptions and selected data for developing estimates and forward-looking information;
- obtained an understanding of the Group's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement;
- evaluated whether information about the identified taxonomy-eligible and taxonomy-aligned economic activities is included in the Sustainability Statement, and
- performed inquiries of selected relevant personnel, analytical procedures and substantive procedures on selected taxonomy disclosures included in the Sustainability Statement.

Oslo, 5 March 2026

Deloitte AS

Guro Magnetun Heimvik
State Authorised Public Accountant - Sustainability Auditor
(This document is signed electronically)

Note: This translation from Norwegian has been prepared for information purposes only.

Other information

Photo: Olivia Knudsen

Alternative performance measures

To provide a better understanding of Statnett's underlying profit/loss we also present a number of alternative performance measures. Alternative performance measures are defined in ESMA's guidelines as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework.

Statnett's alternative performance measures are adjusted for higher/lower revenue and supplement the figures in the IFRS financial statements. Reported accumulated higher/lower revenue includes prior-year higher/lower revenue with interest.

Statnett applies the following APMs:

Underlying operating revenue, is based on regulated permitted revenue for the year, while operating revenue is actual revenue on charges, fees and congestion revenues. The difference is considered as the change in accumulated higher/lower revenues including interest 31.12, pre tax.

Underlying EBIT, is EBIT adjusted for change in accumulated higher/lower revenue including interest 31.12, pre tax.

Underlying net profit of the year, is net profit of the year adjusted for change in accumulated higher/lower revenue including interest 31.12, after tax.

Equity underlying, is book value of equity adjusted for accumulated higher/lower revenue 31.12, after tax.

Adjusted EBITDA, is EBIT adjusted for depreciations, amortization and impairments.

Adjusted underlying EBITDA, is EBIT adjusted for depreciations, amortization and impairments, adjusted for change in accumulated higher/lower revenues including interest 31.12 pre tax.

Regulatory asset base (RAB) and assets under construction are book value of intangible assets, tangible assets, assets under construction, adjusted for retirement obligations, and are used as the basis for measuring return before tax.

EBIT to regulatory asset base, including assets under construction, pre finance and tax, shows how the financial regulation of Statnett impacts return on capital.

EBIT to regulatory asset base, underlying, is the KPI adjusted for change in accumulated higher/lower revenues including interest 31.12, pre tax.

Share of equity shows book value of equity on total assets.

Share of equity underlying, is the KPI adjusted for accumulated higher/lower revenue 31.12, after tax.

Funds from operations (FFO/Net debt), shows cash flows from operations (FFO) on interest bearing debt adjusted for cash- and cash equivalents.

Funds from operations to net debt (FFO/Net debt) underlying, is the KPI adjusted for accumulated higher/lower revenue 31.12, after tax.

Key figures *(Amounts in NOK million)*	**2025**	**2024**	**2023**
Underlying operating revenue			
Operating revenue accounting	20 205	18 961	11 600
Change in accumulated higher/lower revenue (-/+), before tax	2 629	-644	5 387
Underlying operating revenue	**22 834**	**18 317**	**16 987**
Underlying EBIT			
EBIT	3 068	4 621	-1 547
Change in accumulated higher/lower revenue (-/+), before tax	2 629	-644	5 387
Underlying EBIT	**5 697**	**3 977**	**3 840**
Underlying net profit for the year			
Net profit/loss for the year	792	1 720	-2 617
Change in accumulated higher/lower revenue (-/+), after tax	2 052	-502	4 202
Underlying net profit for the year	**2 843**	**1 218**	**1 585**
Equity, underlying			
Equity	25 542	25 482	24 118
Accumulated higher/lower revenue (-/+), after tax	-1 487	-3 537	-3 035
Equity, underlying	**24 055**	**21 945**	**21 083**
Adjusted EBITDA			
EBIT	3 068	4 621	-1 547
Depreciation, amortisation and impairment	3 666	3 503	3 291
Adjusted EBITDA	**6 734**	**8 124**	**1 744**
Underlying Adjusted EBITDA			
Adjusted EBITDA	6 734	8 124	1 744
Change in accumulated higher/lower revenue (-/+), before tax	2 629	-644	5 387
Underlying Adjusted EBITDA	**9 363**	**7 480**	**7 131**
Regulatory asset base (RAB) and assets under construction			
Intangible assets	2 795	2 618	1 937
Tangible assets	76 488	72 279	71 119
Assets under construction	11 647	8 422	6 320
Retirement obligations	-866	-361	-335
Regulatory asset base (RAB) and assets under construction	**90 065**	**82 958**	**79 041**
EBIT to RAB and assets under construction			
EBIT	3 068	4 621	-1 547
Regulatory asset base (RAB) and assets under construction	90 065	82 958	79 041
EBIT to RAB and assets under construction	**3,5 %**	**5,7 %**	**-2,0 %**
EBIT to RAB and assets under construction, underlying			
EBIT to RAB and assets under construction	3,5 %	5,7 %	-2,0 %
Change in accumulated higher/lower revenue (-/+), before tax	2 629	-644	5 387
EBIT to RAB and assets under construction, underlying	**6,6 %**	**4,9 %**	**4,9 %**
Equity ratio			
Total equity	25 542	25 482	24 118
Total equity and liabilities	108 701	105 533	90 303

Equity ratio	**23,5 %**	**24,1 %**	**26,7 %**
Equity ratio, underlying			
Equity ratio	23,5 %	24,1 %	26,7%
Accumulated higher/lower revenue (-/+), after tax	-1 487	-3 537	-3 035
Equity ratio, underlying	**22,1 %**	**20,8 %**	**23,3 %**
Funds from operations to net debt, FFO/Net debt			
Funds from operations (FFO)			
Adjusted EBITDA	6 734	8 124	1 744
Net financial items	-2 063	-2 432	-1 815
Capitalised construction loan interests	-504	-353	-249
Payable taxes	-22	-12	-10
Funds from operations (FFO) (Adjusted EBITDA - Net financial items - Capitalised construction loan interests - Payable taxes)	**4 146**	**5 325**	**-330**
Net debt			
Long-term interest-bearing debt	62 187	53 471	44 843
Short-term interest-bearing debt	7 118	13 290	9 993
Derivates, assets	4 705	6 736	4 757
Derivates, liabilities	-1 000	-784	-863
Hedge reserve	-481	-881	-572
Hedge reserve before tax (Hedge reserve/(1-22% tax rate)	-617	-1 130	-733
Market value interest- and currency hedge (Derivates, assets - Derivates, liabilities - Hedge reserve before tax (Hedge reserve/(1-22% tax)	**3 088**	**4 822**	**3 160**
Cash and cash equivalents	5 993	7 210	2 644
Market-based securities	2 060	5 522	1 855
Net debt (Long term interest bearing debt + short term interest bearing debt - Market value interest- and currency hedge - Cash and cash equivalents - Market-based securities)	**58 164**	**49 206**	**47 176**
Funds from operations*, FFO/Net debt			
Funds from operations (FFO)	4 146	5 325	-330
Net debt	58 164	49 206	47 176
Funds from operations*, FFO/Net debt	**7,1 %**	**10,8 %**	**-0,7 %**
Funds from operations*, FFO/Net debt	7,1 %	10,8 %	-0,7 %
Change in accumulated higher/lower revenue (-/+), before tax	2 629	-644	5 387
Accumulated higher/lower revenue (-/+), after tax	-1 487	-3 537	-3 035
Funds from operations*, FFO/Net debt, underlying	**11,4 %**	**8,9 %**	**10,1 %**

*This KPI was previously adjusted for change in working capital. Statnett has now chosen to show "Funds from operations, FFO/Net debt", without change in working capital. The reason for change is to harmonize KPIs here with the KPIs shown in the internal reports. The KPI "Funds from operations, FFO/Net debt, underlying", changes from 10,2 % to 8,9 % in 2024 and from 9,9 % to 10,1 % in 2023. The KPI is shown in the Annual report for missioou2024 and 2023.

Indicators for sectoral policy goals

Long term goals		Goal/target 2025	Results 2025 (2024)
Security of supply	Reliability of supply in transmission grid/network[1]	99,995 %	99,999 % (99,997 %)
Reserved capacity	Net reserved capacity for grid connection (MW) for customers the last year (electricity consumption)[2]	1400 MW	353 MW (893 MW)
	Net reserved capacity for grid connection (MW) for customers the last year (electricity production)[2]	1750 MW	1365 MW (2251 MW)
Price differences	Price differences between the different bidding zones[3]	Even out price differences internally in Norway between the different bidding zones	130 % (70 %)
Cost development	Permitted revenue (øre) over (kWh)[4]	Limit the growth in permitted revenue	5,9 øre/kWh (6,1 øre/kWh)

1) Reliability of supply is measured as (1-NDE/DE), where NDE (Non-Delivered Energy) is the non-delivered energy caused by Statnett, as a share of DE (Delivered Energy) to end users on all voltage level (SSB).

2) Reserved capacity is measured as sum of net reserved consumption and production in the transmission grid (in todays and the planned grid) which Statnett has reserved for customers in the last year. Withdrawn reserved consumption and production is deducted from the measurement. This is a change from 2024, when we reported brutto reserved consumption and production.

3) Price differences is measured through calculation (in %). Based on the difference in annual average price between the most expensive and cheapest bidding area, normalized against a consumption-weighted Norwegian average power price over that year.

4) Statnett is subject to financial regulation where costs over a period are covered through permitted revenue, adjusted for efficiency. Cost development is therefore measured through permitted revenue (øre in 2025-krone value) over total electricity production and consumption (kWh).

Statnett

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