



20 24

Encevo S.A.
Annual Report



encevo

2024

Encevo S.A.
Annual Report





vision



We are the leading partner for the sustainable energy transition in the Greater Region.

COMPETITIVE

CUSTOMER-CENTRIC

COLLABORATIVE

Encevo S.A. registered as a société anonyme (public limited company) under Luxembourg law with a capital of EUR 90,962,900 (31.12.2024).

Registered office: Esch-sur-Alzette
Luxembourg Trade and Companies' Register B11723. Annual General Meeting of 13 May 2025.



Index

08

Message from the Chairman
of the Board of Directors

10

Management reflections

26

Encevo's profile

36

Management's review

38

Consolidated management report

46

Sustainability statement

146

Consolidated accounts

196

Extract of the annual accounts
of Encevo S.A.

210

Further information

Facing the challenges of a dynamic market

Geopolitical instability, fluctuating energy prices and growing pressure on industrial competitiveness constituted multiple challenges for the Encevo Group in 2024. To address these points, an adaptable approach is crucial, ensuring both security of supply and a balance between cost management and environmental responsibility.

The Encevo Group's strategy, recently redefined and adopted in March 2024, focuses on four dimensions: producing and supplying renewable energy, providing decentralised energy ecosystems, reliably operating smart grid infrastructure and fostering collaboration, cooperation and customer centricity. This integrated strategy aims to position Encevo as the leading partner in the sustainable energy transition in the Greater Region.

Our investments in grid infrastructure are critical to ensuring continued supply security, with projects like the 380 kV interconnection with Germany playing a key role in increasing import and export capacity. Project 380 will be essential as the role of electricity in the energy mix continues to grow. We also made significant progress in developing photovoltaic systems and wind energy projects, which, in line with the European Green Deal and national sustainability goals, are part of our ongoing efforts to meet the future energy demand while reducing our carbon footprint. At the same time, ongoing investments in hydrogen networks, particularly in Germany and Luxembourg, reflect our long-term vision to become a leader in the emerging hydrogen market, reinforcing the sustainability of our regional energy system. The technical services pillar, represented by Teseos, is the group's most recent activity, established over the past four years. It highlights our efforts to leverage the possibilities presented by the energy transition, combining expertise from networks and markets to develop innovative solutions. Together, these three pillars ensure Encevo's

resilience and ability to adapt to evolving market conditions.

In response to rising energy costs and market uncertainty, the Encevo Group has remained proactive in securing competitive pricing and managing volatility. Our dual strategy of accessing neighbouring markets, such as Germany for electricity, and Belgium and the Netherlands for gas, along with a balanced procurement approach, has allowed us to provide stable energy prices, even amid fluctuating market conditions, and this reflects the group's dedication to maintaining a reliable and affordable energy supply while adapting to global market dynamics.

The revision of Luxembourg's National Energy and Climate Plan (PNEC) in 2024 has reinforced our commitment to regional sustainability goals. The implementation of policies related to renewable energy, efficiency and carbon reduction will guide our investments and strategic decisions in the coming years. Our efforts are further strengthened by partnerships with local authorities, such as the recent Power Purchase Agreement with the Municipality of Bertrange, and ongoing projects like the CondrEole wind farm in Belgium, which highlight our collaborative approach to cross-border renewable energy production.

As we look ahead to 2025, the challenges we face will continue to evolve and the need for innovation in the energy market will influence our strategy. The Encevo Group is strategically positioned to turn obstacles into opportunities, continuing its leadership

in energy solutions for the Greater Region. By maintaining a focus on infrastructure investment, renewable energy and new service development, we will meet future energy demands while contributing to global sustainability efforts.

None of this would be possible without the dedicated efforts of our employees, who drive our success every day. I would like to express my gratitude to them for their steadfast commitment and expertise, which remain at the heart of our achievements.

“

We aim to continue offering price competitiveness for our customers while contributing to EU-wide climate targets.

Marco Hoffmann

Chairman of the Board of Directors







01

Management
reflections

Shaping a sustainable future

Amid the ongoing challenges of geopolitical tensions and climate change, the Encevo Group is committed to pursuing a sustainable energy future. By embracing resilience, prioritising clean energy and advancing digital progress, the group is driving meaningful change. Strategic investments in infrastructure, green projects and technical services are the foundation of Encevo's mission to drive the sustainable energy transition.

How did the Encevo Group manage the economic and geopolitical pressures of 2024 to ensure continuity of energy supply while trying to protect customers from highly volatile prices?

The geopolitical environment remained complex in 2024. Following the multiple crises of recent years, political priorities in Europe began to shift. In particular, the Letta and Draghi reports clearly highlighted the competitive challenges of our continent – and energy dependency and energy costs are important factors in this context. This only confirms the direction in which the European energy industry – and the Encevo Group in particular – has been moving, replacing our energy imports with home-grown renewable energy, electrifying our economies and revamping our electricity grids and markets to make them more resilient. That is why in 2024, despite difficult economic conditions and rising interest rates, the Encevo Group has continued its massive investments in photovoltaics and in the upgrading and expansion of its electricity grids. These strategic investments not only advance our decarbonisation efforts to address the climate challenge but also increase our energy independence and the overall resilience of our regional economy. Combined with our diversified procurement sources, our forward-looking purchasing strategy and our strategic gas storage, they enabled the Encevo Group to ensure stability and security of supply for our customers. In addition, the group's ongoing efforts to implement innovative smart grid solutions, digitalisation and automation will enable more precise demand and resource management, lowering the overall cost of the system.

The group's various subsidiaries also launched new products (such as truly dynamic prices, intelligent energy management systems, etc.) and reinforced their customer support services. These initiatives ensure that their customers have access to energy-efficient systems and technologies and can optimise their energy needs. While wholesale prices remained significantly higher in 2024 compared to pre-crisis levels, the group aims to empower its customers to gain control of their overall energy costs by proposing tailored solutions, leveraging the group's integrated view over the whole energy value chain.

In sum, we believe that our strategy has been validated, that we have made good progress in developing customer-centric energy solutions and enhancing the sustainability and resilience of our infrastructure and product offer, and that this, together with our prudent and professional market risk management, has resulted in excellent results in 2024 from a group perspective.

What specific actions have been taken at Enovos to ensure a reliable energy supply for customers?

Enovos has significantly expanded its green energy production projects across the Greater Region and the Netherlands. A prime example is the Südeifel project in Rhineland-Palatinate, Germany – the largest solar energy project in the Greater Region and a key pillar of Enovos' renewable energy efforts. In 2024, Enovos, through its subsidiaries in the countries it is active, expanded its installed capacity in photovoltaics and wind energy by 220 MW.

“

These strategic investments not only advance our decarbonisation efforts to address the climate challenge but also increase our energy independence and the overall resilience of our regional economy.

Claude Seywert

CEO Encevo
Chairman of the Executive Committee



The initiative goes beyond traditional training by focusing on empowering employees to adapt to rapid industry changes, particularly in areas like digitalisation, AI and renewable energy technologies.

This growth enables the company to meet the rising demand for renewable energy while advancing the decarbonisation of its energy portfolio. The further development of green Power Purchasing Agreements (PPAs) for our customers contributes to the same goals.

How has Creos adapted its infrastructure to support the energy transition and the growing role of digital solutions?

Creos Luxembourg continued to develop its electricity grid infrastructure, with flagship projects such as Project 380 (a 380 kV interconnection with Germany) and preparing of the upgrading of the northern 65 kV loop to 110 kV. Such projects are vital for ensuring security of supply while also enabling better integration of renewable energy into the grid. The deployment of digital and AI solutions, such as KOPR (the digital twin of the grid) or the LENEDA platform (Luxembourg's National Energy Data Platform), allows Creos to process more data, to simulate and predict consumption peaks and to optimise grid efficiency and infrastructure management.

What are the challenges and major breakthroughs for Teseos?

As in the previous years, Teseos experienced continuous growth in 2024, despite a very challenging construction market. The service offer was expanded through the acquisition of C. Schanen (heating and ventilation, solar thermal panels) and e3consult (energy efficiency, circular economy and building lifecycle consulting). These activities reflect

our commitment to broaden our scope and support the energy transition at all levels. Looking ahead, we expect these services to grow significantly as demand for energy-efficient technologies increases, and in particular as the construction and renovation sectors focus more on sustainability.

How is the Encevo Group integrating hydrogen into its renewable energy portfolio, and what progress was made in 2024?

The development of hydrogen as an energy vector is crucial to achieving our decarbonisation goals; as a group, we are focusing on developing hydrogen-based solutions for sectors that are harder to decarbonise, such as heavy industry and transport. Creos Deutschland continued to implement the mosaHYc hydrogen pipeline project and secured government subsidies for it. A major success was the inclusion of these and other lines by Creos Deutschland in the German "Wasserstoff-Kernnetz". In parallel, Creos Luxembourg defined a vision for the hydrogen infrastructure development in Luxembourg. Together with its partners in France (NaTran) and Belgium (Fluxys), the HY4Link project - a hydrogen transmission line across Luxembourg - was presented and included in the larger European network development plans. Taken together, these plans by the two Creos entities are targeting the full integration of the Greater Region into the broader European hydrogen network, linking it to Germany, the North Sea and Southern Europe.

Together with partners and other stakeholders, notably in the framework of the “Grande Region Hydrogen” initiative, the Encevo Group continues to contribute to the development of hydrogen in our region; within the LuxHyVal project, Enovos Luxembourg and LuxEnergie are playing a major role and continuing the planning of an electrolyser to be built in Luxembourg in 2025 - 2026.

Are there other noteworthy developments in the group?

The various subsidiaries have of course continued their digitalisation efforts and the development of new products and services. The “Energy-as-a-Service” solutions, to be launched by Electricis in 2025, are a prime example of this strategy, offering customers the opportunity to access energy services without the need for direct investment in infrastructure such as solar panels or batteries.

The group also continued to invest in start-ups to take advantage of new market trends and find the best solutions for the new decentralised ecosystems. Together with in-house developments and co-innovations with key partners, such as LIST, the University of Luxembourg and its Interdisciplinary Centre for Security, Reliability and Trust (SnT), we are creating flexible energy solutions tailored to our customers’ needs.

As a responsible employer, how does the Encevo Group support employee development, diversity and well-being?

We need to attract specialist talent, both in our traditional areas and in strategic areas such as data management and AI-driven technologies. To address this, we expanded our employer branding initiatives and strengthened partnerships with schools and universities to establish the Encevo Group as an employer of choice. At the same time, the group emphasised diversity and inclusion, with programmes designed to attract and retain a diverse workforce across all areas.

Internally, there is a strong focus on training, such as the “Energized Leaders” programme. The initiative goes beyond traditional training by focusing on empowering employees to adapt to rapid industry changes, particularly in areas such as digitalisation, AI and renewable energy technologies.

The programme also supports the group’s cultural transformation, keeping employees engaged and aligned with strategic goals. By equipping our leaders with the tools to manage change effectively, “Energized Leaders” prepares them to inspire their teams, drive innovation and maintain operational excellence in an ever-evolving industry.

We also took concrete steps to improve health and safety in the workplace, investing in ongoing safety training programmes and refining policies to ensure a healthy and secure working environment. We further developed a new mental and physical well-being programme to ensure that our employees are well equipped to face the challenges of the energy sector.

In terms of governance, what measures were implemented in 2024?

We provided regular training to all employees on our Code of Conduct and improved supplier selection criteria to ensure fair and ethical procurement practices. Comprehensive audits were conducted across various operations to identify and mitigate potential governance and compliance risks, with cybersecurity and data protection also constituting key priorities that we worked on. In addition, we implemented a new independent whistleblowing channel for both internal and external use, strengthening the trust of employees and stakeholders.

What is the outlook for 2025 in terms of operations?

Encevo will continue to focus on accelerating the transition towards cleaner energy. Investments in renewable energy, smart grids and hydrogen will remain strategic priorities. We also plan to introduce new service offers, including innovative products to help our customers optimise their energy consumption and costs, such as innovative tariff models and advanced management solutions.

Collaboration, continuous progress and talent development will be central to our efforts to meet the challenges ahead. By maintaining a strong focus on these areas, I am confident that we will continue to play a key role in the region’s journey to decarbonisation.

Resilience and sustainable growth

In 2024, the Encevo Group demonstrated resilience and adaptability, delivering a robust financial performance despite geopolitical tensions and market volatility. The group's strategic focus on grid infrastructure and renewable energy projects, coupled with strong risk management, underlines its commitment to sustainable growth and innovation in a complex energy landscape.

Record financial results in a challenging environment where energy prices, volatility and risks remain well above pre-crisis levels

Total sales volumes of power and gas decreased by 9% between 2023 and 2024 which, combined with lower average sales prices (-15% in power respectively -37% in gas), reduces group turnover by EUR 1,302 million (-26%) from EUR 5,088 million in 2023 to EUR 3,786 million in 2024.

While average sales prices for power and gas have decreased, wholesale prices for power and gas have actually increased in 2024. Price levels, volatility and market risks remain well above pre-crisis levels.

The group's operational result (EBITDA of EUR 371 million) is slightly above expectations and is EUR 56 million higher than in 2023. Consequently, EBITDA/turnover improves from a historical low of 6.2% in 2023 to 9.8% in 2024, albeit not reaching pre-crisis levels.

The improved EBITDA stems mainly from the strong performance of Markets and Grid.

In this still very challenging environment, the group's stringent market and credit risk management showed its resilience, supported by an excellent performance by the Energy Sales & Trading teams.

Encevo's overall investment activity amounted to EUR 288 million - EUR 48 million below 2023 - of which EUR 205 million was invested in grids and EUR 45 million in renewables.

The group's net profit for the year 2024 stands at EUR 193 million - EUR 22 million higher than in 2023.

Strong operating cash flow covering high capital expenditures (CapEX) levels and increasing working capital

In 2024, the high level of CapEx to drive the energy transition is fully covered by the group's operating cash flow of EUR 258 million, improved by EUR 38 million compared to 2023.

This improvement in operating cash flow is largely driven by increasing cash relevant net profit.

Free cash flow of EUR 16 million improved by EUR 80 million compared to 2023, driven by lower investment levels, lower Mergers & Acquisitions activity, partially offset by higher working capital requirements.

As of 31 December 2024, the revolving credit facility (RCF) of the Encevo Group of EUR 750 million remains fully unutilised.

Net financial debt increased by EUR 60 million to EUR 649 million at the end of 2024, and gearing - the ratio of net financial debt to total equity - stayed flat at 35%. Capital and reserves further increased to EUR 1,863 million. This represents 46% of total assets, illustrating the group's increasingly strong balance sheet.

“

The group will continue to focus on supporting its customers on their digital journey towards more efficient and sustainable energy consumption.

Marc Schroeder

Chief Financial Officer Encevo
Member of the Executive Committee



Cautiously positive outlook for 2025 in the context of the current geopolitical developments; investments expected to increase from 2024 levels

The current geopolitical context has the potential to significantly increase the risks associated with the European energy sector and the European economy in general, with increased energy prices, higher overall inflation driven by trade conflicts, and rising long term interest rates.

This continues to create uncertainty regarding the overall economic outlook, as well as for market prices, counterparty risk and physical supply risk. The group will be monitoring any further regulatory or government intervention.

The Encevo Group is committed to increasing

investments in power grid infrastructure and will further intensify and accelerate its efforts in developing renewable projects in its core markets of Luxembourg, Germany, Belgium, the Netherlands and France.

In addition, the group will continue to focus on supporting its customers on their digital journey towards more efficient and sustainable energy consumption. We will offer additional services and increased renewable generation capabilities while ensuring overall competitive sourcing in these very challenging conditions to minimise the impact of price increases on customers.

Given the insights gained from the first months of 2025, and subject to no adverse geopolitical developments, the group expects to meet its 2025 budget objectives.

KEY FIGURES CONSOLIDATED	2024	2023
Sales volume gas (TWh)	13,830	15,235
Sales volume electricity (TWh)	13,219	14,625
Sales (M€)	3,786	5,088
EBITDA (M€)	371	316
Operating cash flow* (M€)	258	250
Free cash flow* (M€)	16	-63
Net profit for the year (M€)	193	171
Total assets (M€)	4,014	4,135
Capital and reserves	1,863	1,668
Net financial debt (M€)	649	589
as a % of capital and reserves (gearing ratio)	35%	35%
Capital expenditures (M€)	288	336

* 2023 figures restated (previously 250 for operating cash flow respectively -55 for free cash flow)



Managing the grids of tomorrow

In 2024, Creos Luxembourg continued to modernise its grids by reinforcing its commitment to innovation, sustainability and cross-border collaboration. Its strategy is built on three key pillars: Develop, Digitalise and Dedicate. By strengthening infrastructure, harnessing digital tools and placing people at the heart of its approach, Creos is accelerating the energy transition while ensuring security of supply.

What progress has been made on Project 380, and what are the next steps?

The project has reached a significant milestone with the publication of the reasoned conclusion by the Ministry of the Environment, Climate and Biodiversity, based on the Environmental Impact Assessment (EIA). The document defines the framework for the project and outlines eight minor adaptation measures aimed at reducing environmental and community impact. The next steps include finalising technical studies, obtaining the necessary administrative approvals and maintaining an open dialogue with local stakeholders. Once these phases are completed, procurement and construction will commence, with commissioning targeted for 2029.

Hydrogen plays a growing role in the energy transition. How is Creos contributing to its development?

Hydrogen is a key pillar of the energy transition, particularly for industry and transport. Creos, via its subsidiaries in Luxembourg and Germany, is actively involved in several strategic projects that will shape the future of hydrogen infrastructure in the Greater Region.

A flagship initiative is HY4Link, a cross-border project connecting Luxembourg, Belgium, France and Germany through a 230 km-long hydrogen transport network. This will facilitate regional industrial decarbonisation and ensure reliable access to hydrogen imports from key European ports along the North Sea coast.

Another major project is mosaHYc, a collaboration between Creos Deutschland and GRTgaz, designed to establish a transnational hydrogen corridor between France, Luxembourg and Germany. This initiative will convert 70 km of existing pipelines and construct 20 km of new infrastructure. With a total length of 90 km (50 km in France, 40 km in Germany), it will transport up to 65,000 tonnes of hydrogen per year, significantly reducing CO₂ emissions.

Additionally, "Wasserstoff-Kernnetz", Germany's national hydrogen backbone, will integrate 90 km of Creos Deutschland's pipelines, following approval by the German regulatory authority (Bundesnetzagentur) in October 2024. The project aims to establish a 9,040 km-long hydrogen grid across Germany, with a unified transport tariff coming into effect on 1 January 2025. To support these developments, Creos Deutschland has also established Creos Deutschland Wasserstoff GmbH, a dedicated subsidiary for hydrogen infrastructure management.

From a regulatory standpoint, Creos is awaiting government approval to be designated as Luxembourg's hydrogen grid operator. To prepare for this role, Creos Luxembourg Hydrogen S.A. has already been established as a dedicated subsidiary.

How does Creos integrate digitalisation into its energy networks?

Digitalisation is central to our strategy. In 2024, LENEDA was launched as a smart energy management platform that enables users to monitor, control and securely share their energy data. A mobile application is

currently in development, further improving accessibility and providing close to real-time data insights. In addition, KOPR - a digital twin of the electricity grid - uses machine learning to anticipate network constraints, optimise energy flows and integrate renewable energy sources more effectively.

“

Creos is actively involved in several strategic projects that will shape the future of hydrogen infrastructure in the Greater Region and continues the rollout of its digitalisation roadmap.

Laurence Zenner

CEO Creos Luxembourg
Member of the Executive Committee



Making energy management smarter and more efficient

Enovos strengthened its dedication to tackling the challenges of the energy transition by aligning innovative approaches with customer needs while ensuring stable and competitive prices. With dynamic pricing models, the launch of a new app and strong partnerships, the company solidified its role as a leading provider of impactful energy initiatives.



“

Enovos is
deeply engaged
in renewable
energy, fostering
collaboration
at local and
regional levels.

Erik von Scholz

CEO Enovos Luxembourg
Member of the
Executive Committee

How does Enovos ensure sustainable energy delivery while maintaining competitive prices?

Enovos leverages direct access to neighbouring wholesale energy markets - particularly Germany for electricity, and Belgium and the Netherlands for gas - to secure energy at competitive rates while ensuring supply stability. At the same time, the company employs a balanced purchasing strategy that combines medium-term contracts with selective spot market transactions, minimising exposure to price fluctuations and ensuring both cost efficiency and reliability for customers.

Beyond procurement, Enovos is committed to sustainability and the sustainable energy transition. The company actively integrates renewable energy sources, invests in green gases such as biogas and hydrogen, and is actively engaged in carbon reduction initiatives to support a lower-emission energy supply.

From an organisational standpoint, our physical presence in neighbouring markets is also leveraged to encourage knowledge exchange, enhance operational excellence and competitiveness.

How does the new MyEnovos mobile application transform energy management, and what role does it play in Enovos' strategy?

Our Enovos strategy focuses on embracing energy transition as well as adopting a strong customer focus. Launched in October 2024, the MyEnovos app provides a comprehensive platform for consumption and production visualisation. In only three months, it ranked in the top five free apps on the Apple App Store in Luxembourg. It allows customers to see their consumption and associated costs, optimise their energy usage, and subscribe to the energy tariff that best fits their needs. It constitutes a pivotal step towards bringing energy to our customers' fingertips, and we are committed to continuously bringing new functionalities. For example, electric vehicle owners will soon be able to benefit from lower energy rates when they use the MyEnovos app to manage their charging.

This innovative tool underscores Enovos' strategy of combining digital innovation with energy transparency and 24/7 self-service.

Customer service agents remain available to guide customers, ensuring that individual needs are met, while fostering a seamless transition to more sustainable energy practices.

How do Enovos' renewable energy initiatives align with its sustainable transition strategy?

Enovos is deeply engaged in renewable energy, fostering collaboration at local and regional levels. In 2024, the company inaugurated a 997 kWp solar power plant following Luxembourg's first Power Purchase Agreement signed in 2022 with the Municipality of Bertrange. This installation meets over one third of the municipality's energy needs while reducing CO₂ emissions by 500 tons annually. In Belgium, the CondrEole wind farm in Engis - inaugurated in September 2024 - highlights the company's commitment to local partnerships by generating 33 GWh per year of renewable electricity for 10,000 households. Additionally, a Power Purchase Agreement with Luxembourg Railways (CFL) provides photovoltaic energy from Rhineland-Palatinate, further solidifying Enovos' commitment to regional partnerships. As part of a 2024 novelty, Enovos is actively engaged in constructing innovative agrivoltaics projects that harness solar energy alongside farming, boosting land efficiency, supporting sustainable agriculture and enhancing overall environmental resilience.

Enovos also collaborates with local municipalities and municipal utilities in Germany. These partnerships go beyond energy supply, involving joint ventures, knowledge exchange and technical support for renewable projects. For example, Enovos' collaboration with Stadtwerke Trier and other regional entities facilitates the development of large-scale solar and wind projects, benefiting both the local economy and broader energy transition efforts.



Leading the change

Teseos Luxembourg, the technical services activity, has become the cornerstone of the Encevo Group's efforts to implement sustainable energy solutions. In 2024, targeted investments, innovative solutions and a commitment to excellence have reinforced its role as a key player in Luxembourg's energy transition.

What initiatives did Teseos take in 2024 to support the energy transition?

2024 was another year of development for Teseos, marked by two complementary acquisitions that expanded our current portfolio of companies and strengthened our value chain and expertise: C. Schanen S.à.r.l. and e3consult S.à.r.l. These strategic enhancements strengthened our position in the energy transition. C. Schanen's expertise in technical installations allows us to expand our offer across Luxembourg, providing high-quality heating solutions tailored to residential and commercial requirements. Similarly, e3consult reinforced our energy efficiency consultancy services for buildings, complementing our existing capabilities and enabling customers to reduce their carbon footprints through eco-friendly designs and resource optimisation.

Furthermore, our expertise has grown through the introduction of the Luxproof label. The certification guarantees the durability and quality of products like heat pumps, photovoltaic panels, charging stations, and other energy solutions. Luxproof combines rigorous environmental and social criteria with strict controls of materials, giving customers confidence in the reliability and durability of their installations. Additionally, diego, which began as a franchise network in 2018 and evolved into a commercial entity in 2022, took a significant step forward on 1 January 2025 by rebranding as electris Luxembourg. This development positions electris Luxembourg as a leader in providing comprehensive energy services through a one-stop-shop approach. It includes charging networks, photovoltaic installations, heat pumps,

batteries, and energy communities, and serves individuals, businesses, municipalities and property managers. These initiatives empower Teseos to deliver a cohesive and comprehensive approach to sustainable energy.

How does Teseos balance subsidiary autonomy with effective collaboration to enhance service quality?

By fostering strategic collaboration while respecting each subsidiary's autonomy, we create synergies that optimise efficiency and elevate service quality. For instance, electris Luxembourg coordinates complete energy ecosystems by integrating Luxproof-certified products from Minusines S.A. and leveraging C. Schanen's technical expertise.

The collaboration ensures a seamless customer experience while optimising operational efficiency.

On top of that, our synergies extend beyond our own entities. Minusines, a major actor in the distribution and consultancy of electrical and professional lighting equipment in Luxembourg, supplies services to third-party installers, including competitors. This openness reflects our belief that achieving the energy transition requires broad cooperation and resource sharing to make a meaningful impact.

What specific measures has Teseos implemented to promote sustainability?

Sustainability is embedded in everything we do. Our products and services are designed to reduce our customers' carbon footprint. We have also introduced innovative initiatives such as Community, a subscription-based

“

This openness reflects our belief that achieving the energy transition requires broad cooperation and resource sharing to make a meaningful impact.

Jean-Luc Santinelli

CEO Teseos Luxembourg
Member of the Executive Committee

energy-sharing and optimisation concept fully integrated into electricis Luxembourg's offer.

The service enables customers to access cutting-edge technologies without upfront investment, thereby fostering wider adoption of renewable energy solutions. In 2024, we also started to develop our products and

services around Home Energy Management Systems (HEMS) and will be able to integrate them into our customer offers in 2025.

Internally, in our subsidiaries, we continue to electrify our vehicle fleet and improve the energy efficiency of our infrastructure. Teseos will soon employ 1,000 people in the Greater Region, which is its area of operation.





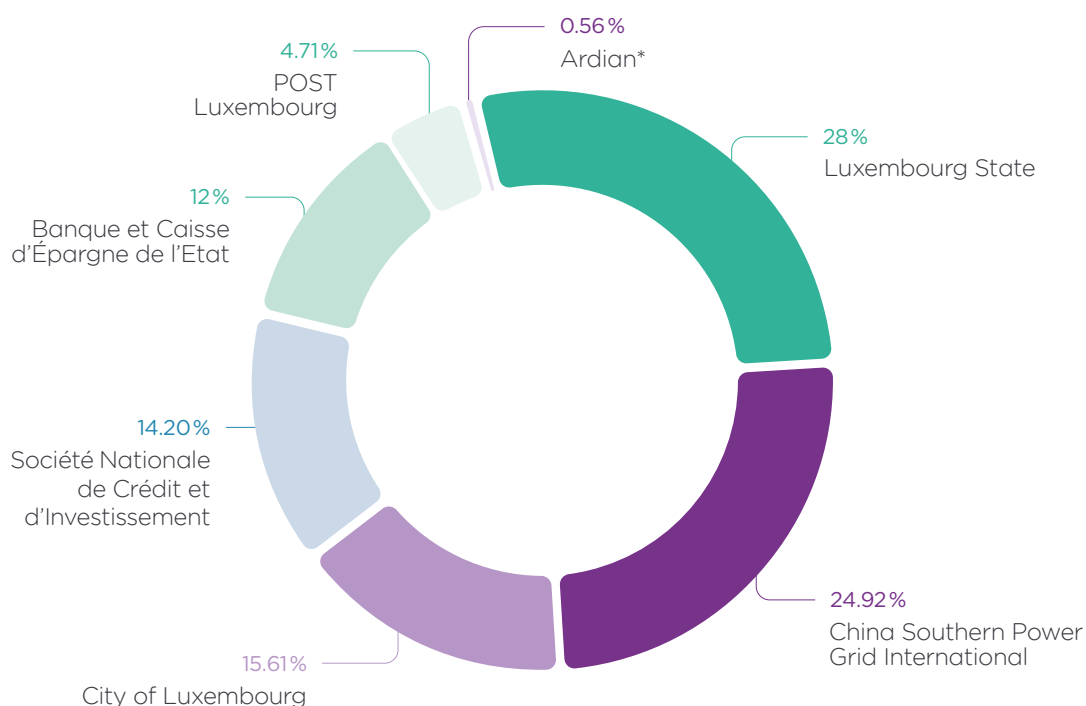


02

Encevo's profile

The shareholders

As of **31 December 2024**, the share capital of Encevo S.A. was distributed among its shareholders as follows:



*AXA Redilion ManagementCo S.C.A. (ARDIAN) 0.52%

*ARDIAN Redilion ManagementCo S.C.A. (ARDIAN) 0.04%

Key figures 2024

Consolidated figures
of the Encevo Group



26.6

↗ 39%

Average training hours
per employee



2,884

↗ 4%

Average number of
employees



50,082 tCO₂e

↘ 17%

Scope 1 greenhouse gas
(direct) emissions



13.2 TWh

↘ 10%

Electricity sales



13.8 TWh

↘ 9%

Natural gas sales



13.4 minutes

↘ 6%

System Average
Interruption Duration Index



5,841 GWh

↗ 3%

Electricity flow



33,265 GWh

→

Natural gas transported



531.6 GWh

↘ 2%

Heat production



761.5 MW

↗ 40%

Renewable electricity
capacity installed



920.9 GWh

↗ 20%

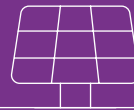
Renewable electricity
production

Milestones 2024

Photovoltaic

Opening of the Südeifel PV project

The largest ground-mounted photovoltaic park in Rhineland-Palatinate was officially inaugurated on 19 April 2024. The project Südeifel, lead by Enovos Deutschland, is a decisive step towards the sustainable energy transition. With 11 photovoltaic installations, comprising a total of 380,000 modules and a total output of over 200 MWp, the solar park is making a significant contribution to reducing CO₂ emissions and driving forward the region's energy transition.



380 kV

A milestone in energy modernisation

Project 380 represents a decisive stage in the modernisation of Luxembourg's energy infrastructures, by reinforcing the cross-border electricity transmission capacity with Germany and the security of the national energy supply.

The new 380 kV line will replace the old 220 kV infrastructure. By considerably increasing the energy transmission capacity, it will enable the country to meet its growing demand for electricity due to population growth, economic development and the adoption of new technologies, such as renewable energy and electric mobility.



Hydrogen

Entering the hydrogen era

The group's ambition to integrate hydrogen into its energy mix is underscored by the advancements in projects such as HY4Link and mosaHYc. While the mosaHYc project received EUR 44 million in funding, HY4Link was included in the European hydrogen network development plan, thus promoting cross-border cooperation. The efforts culminated in the establishment of a new subsidiary, Creos Luxembourg Hydrogen S.A. on 10 December 2024.



Going digital

Launch of the MyEnovos app

The successful launch of the MyEnovos app is another step towards enabling consumers to consciously manage their energy consumption, track their renewable energy production, access their contracts and invoices and get in touch with the customer centre. The new app provides all types of information on the user's smartphone, thus revolutionising the customer experience.





C. Schanen

C. Schanen acquisition

On 10 July 2024 Teseos Luxembourg acquired C. Schanen S.à.r.l., strategically expanding its offer for private customers throughout the country. Based in Bissen, C. Schanen's team of 30 professionals specialises in heating and ventilation, solar thermal panels, heat pumps and sanitary installations.



e3consult

e3consult acquisition

The acquisition of e3consult S.à.r.l. on 18 October 2024 enables Teseos Luxembourg to take a more global view of the energy sector while addressing issues related to sustainable development. Their team of 14 engineers and architects specialising in the circular economy, energy consultancy, building lifecycle analysis and healthy materials studies help their customers to construct more sustainable buildings.



LENEDA

A pioneering energy data platform for Luxembourg

Luxembourg's Energy Data Platform, LENEDA, is a centralised, secure and user-friendly platform that provides businesses, researchers, policymakers and the public with access to a comprehensive range of energy-related data. This includes measured energy consumption, production and insights on energy sharing. The platform is set to transform the way energy data is accessed, analysed and used across the country.



DataThings

FEDIL Innovation Award

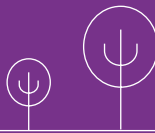
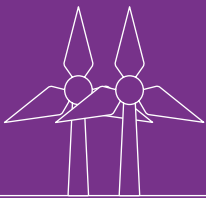
Creos Luxembourg, in collaboration with their partners at DataThings, has won the prestigious FEDIL Innovation Award in the Data/AI category. The award acknowledges the significant potential of the KOPR project, which employs an AI twin to enhance the management of electric grids in Luxembourg.



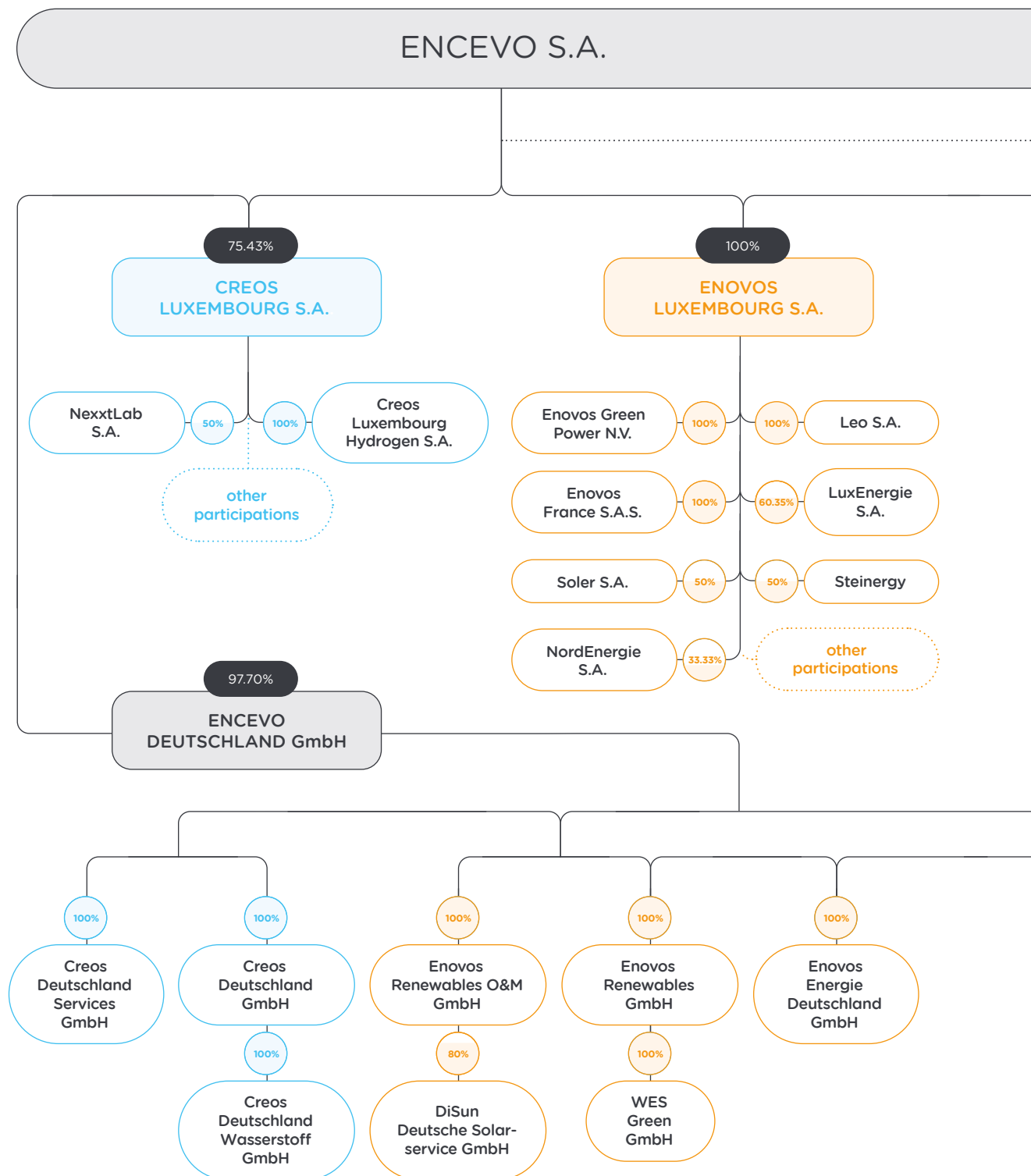
Enovos League

Enovos basketball sponsoring

Enovos became the title sponsor of the men's and women's first division in Luxembourg. The sponsorship aligns closely with the company's strategy to promote its values, as well as diversity and inclusion. The Enovos League is the flagship product of the second biggest team sports federation in Luxembourg, with basketball enjoying growing support in the country.

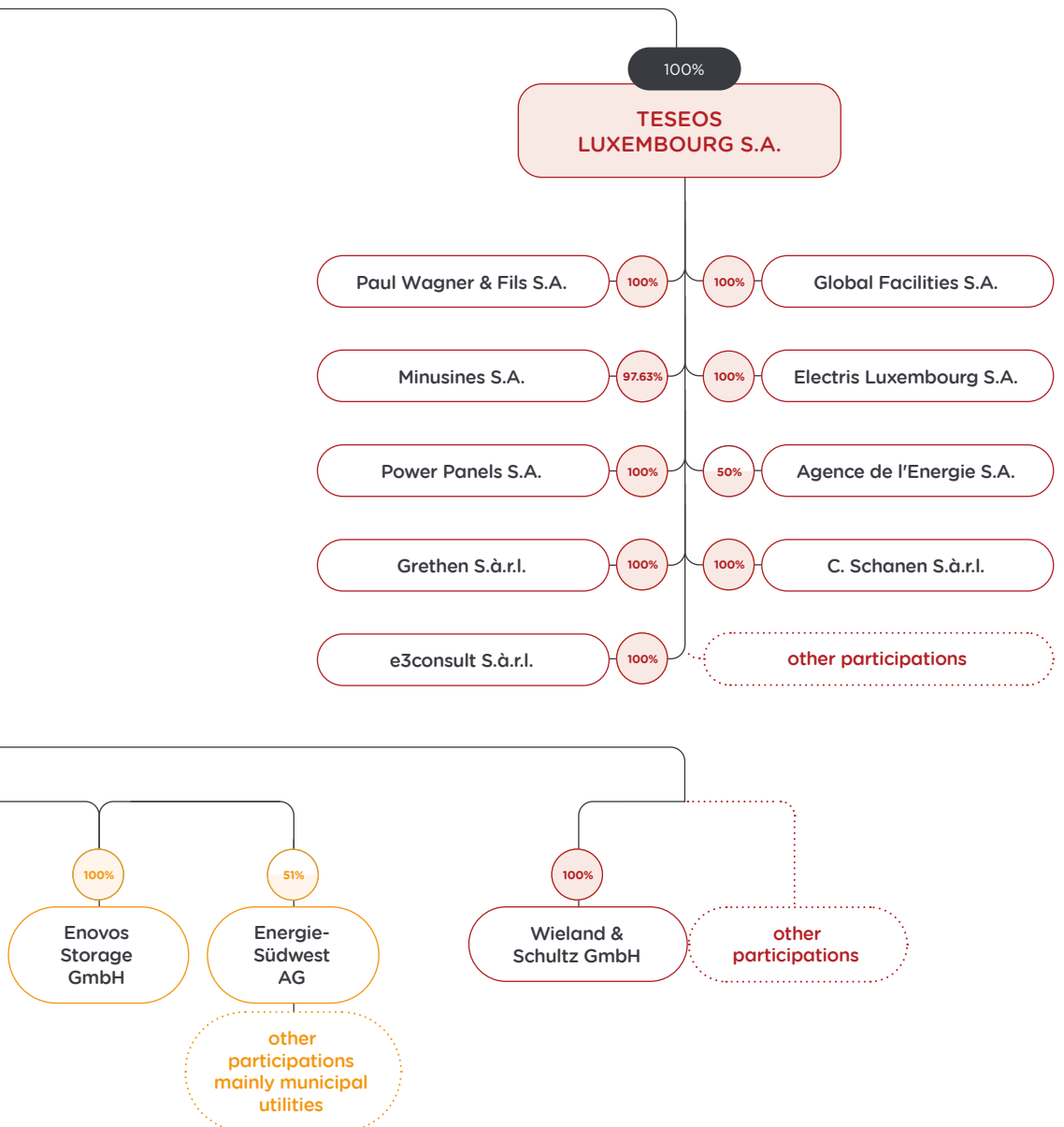


Group structure








ENCEVO S.A.

other participations



Contribution to the United Nations Sustainable Development Goals (SDGs)

Alignment of the Encevo Group priority SDGs with governmental objectives and the impact of the Encevo Group

SDG	DESCRIPTION	LUXEMBOURG ¹	GERMANY ²	FRANCE ³
 #7	Ensure access to affordable, reliable, sustainable and modern energy for all	Contribute to achieving the target of a 35-37% share of renewable energies in final energy consumption by 2030	Share of renewable energy sources in gross final energy consumption: to be increased to 18% by 2020, 30% by 2030 and 60% by 2050	Increase renewable energy share to 32% by 2030 and 40% by 2050
 #8	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Sustaining growth through GDP measurement and achieving full employment, focusing on youth	Structurally balanced public spending, national deficit \leq 0.5% of GDP until 2030	Maintain unemployment rate below 7% and increase labour market participation
 #9	Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation	Invest between 2.3-2.6% of GDP in Research and Development	Private and public R&D spending: at least 3% of GDP by 2030	Increase R&D spending to 3% of GDP by 2030, focusing on green tech and AI
 #12	Ensure sustainable consumption and production patterns	Energy savings of 40-44% by 2030 compared to 2005	Reduce resource consumption and waste generation through efficiency measures	Reduce national waste by 15% per capita by 2030
 #13	Take urgent action to combat climate change and its impact	Climate neutrality or net-zero emissions in Luxembourg by 2050	Greenhouse gas emissions: Reduce by 65% by 2030, 88% by 2040 and GHG neutrality by 2045	Achieve carbon neutrality by 2050 with a 50% reduction by 2030

¹ Troisième Plan National pour le Développement Durable Luxembourg

² Germany's National Sustainable Development Strategy

³ French National Low-Carbon Strategy (Stratégie Nationale Bas-Carbone, SNBC), The Multiannual Energy Plan (Plan Pluriannuel de l'Énergie, PPE), The French "Energy-Climate" Law






The Encevo Group sees sustainability as a commitment towards future generations. The group actively contributes to sustainable development and involves stakeholders across economic, environmental and social dimensions. The group aligns its economic activities in the Greater Region with the relevant European frameworks for sustainability, energy and climate, as well as the national energy and climate plans of the region. This applies in particular to the national energy, climate and sustainability plans of Luxembourg, Belgium, France and Germany. Through the integrated utility

business activities in its value chain, the Encevo Group has identified the following SDGs with the highest relevance and impact:

- Affordable and clean energy (#7)
- Decent work and economic growth (#8)
- Industry, innovation and infrastructure (#9)
- Responsible consumption and production (#12)
- Climate action (#13)



Plan National pour un
Développement Durable

SDG	BELGIUM ⁴	NETHERLANDS ⁵	ESRS	PAGE REFERENCES
 #7	Increase renewable energy share to 40% by 2030	Achieve 27% renewable energy share by 2030 and 70% by 2050	E1-5	Green energy production Page 105 - 107
 #8	Achieve full employment by 2030 and sustain GDP growth	Maintain unemployment rate below 3% and increase productivity	S1-6	Employment Page 124
 #9	Increase R&D spending to 3% of GDP by 2030	Increase R&D investment by 30% by 2030	E1-3	Innovation, Research & Development projects Page 99-102
 #12	Decrease energy consumption by 35% by 2030	Achieve 50% reduction in waste by 2030	E1-5 E5-4	Energy consumption Page 103 Resource outflow (waste): Page 113 Energy efficiency schemes "enoprimes" Page 131
 #13	Achieve carbon neutrality by 2050, with a 55% reduction in emissions by 2030	Achieve carbon neutrality by 2050 with a 49% reduction by 2030	E1-4 E1-6	Emission reduction targets Page 103

⁴ Belgian National Energy and Climate Plan (NECP)

⁵ Dutch National Energy and Climate Plan (NECP) and Dutch Sustainable Development Goals (SDGs) National Implementation Strategy



03

Management's review

3A - CONSOLIDATED MANAGEMENT REPORT

3B - SUSTAINABILITY STATEMENT

Consolidated management report

Encevo S.A., as the parent company of the **Encevo group** (hereinafter referred to as “the group”), oversees operations across Luxembourg, Germany, Belgium, France, the Netherlands and Italy. With 123 companies included in the consolidated accounts as of 31 December 2024 (2023: 89), of which 87 are fully consolidated (2023: 67) and 36 consolidated under the equity method (2023: 22), the group maintains a strong presence across the Greater Region. Strict unbundling principles are applied, ensuring a clear separation between regulated grid activities and other business areas such as energy production, sales, and services.

As we present the group’s 2024 consolidated annual report, we reflect on a year that has reshaped the energy landscape, solidifying new market conditions that demand continued adaptability. The **macroeconomic environment in 2024** remained challenging, with geopolitical tensions, energy price volatility, and regulatory changes impacting operations. Power and natural gas markets have stabilised at levels significantly higher than pre-crisis norms, with recent increases driven by colder-than-expected temperatures, sustained production uncertainties, and shifts in energy demand patterns. While industrial consumption remains subdued, the growing share of renewable energy production has contributed to increased intra-day price volatility, requiring enhanced grid flexibility and market responsiveness. Despite these complexities, our unwavering commitment to delivering secure, competitive, and sustainable energy solutions remains at the forefront of our strategy. The past year has underscored the importance of resilience, diversification, and innovation in managing evolving market conditions. This report provides a detailed overview of our financial performance, strategic progress, and operational advancements in response to these challenges.

Building on these developments, the group remains dedicated to strengthening its role as a key driver of the energy transition.

The group’s **core ambition** is to be the **leading partner in the sustainable energy transition** in the Greater Region. The group’s strategy, refined in March 2024, is built around four **key roles** for the group:

- Central producer and supplier of renewable energy
- Trusted provider for decentralised energy ecosystems
- Reliable operator of smart grid infrastructure
- Enabler for collaboration, cooperation and customer-centricity

Investments in grid modernisation, renewable energy expansion, hydrogen development, and digitalisation are central to ensuring secure, competitive, and sustainable energy solutions. The European Green Deal and Luxembourg’s updated National Energy and Climate Plan (PNEC) provide the framework within which the group aligns its efforts, strengthening its role in advancing energy independence and regional sustainability goals.

The group continued its expansion of **renewable energy** assets, strengthening its position as a key provider of sustainable energy. Notable projects in 2024 included the commissioning of the Südeifel Solar Park, one of the largest photovoltaic installations in the Greater Region, with an operational capacity of 194 MWp (100% capacity). Additional solar and wind projects contributed to increased renewable generation, supporting national and European decarbonisation goals. The group maintained its investment in renewable energy across the Greater Region, with continued growth throughout 2024.

By the end of 2024, the group’s total installed capacity (considering 100% of the shares of all assets) reached 782 MW (2023: 566 MW). It includes 492 MW of photovoltaic (PV) installations (2023: 293 MW) and 237 MW of onshore wind capacity (2023: 217 MW), 21 MW of CHP (2023: 22 MW) and Hydro 33 MW (2023: 33 MW).

The development of the sales activities included new dynamic pricing models, innovative energy supply contracts tailored to small and medium-sized enterprises, and the introduction of demand-side management solutions that allow customers to optimise their energy consumption. The launch of digital solutions, such as a customer-oriented energy management application, represented a significant step in enhancing transparency and efficiency for end-users, facilitating real-time consumption tracking and contract management. The group also maintained its commitment to promoting energy savings through various incentive programs and training, resulting in 6,711 energy-saving files (2023: 6,507 files) with savings of 166 GWh (2023: 170 GWh).

In 2024, total external electricity sales decreased to 13.2 TWh from 14.6 TWh in 2023. The decline was primarily driven by a reduction in German sales, which fell from 9.3 TWh in 2023 to 8.0 TWh. Meanwhile, deliveries in Luxembourg slightly increase at 4.5 TWh (2023: 4.3 TWh) while volumes in France slightly decreased to 0.7 TWh (2023: 1.0 TWh). A similar trend was observed in natural gas external sales, which declined to 13.8 TWh from 15.2 TWh in 2023, largely due to lower volumes sold in Germany (-1.7 TWh). Sales in Luxembourg increased by +0.4 TWh, while deliveries to French customers remained relatively stable with a minor decline of -0.1 TWh.

Efforts in **grid infrastructure** saw substantial investments mainly in electricity networks across Luxembourg and Germany, focusing on modernisation, capacity expansion, and digitalisation. In 2024, total investments reached EUR 210.3 million (2023: EUR 220.2 million), with EUR 170 million (2023: EUR 190.1 million) allocated in Luxembourg (out of which EUR 137.7 million is primarily focused on the electricity grid) and EUR 40.3 million (2023: EUR 32.1) in Germany. A significant portion of these funds was directed towards strengthening the electricity network, including upgrades to medium-voltage infrastructure, smart metering expansion, and digitalisation initiatives such as the LENEDA energy data platform. Smart meter deployment in Luxembourg exceeded 99%, with 315,675 meters installed, contributing to enhanced electricity grid efficiency and power consumption monitoring.

Gas infrastructure investments were primarily targeted at network maintenance and security of supply, as expansion efforts have been curtailed in favour of decarbonisation strategies. In Luxembourg, 6,698 GWh of gas was transported in 2024 (2023: 6,369 GWh), reflecting a 5% increase from the previous year, driven by higher industrial consumption. Meanwhile, in Germany, Creos Deutschland GmbH received approval to participate in Germany's hydrogen core network, reinforcing the group's role in developing a cross-border hydrogen economy. Additionally, the mosaHYc project secured EUR 44 million in funding to establish a hydrogen transport corridor, aligning with the group's long-term sustainability objectives.

These investments underscore the Group's commitment to modernizing energy networks, integrating renewable energy sources, and preparing infrastructure for the transition toward a low-carbon economy. Investments were directed towards upgrading network capacity, enhancing operational efficiency through smart grid technologies, and implementing cross-border interconnection projects to ensure security of supply and the connection to the future European hydrogen backbone grid.



In **technical services**, capabilities were expanded through strategic acquisitions, including the purchase of specialised companies to enhance technical service capabilities. The group acquired C. Schanen S.à.r.l., a company specialising in heating, ventilation, and solar thermal solutions, strengthening its position in decentralised energy systems. Additionally, the acquisition of e3 consult S.à r.l. expanded expertise in circular economy, energy efficiency consulting, and sustainable building practices. These acquisitions complement existing services and enhance the group's ability to offer integrated Energy-as-a-Service solutions. The rebranding of diego Luxembourg S.A. to electris Luxembourg S.A. and repositioning of service offer further emphasised a shift towards comprehensive energy solutions, including photovoltaics, battery storage, electric vehicle (EV) charging, and smart home energy management, in line with evolving market demand for decentralised and sustainable energy options, reinforcing the group's role in energy efficiency and decentralisation. Additionally, the group expanded its facility management operations by incorporating Global Facilities Deutschland GmbH, strengthening its service capabilities in Germany.

The **group's financial position** remained strong, with disciplined investment planning and prudent risk management ensuring stability in a volatile market. The restructuring of acquired entities was completed, integrating relevant activities into the group's core business areas. The group finalized the integration of Hoffmann Frères Energie & Bois S.à r.l., incorporating its grid operations into the Creos Luxembourg S.A. while divesting the wood business as Hoffmann Frères Bois S.à r.l.. The energy supply segment, operating

under the Electris brand, was transferred to Enovos Luxembourg S.A. to enhance customer service and procurement efficiency.

The group secured **financial stability** through effective liquidity management as it extended its EUR 350 million revolving credit facility until 2030 and its EUR 400 million swingline facility until January 2026, which ensured flexibility for long-term investment plans. Capital expenditures are mostly concentrated on modernising grid infrastructure, expanding renewable energy assets, and scaling technical services to enhance energy efficiency and customer solutions. These investments ensure that the group remains resilient in a rapidly evolving energy market.

Sustainability remains a central priority, as the group is advancing towards its decarbonisation targets. The aim is to reduce Scope 1 and 2 emissions by 50% and Scope 3 emissions by 30% by 2030, with progress being driven by increased renewable generation, the transition of heat production to biomass, and enhancements in energy efficiency across infrastructure and customer solutions. Circular economy initiatives were integrated into asset management practices, ensuring responsible material sourcing and improved lifecycle sustainability of infrastructure components.

Governance and compliance were reinforced through enhanced business ethics training, updated supplier selection frameworks, and the implementation of a new whistleblowing channel. The Board of Directors remained actively engaged in overseeing strategy execution and ensuring alignment with evolving regulatory requirements. Employee engagement and leadership development were key focus areas, with training programmes fostering adaptability in a rapidly changing energy sector. Diversity and inclusion efforts continued, with targeted measures to increase representation in leadership roles and support workforce well-being.

Despite ongoing challenges, the group is well-positioned to drive energy transition efforts while maintaining financial resilience. The commitment to secure, affordable, and sustainable energy solutions remains steadfast, ensuring long-term value creation for stakeholders.

Regulation and risk management

The group continuously implements active risk management processes (through a reporting tool) to assess, review and monitor mitigation measures for identified risks (operational, financial, legal, regulatory or strategic). The Executive Committee reviews the risk reports at least twice a year. The key challenges to consider are those related to the energy transition processes that require innovative digital technologies, cyber risks, as well as those related to political developments (such as the pace of decarbonisation and electrification of the economy and civil society and geopolitical developments) and administrative decisions (such as permits for the construction of new network infrastructures).

Customer flexibility risk indicators have decreased as markets stabilised, narrowing the gap between sales and market prices; however, risks are still above pre-crisis levels and are further mitigated on contractual level when possible. New risk indicators associated with Power Purchase Agreements (PPAs) for green energy have been fully integrated into the overall risk governance framework.

On the regulatory affairs side, in addition to its day-to-day activities regarding transaction reporting and trade surveillance, the upcoming changes regarding wholesale market regulations (EMIR, REMIT, MiFID, MAR) are closely monitored. In 2024, notably the necessary changes regarding REMIT II have been implemented. In both Luxembourg and Germany, the group is closely monitoring and preparing the upcoming regulation period for electricity and gas grids.

The ongoing geopolitical tensions following the outbreak of the Russia-Ukraine war in 2022 continued to create significant challenges in 2024, particularly impacting energy markets. The group directly oversees financial liquidity risk and credit risk supported by group financing, and interest rate risk. Managing these risks will remain a key priority. To address increased liquidity risk caused by high and volatile energy prices, the group took proactive measures in December 2022 and January 2023 by significantly increasing its short and mid-term credit facilities. This strategic move ensures sufficient liquidity for the group's key entities, safeguarding financial stability.

Driven by the extraordinary high price levels in 2022, the group had signed state-guaranteed loans with three counterparties in December 2022 for a total amount of EUR 180 million. The respective loans to manage liquidity risk were fully drawn on 28 December 2022 and have a tenor of 6 years (bullet). They are linked to a programme issued by the Luxembourg Government to support companies affected by the war in Ukraine.

On the financial side, the group is monitoring the evolution of short- and long-term interest rates on a continuous basis to evaluate the need to hedge the interest rate risk. It should be noted that for the German certificates of indebtedness ("Schuldschein" or "SSD") existing before 2021 (for an amount of EUR 327 million), the interest rate risk has been mitigated as the interest rates on the various maturities are all at fixed rates.

Out of the EUR 200 million of the 2021 SSD, three tranches of 7-, 10- and 15- years respectively for an amount of EUR 108.5 million bear fixed interest rates. The remaining tranches for an amount of EUR 91.5 million bear variable interest rates.

The group's grid activities are subject regulatory risk, as both the Luxembourg regulator ILR (Institut Luxembourgeois de Régulation) and its German counterpart (Bundesnetzagentur) are reviewing their methodologies and parameters for the upcoming regulatory period (the next regulatory period in Luxembourg – where the group is most exposed – started on 1 January 2025). The implementation prerequisites for 4th regulation period for electricity and gas, which started on 1 January 2025, were launched in 2024. Furthermore a new dynamic tariff structure for low voltage electricity grid customers has been developed by the electricity grid operators and the ILR in 2024 and is effective as of 1 January 2025. Otherwise, one of the main operational risks faced by the group are accidents suffered by people (employees and third parties) and damage to the network caused by certain meteorological events.

Innovation and Research & Development and IT

Some research and development activities have been carried out within the group.

The energy transition presents both a complex challenge and an essential shift for energy companies driven by several factors such as decarbonisation, digitalisation, decentralisation and a focus on customer needs. The group is proactively tackling these challenges through innovative projects, strategic partnerships and advanced technologies. The main key initiatives include the development of hydrogen infrastructure, AI-driven grid optimisation, geothermal-powered smart districts and decentralised energy management solutions. Additionally, the Encevo group is improving customer engagement through energy-sharing platforms, smart charging applications and dynamic tariffs.

In 2024, the group made significant strides in strengthening its IT and operational resilience. Building upon the IT Security operating model introduced in 2023, the group expanded the capacity of its IT Security department by increasing headcount and ensuring the necessary expertise and resources to manage a wider, more robust security framework which addresses the evolving cybersecurity challenges of today and tomorrow. This year also marked a milestone in the group's emergency preparedness with the establishment of a centralised Business Continuity Management (BCM) department. This dedicated function enhances the group's ability to respond effectively to potential disruptions across the entire group, ensuring the resilience of the group's operations and the protection of its stakeholders' interests in case of unforeseen events. In addition, the group has embarked on a comprehensive group IT Strategy programme aimed at improving efficiency, robustness, and innovation. This multifaceted initiative is designed to optimise the group's current IT infrastructure while laying the groundwork for future projects that will drive operational excellence and enable sustainable growth.

Financials

The consolidated operating profit (EBITDA¹) of EUR 371 million exceeds the 2023 value of EUR 316 million by EUR 56 million mainly related to the performance of Markets & Grid.

"Net turnover" and "Raw materials and consumables" of respectively EUR 3.8 billion and EUR 3.1 billion both decreased significantly compared to 2023 (2023 respectively EUR 5.1 billion and EUR 4.4 billion) mainly as a result of lower volumes combined with reduced average sales prices.

Furthermore, regular depreciations are EUR 8 million higher than in 2023 from the continuously increasing investment plan.

In 2023 the reversal of a provision for loss on sale of EUR 32 million related to the B2B business in Germany was booked in the consolidated accounts.

Finally, contribution of participations including dividends and share in companies consolidated under the equity method remained stable at EUR 30 million (2023: EUR 30 million), while taxes increased by EUR 3 million to EUR 30 million (2023: EUR 27 million).

Total consolidated profit for the financial year increased by EUR 22 million to EUR 193 million (2023: EUR 171 million).

The total assets position of EUR 4 billion in 2024 slightly decreased because of the lower energy prices, while the fixed assets increased with the group following its ambitious investment programme with total (tangible and intangible assets) investments of EUR 275 million (2023: EUR 289 million). The debtors balance of EUR 812 million decreased by EUR 211 million compared to 2023 due to price & volume effects (2023: EUR 1,023 million), while the "creditors" balance of EUR 1,682 million decreased by EUR 250 million compared to 2023 (2023: EUR 1,931 million).

¹ EBITDA corresponds to the sum of the following financial line items: "1. Net turnover", "3. Work performed by the undertaking for its own purposes and capitalised", "4. Other operating income", "5. Raw materials and consumables and other external expenses", "6. Staff costs", "7.b. Value adjustments in respect of current assets", "8. Other operating expenses".

Personnel

The average number of employees of the Encevo group further increased from 2,765 people in 2023 to 2,884 people in 2024. The increase compared to 2023 is mainly related to the acquisitions of C.Schanen S.à.r.l., e3 consult S.à.r.l., the incorporation of Global Facilities Deutschland GmbH, as well as core entities of the group which reinforced their workforce to meet their ambitious investment plan.

The Board of Directors and the Management of the group would like to thank all employees for the fulfilment of their duties, for their contribution throughout the year, and for their full support in providing reliable and strong operational support for the group's core activities in a challenging environment.

Outlook

Looking ahead, 2025 is expected to bring both challenges and opportunities, as geopolitical developments, regulatory changes, energy market dynamics, and technological advancements continue to shape the industry. The group remains committed to strengthening its position as a leader in the sustainable energy transition while ensuring financial stability and operational efficiency.

The expansion of the EU Emissions Trading System (ETS2) will further influence market conditions, increasing costs for carbon-intensive energy sources and reinforcing the need for renewable alternatives. The ongoing implementation of Luxembourg's updated National Energy and Climate Plan (PNEC) will continue to drive investment in clean energy and efficiency projects. Additionally, evolving hydrogen regulations and infrastructure planning at EU level will present new business opportunities, particularly in cross-border energy solutions.

A major focus in 2025 will be the advancement of the Project 380, a major interconnection with Germany aimed at increasing cross-border electricity transmission capacity and ensuring long-term security of supply. Investments in digital grid solutions, including real-time network monitoring, will further optimise grid operations and support the integration of decentralised energy sources. The group will also continue preparing for the large-scale

deployment of hydrogen-ready infrastructure, reinforcing its commitment to energy system decarbonisation.

The group plans to accelerate its renewable energy portfolio, with additional wind and photovoltaic (PV) projects scheduled for commissioning in Luxembourg, Germany, Belgium, the Netherlands and France. A greater emphasis will be placed on developing Power Purchase Agreements (PPAs) to support corporate and industrial clients in securing long-term access to green energy. Further exploration of battery storage solutions will enhance energy flexibility and stability, ensuring efficient management of intermittent renewable generation.

In the energy supply segment, the focus will be on introducing more dynamic pricing models, demand-side management solutions, and enhanced digital tools for customer engagement. The group aims to strengthen its cross-border energy trading position by leveraging diversified procurement strategies to secure competitive supply conditions.

The group will build on the progress made in hydrogen infrastructure, including further development of the mosaHYc and HY4Link projects. These initiatives will support the establishment of a cross-border hydrogen network, facilitating industrial decarbonisation and expanding clean energy transport solutions. Investment in research and pilot projects will also continue, ensuring readiness for the evolving hydrogen economy.

The expansion of technical services will remain a strategic priority, with a focus on integrated Energy-as-a-Service solutions. The newly acquired businesses will be further integrated to enhance capabilities in heating, ventilation, solar thermal solutions, and energy efficiency consulting.

The development of energy communities, smart home energy management systems, and decentralised energy storage will play a critical role in meeting increasing customer demand for sustainability-driven solutions.

The extension of the EUR 350 million revolving credit facility until 2030 ensures the group's financial flexibility to support its investment plans. Capital allocation will remain a priority, balancing infrastructure investments with profitability and risk management considerations. Strengthening operational efficiencies across all business areas will contribute to long-term financial resilience in a rapidly evolving energy landscape.

The group remains focused on its goal to reduce Scope 1 and 2 emissions by 50% and Scope 3 emissions by 30% by 2030. Circular economy principles will be further embedded into procurement and infrastructure development, ensuring responsible resource use. Employee development and diversity initiatives will continue to be strengthened, fostering a culture of innovation and inclusion across the organisation.

With a clear strategic direction and a strong financial foundation, the Encevo group is well-positioned to navigate the challenges ahead while capitalising on new opportunities. The group's commitment to innovation, sustainability, and operational excellence will drive continued progress in 2025, ensuring long-term value creation for all stakeholders.

Other information

Encevo S.A. does not hold own shares.

Encevo S.A. Board of Directors

There were no changes in the shareholding structure of Encevo S.A. in 2024.

Regarding board members, there were the following changes in 2024:

As of 28 June 2024, Mr Michel Scholer and Mr Yinghao Han were appointed as new board members following the resignations of Mr Luc Decker and Mr Jinqiang Sun.

The board members are:

Marco Hoffmann, Chairman

Yinghao Han, 1st Vice-Chairman

Jeff Feller, 2nd Vice-Chairman²

Min Shen, 3rd Vice-Chairman

Danielle Castagna, Director

Christian Tock, Director

Stefan Grützmacher, Director

Aloyse Kohll, Director

Mike Kirsch, Director

Romain Lanners, Director

Uwe Leprich, Director

Olaf Münichsdorfer, Director

Georges Reuter, Director

Geneviève Schlink, Director

Michel Scholer, Director

Monika Scholz, Director

Auditor

The mandate of the external independent statutory auditor, KPMG S.à r.l., initially appointed for a two-year term at the annual general meeting of shareholders held on 10 May 2023, ends with the financial year 2024. The Board of Directors will submit a proposal to extend KPMG's mandate until 2028 to the annual general meeting of shareholders to be held on 13 May 2025.

The Board of Directors
Esch-sur-Alzette, 28 March 2025

² Mr Jeff Feller resigned on 28 June 2024 and was re-appointed through co-optation at the request of another shareholder.







03

Management's review

3A - CONSOLIDATED MANAGEMENT REPORT

3B - SUSTAINABILITY STATEMENT

General information

Basis for preparation

General basis for the preparation of the sustainability statement

The sustainability statement in this Annual Report has been prepared with reference to the European Sustainability Reporting Standards (ESRS) and the Corporate Sustainability Reporting Directive (CSRD).

Until 2023, the Encevo Group disclosed sustainability information in accordance with the Global Reporting Initiative (GRI) standard's core option. In 2024, the group decided to shift to reporting under the CSRD and the ESRS to prepare for the 2025 reporting year. It should be noted that the legislative proposal for the "Omnibus Package" was presented on 26 February 2025 and will be submitted to the European Parliament and the European Council for review and adoption throughout 2025. Consequently, the Encevo Group's reporting obligation will most likely be postponed until the 2027 Annual Report.

The objective for 2024 was to implement and disclose information on material ESRS standards and their disclosure requirements. To this end, the main metrics and qualitative information were adapted, and the reporting structure was revised with reference to the ESRS requirements.

The sustainability statements cover the activities of Encevo S.A. and the fully consolidated entities ("the Encevo Group") from 1 January to 31 December 2024, which is the organisation's fiscal year, resulting in an annual reporting cycle.

All fully consolidated companies have been included in the scope of the sustainability statements, using the same scope of consolidation as for the consolidated accounts. However, companies acquired or created during the year 2024, such as C. Schanen S.à.r.l., e3consult S.à.r.l. and Global Facilities Deutschland, will only be included in the scope of consolidation of the sustainability statements as of 2025.

The present report has been prepared based on the results of the 2023 double materiality assessment, which was developed in accordance with GRI standards, and with reference to the draft ESRS standards from November 2022. During the year 2025, the Encevo Group plans to update the double materiality assessment following the first set of ESRS standards published on 22 December 2023 and the European Financial Reporting Advisory Group IG 1 Materiality Assessment Implementation Guidance published in May 2024.

The sustainability statement of this report covers the upstream and downstream value chain in line with the results from the 2023 double materiality assessment. The report includes value chain information where relevant, and especially for the Encevo Group greenhouse gas (GHG) emissions. In the year 2024, the scope of calculation of the group's GHG emissions was expanded to include emissions from entities consolidated under the equity method under scope 3, category 15, investments. The Encevo Group's GHG emissions are calculated following the methodology of the GHG protocol.

Disclosures in relation to specific circumstances

The main changes in the preparation of information to be presented in the sustainability statement stem from the changeover to reporting with reference to ESRS. Until 2023, the Encevo Group presented sustainability information in accordance with GRI standards.

All activity data used to calculate the different metrics was collected through the CSR management tool, configured to collect activity data and calculate the different metrics as required by ESRS.

In relation to the Encevo Group's calculation of GHG emissions, some indirect emission factors currently in use have been updated with a new scientific improvement. The Encevo Group's 2024 GHG emissions have been calculated, for some specific scope 3.1 and scope 3.3 activity data, using the 2023 indirect emission factors, which do

not include the aforementioned scientific improvement. This ensures that the data is comparable with the data from previous years. As of the 2025 Annual Report, the group's GHG emissions for the years 2021-2024 will be updated using the improved calculation method.

Estimations have been done to calculate scope 3 GHG emissions from purchased electricity sold, where 2023 information was used to estimate the amounts of electricity sold per energy source.

In relation to the GHG emissions calculation of scope 3, category 15, investments, estimations have been made based on net revenues and activity data to calculate the scope 1 and 2 GHG emissions of some companies, namely Soler S.A., Pfalzgas GmbH, Energis GmbH and Projecta 14, due to unavailable data from these companies.



Governance

The role of the administrative, management, and supervisory bodies

Introduction

General meeting of shareholders

The general meeting of shareholders is vested with the powers expressly reserved for it by law and the articles of association. These powers include, in particular, the approval of the annual accounts, the allocation of profits and the appointment of directors and the external auditor.

Board of Directors (BoD, the Board)

The Board of Directors is responsible for managing the company and is vested with the broadest powers to take any actions necessary or beneficial to achieve the company's corporate objectives, except for those powers expressly reserved for the general meeting of shareholders.

Board committees

Board committees are established by the Board of Directors in various areas to assist in the preparation or oversight of matters within the Board's competence or for which it is required to make decisions.

Audit Committee (AC)

The AC is primarily responsible for overseeing the following areas: financial statements, legal and regulatory compliance, matters related to external and internal auditors, the system of internal controls, and risk management. The committee also serves as a forum for discussing governance and integrity issues, which are reviewed at least annually. Risk management topics are monitored on a quarterly basis.

Group Strategy Committee (GSC)

The GSC has been established primarily to assist the Board in defining, developing and implementing the company's business strategy. Additionally, the GSC validates the group's CSR (Corporate Social Responsibility) approach and materiality assessment. Members of the Executive Board also serve as members of the GSC.

Investment Committee (IC)

The IC has been established primarily to assist the Board by reviewing and providing advice or recommendations on significant investments prior to decision-making. It also periodically reviews the performance of existing investments. The CEO and CFO of Encevo S.A. are members of the IC.

Nomination and Remuneration Committee (RemCo)

The RemCo was established to assist the Board in matters related to the appointment and dismissal of Executive Board members and non-executive directors. Additionally, the committee reviews the remuneration packages for Executive Board members, non-executive directors and executive directors who are not part of the Executive Board. It is also responsible for overseeing the overall remuneration policy within the Encevo Group.

Executive Board

The Executive Board, composed of members appointed by the Board of Directors, is responsible for the day-to-day management of the company.

Composition and diversity of the Board and Board Committees

COMPOSITION AND DIVERSITY OF THE ENCEVO S.A. BOARD - OVERVIEW

Number of Board members	16
Number of employee representatives	3
Number of executive members	0
Number of independent directors	0
Gender diversity ratio ³	4/16 (25%)
Nationalities	LUX 69%
	EU 87%
	Non EU 13%
Number of meetings ⁴	4
Average attendance rate	93%

³ This is the average ratio of female to male Board members.

⁴ In addition, Board members are invited to attend the AGM.
This is not counted as a Board meeting in this table.



Detailed composition of Encevo S.A. Board and Board committees

(as of 31 December 2024)

Board member Gender, Nationality	Since	Term expires	Main occupation and mandates within the Encevo Group	Other main occupations and mandates
Marco Hoffmann M, Luxembourgish	re-elected on 12 May 2020	AGM 2026	Chair of the Board of Encevo S.A. Chair of the Board of Enovos Luxembourg S.A. Board Committee member (AC, GSC, IC, RemCo) Chair of the Supervisory Board of Encevo Deutschland GmbH	Head of Energy Markets Directorate at the Luxembourg Ministry of the Economy
Danielle Castagna F, Luxembourgish	elected on 12 May 2020	AGM 2026	Board member of Encevo S.A. Board Committee member (IC)	Head of Finance and Organisation at the City of Luxembourg Board member of the Luxembourg Agency for Cultural Action Asbl Board member of the Luxembourg Urban Garden Asbl Board member of the Luxembourg Convention Bureau
Jeff Feller M, Luxembourgish	coopted on 28 June 2024 and confirmed on 13 May 2025	AGM 2026	2 nd Vice-Chair of the BoD of Encevo S.A.	Economic Policy Coordinator within the Minister of the Economy's cabinet
Stefan Grützmacher M, German	re-elected on 12 May 2020	AGM 2026	Board member of Encevo S.A., Board member of Enovos Luxembourg S.A. Board Committee member (GSC)	Owner and Managing Director of SGBB GmbH, Berlin Member of the SET Advisory Board of SET Ventures, Amsterdam Managing Director/COO ad interim of Veolia Holding Deutschland GmbH, Hamburg (starting 01/2025)
Yinghao HAN M, Chinese	coopted on 28 June 2024 and confirmed on 13 May 2025	AGM 2026	1 st Vice-Chair of the BoD of Encevo S.A. Board Committee member (AC)	Manager of Asset Management Department, China Southern Power Grid International Co., Ltd.
Mike Kirsch M, Luxembourgish	elected on 12 May 2020	AGM 2026	Board member of Encevo S.A. (employee representative) Member of the joint staff committee of Encevo S.A., Enovos Luxembourg S.A., Creos Luxembourg S.A., LEO S.A. and Teseos Luxembourg S.A. Employee of Creos Luxembourg S.A.	Member of the national committee of the LCGB trade union
Aloyse Kohll M, Luxembourgish	re-elected on 12 May 2020	AGM 2026	Board member of Encevo S.A., Board member of Enovos Luxembourg S.A. Board Committee member (AC, GSC, IC, RemCo)	Deputy CEO of Banque et Caisse d'Épargne de l'Etat, Luxembourg Board member of La Luxembourgeoise Group, La Luxembourgeoise S.A. d'Assurances & La Luxembourgeoise-Vie S.A. d'Assurances Board member of Bourse de Luxembourg S.A. Board member of Paul Würth Real Estate S.A.
Romain Lanners M, Luxembourgish	elected on 12 May 2020	AGM 2026	Board member of Encevo S.A. Board member of Enovos Luxembourg S.A. Board Committee member (AC, GSC)	Secretary General of POST Luxembourg Daily Manager of POST Capital S.A. Member of the Board of Directors of LuxTrust S.A. i-Hub S.A. and ITTM S.A.

Board member Gender, Nationality	Since	Term expires	Main occupation and mandates within the Encevo Group	Other main occupations and mandates
Uwe Leprich M, German	re-elected on 12 May 2020	AGM 2026	Board member of Encevo S.A. Board Committee member (AC, GSC) Board member of Encevo Deutschland GmbH	Professor at the Hochschule für Technik und Wirtschaft (HTW) in Saarbrücken Member of the Supervisory Board (Honorary) of the "Bürgerenergiegenossenschaft Köllertal"
Olaf Münichsdorfer M, Luxembourgish	elected on 12 May 2020	AGM 2026	Board member of Encevo S.A. Board Committee member (RemCo) Board member of Encevo Deutschland GmbH	Director-General, Directorate General for Energy, Ministry of the Economy
Georges Reuter M, Luxembourgish	re-elected on 12 May 2020	AGM 2026	Board member of Encevo S.A. (Employee representative) Board Committee member (AC) Employee of Creos Luxembourg S.A. Member of the joint staff committee of Encevo S.A., Enovos Luxembourg S.A., Creos Luxembourg S.A., LEO S.A. and Teseos Luxembourg S.A.)	Member of the national committee of the OGBL trade union
Geneviève Schlink F, Luxembourgish	re-elected on 12 May 2020	AGM 2026	Board member of Encevo S.A., Board member of Enovos Luxembourg S.A. Board Committee member (AC, GSC, IC)	Member of SNCI's ⁵ authorised management in charge of Equity investments and Strategy
Michel Scholer M, Luxembourgish	coopted on 28 June 2024 and confirmed on 13 May 2025	AGM 2026	Board member of Encevo S.A.	Chief of Staff of the Prime Minister
Monika Scholz F, German	designated on 1 April 2022 and confirmed on 11 May 2022	AGM 2026	Board member of Encevo S.A. (employee representative) Board member of Encevo Deutschland GmbH Employee of Encevo Deutschland GmbH	N/A
Min Shen F, Chinese	elected on 11 May 2021	AGM 2026	3 rd Vice-Chair of the Board of Encevo S.A. Vice-Chair of the Board Enovos Luxembourg S.A. Board Committee member (GSC, RemCo)	Fourth-grade staff member of Project development department, China Southern Power Grid International Co., Ltd.
Christian Tock M, Luxembourgish	coopted on 1 April 2022 and confirmed on 10 May 2022	AGM 2026	Board member of Encevo S.A.	Deputy Head of the Directorate General Industry, New Technologies and Research at the Ministry of the Economy Board Member of Fonds Belval établissement public Board Member of Conseil National de la Construction Durable Asbl Chairman of the Board Neobuild G.I.E. Chair of the Board Terra Matters G.I.E.

⁵ Société Nationale de Crédit et d'Investissement

Board Committee members which are not Board members of Encevo S.A.

Board member Gender, Nationality	Since	Term expires	Main occupation and mandates within the Encevo Group	Other main occupations and mandates
Na Huang F, Chinese	co-opted on 18 October 2024 and confirmed on 13 May 2025	AGM 2026	Board Committee member (IC) Board member of Creos Luxembourg S.A.	Deputy General Manager of the Project Development Department, China Southern Power Grid International Co., Ltd.
Vafa Moayed M, Luxembourgish	re-elected on 12 May 2020	AGM 2026	Board Committee member (AC, RemCo) Board member of Enovos Luxembourg S.A.	Board member of Duferco International Holding Luxembourg
Georges Reding M, Luxembourgish	elected on 12 May 2020	AGM 2026	Board Committee member (IC) Member of the Board of Enovos Luxembourg S.A.	Head of Renewable Energies Directorate at the Luxembourg Ministry of the Economy Chair of the Board and Managing director of Société électrique de l'Our S.A. Board member of CeFralux S.à.r.l. - director (subsidiary of SEO S.A.) Board member of Cedecel France S.A. - director (subsidiary of SEO S.A.) Observer of the State of Luxembourg at the Board of Soler S.A. Board member of Klima-Agence G.I.E.
Yingpeng Shi M, Chinese	elected on 11 May 2021	AGM 2026	Board Committee member (IC) Board member of Creos Luxembourg S.A.	General Manager of Investment & Financing Department of China Southern Power Grid Co., Ltd
Christiane Schaul F, Luxembourgish	re-elected on 12 May 2020	AGM 2026	Board Committee member (RemCo) Board member of Creos Luxembourg S.A.	Head of Human Resources and Safety at the City of Luxembourg

Appointment of Encevo S.A. Board members, independence, skills and experience

The main governance principles for appointing board members to Encevo S.A.'s Board and its Committees are as follows:

- All directors are non-executive. Three of them are employee representatives and they are generally appointed for a term of six years.
- Directors are selected from among candidates proposed by shareholders, in accordance with the shareholders' agreement.
- The nomination file of each candidate proposed by a shareholder is reviewed by the Nomination and Remuneration Committee before the candidacy is submitted to the general assembly of shareholders for final appointment or, where applicable, to the Board of Directors for provisional appointment.
- The Chair of the Board is appointed from among the candidates proposed by the shareholder holding the largest number of shares⁶.
- The Chair of the Audit Committee is appointed at the request of the second-largest shareholder (after considering the three largest shareholders collectively).
- Members of the Board Committees are selected from the board members of Encevo S.A., Enovos Luxembourg S.A. and/or Creos Luxembourg S.A.

An **independence assessment** was conducted in accordance with the criteria outlined in the ten governance principles of the Luxembourg Stock Exchange, which are based on the European Commission's recommendation of 15 February 2005 regarding the role of non-executive directors. Based on this assessment, and considering their relationships with key stakeholders as well as their other positions and mandates (see above), no director was deemed to qualify as independent.

With regard to expertise, skills and experience, the Board of Directors of Encevo S.A. adopted Guidelines for the selection and appointment of members of the Board of Directors of Encevo S.A. in 2024,

following a proposal by the Nomination and Remuneration Committee. These guidelines define a set of criteria related to the skills and professional experience considered essential for the Encevo Group. Moving forward, all Board members are expected to meet at least two of these criteria.

Before appointing new Board members, the RemCo will evaluate candidates against these criteria and will conduct an assessment of the Board's diversity every two years. This evaluation will consider factors such as skills, experience and other relevant attributes.

Based on the new procedures, the skills and competencies of the Board have been assessed and determined as follows⁷:

Skills and Experience

	Board		Board & Committees	
	Expert	Knowledgeable	Expert	Knowledgeable
Energy	10	1	11	1
Environment	2	3	2	3
IT & Digitisation	3	3	3	3
Finance	9	0	12	0
Engineering	2	0	3	0
Sales, Marketing & Communication	5	0	5	0
Human Resources	5	1	7	1
Legal, Compliance, Risk Management & Governance	6	0	8	2
Public Policy	9	2	10	2
ESG	3	11	4	13

"Expert" in the above table refers to either at least five years of experience in the relevant area and/or to at least four years of education in such an area. If the experience is over one year but under five years, and/or if the education is less than four years, the director is considered "knowledgeable".

The figures indicated under the "expert" and "knowledgeable" columns above represent

the total number of Board members having the relevant education and/or experience. On the left (column "Board"), the figure is limited to the Encevo S.A. Board members while on the right, the figure includes Board Committee members who are not members of the Encevo S.A. Board. Directors belonging to the Board and one or several Board Committees have not been counted twice.

⁶ The State of Luxembourg, Société Nationale de Crédit et d'Investissement, and Banque et Caisse d'Épargne de l'Etat are counted as one shareholder for this purpose.

⁷ The figure reflects the number of Board members with skills/experience in the various fields considered relevant.

Short bio of Marco Hoffmann Chairman of the Board

* 1966, Luxembourg

Education

Degree in electrotechnical engineering from the University of Kaiserslautern, Germany

Professional experience

From 1996

Ministry of the Economy, various positions, most recently Senior Advisor to the Luxembourg Government

From 1999

Various positions in the energy sector:

- Chairman of the Board of Directors and Executive Director of Enovos Luxembourg S.A. and Chairman of the Board of Directors of Encevo S.A. (Enovos International S.A. at the time of the appointment) (since 2012)
- Chairman of the Board of Directors and Executive Director of Enovos Luxembourg S.A. and Vice-Chairman of the Board of Directors of Encevo S.A. (2009-2012)
- Chairman and Executive Director of SOTEG S.A. (1999-2009)
- Chairman and Executive Director at Luxgaz Distribution S.A. (2002-2010)

1992-1996

General Motors Luxembourg, Systems Engineer – engine management systems

Short bio of Vafa Moayed Chairman of the Audit Committee

* 1958, Casablanca (Morocco)

Education

Graduate in management and engineering from the University of Mons, Belgium

Certified public accountant

Professional experience

2018

Independent director with Duferco International Holding Luxembourg and member of Enovos Luxembourg S.A. Board

1983-2017

Deloitte, Luxembourg, statutory audit, risk management, and forensic assignments for the banking and financial services industry

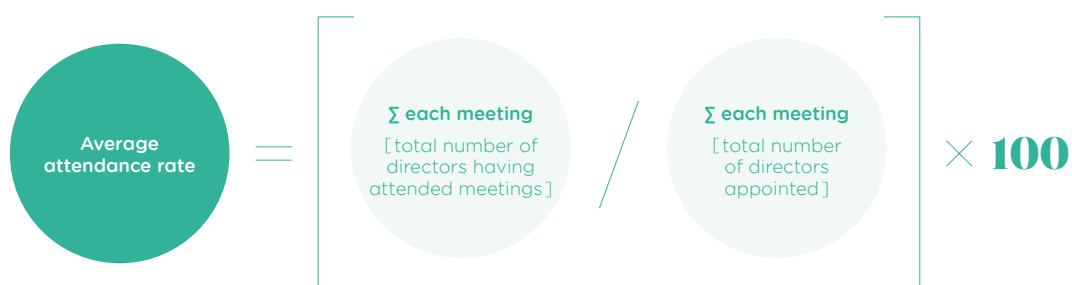
Appointed partner in 1993 and served in various capacities within the company:

- Audit partner, Deloitte Group Risk & Reputation Managing Partner (2005-2017)
- Member of the Executive Committee (2005-2017)
- Leader of “Risk & Attest” department of Deloitte Consulting (2007-2015)
- Deloitte Luxembourg’s Chief Ethics Officer (2005-2010) and Head of Deloitte Luxembourg Russia & CIS desk (1998-2015)



Number of meetings and attendance rates in 2024

ENCEVO CORPORATE BODIES	AVERAGE ATTENDANCE RATE
Board of Directors	95%
Audit Committee	90%
Group Strategy Committee	100%
Investment Committee	90%
Nomination and Remuneration Committee	92%



Composition and diversity of the Executive Board – overview

Number of members	5
Business Representatives	3 ⁸
Corporate representatives	2 ⁹
Gender diversity ratio	1/5 (20%)
Nationalities	EU 5
	LUX 4
Number of meetings	48 ¹⁰
Quorum rule	At least 3 members ¹¹

⁸ Grids, Markets and Technical Services.

⁹ Group CEO and Group CFO.

¹⁰ In addition, there were two Group Risk Committee Committees which are held together with Executive Board members.

¹¹ Corporate functions must be represented through at least one representative.



Detailed composition of the Executive Board, skills, and experience (as of 31 December 2024)

Claude Seywert

Group CEO and CEO of Encevo S.A.
* 1971, Luxembourg

Education

Diploma in Physics from the Eidgenössische Technische Hochschule Zürich (ETHZ), Switzerland

MSc and PhD in aeronautics from the California Institute of Technology (CalTech), USA

Professional experience

2018

Encevo S.A. (Encevo Group, energy), Luxembourg,
Chief Executive Officer of Encevo

2012-2018

Creos Luxembourg S.A. (Encevo Group, energy), Luxembourg, several senior positions, most recently Chief Executive Officer of Creos Luxembourg S.A., and member of the Executive Board of Encevo S.A. (the parent of Creos Luxembourg S.A.)

2002-2011

Arcelor and ArcelorMittal Group (steel), Luxembourg and France, steel business, several senior positions, most recently Chief Operating Officer Finishing with ArcelorMittal Lorraine, France

2000-2002

McKinsey, Germany, strategy consulting

Jean-Luc Santinelli

Group Lead Technical Services and CEO of Teseos Luxembourg S.A.
* 1969, Luxembourg

Education

Master's degree in electrical engineering with a specialisation in Business Management from the University of Karlsruhe, Germany

Professional experience

2019

Teseos Luxembourg S.A. (former Enovos Services Luxembourg, Encevo Group, energy) and (since 2023) member of the Executive Board of Encevo S.A. (the parent of Teseos Luxembourg S.A.)

2009- 2019

Enovos Luxembourg (Encevo Group, energy), most recently Chief Commercial Officer

2002-2009

Cegedel (energy), Luxembourg, most recently Sales Director

1996 to 2001

Alstom Cegelec AEG, most recently Head of the Industry department

Erik von Scholz

Group Lead Markets & Renewables and
CEO of Enovos Luxembourg S.A.

* 1969, Brussels

Education

Graduated in Civil Engineering and
Economics at the Technische
Universität Berlin,
Germany

MBA from Heriot-Watt University,
Edinburgh, United Kingdom

Professional experience**2018**

Enovos Luxembourg S.A.
(Encevo Group, energy), CEO and
member of the Board of Directors of
Enovos Luxembourg S.A. and member
of the Executive Board of Encevo S.A.

2016-2018

Encevo S.A. (Encevo Group, energy),
member of the Executive Board of
Encevo S.A. (since 2016), in charge of
Corporate Development and Strategy
(until 2018) and in charge of
Renewables (since 2017)

1998 to 2015

Engie Group (energy), Brussels (Belgium)
and Berlin (Germany), most recently
CEO of Engie in Germany and
Executive Committee member of
the Energy Europe Division

1995-1998

PwC, Berlin (Germany), Audit and
Corporate Finance Services departments

Marc Schroeder

Group Chief Financial Officer and
Chief Risk Officer

* 1964, Luxembourg

Education

Master's degree in economics from
the University Louis Pasteur, Strasbourg,
France

Professional experience**2021**

Encevo S.A. (Encevo Group, energy), CFO,
and member of the Executive Board
of Encevo S.A.

2014-2020

Luxair Group (aviation), Luxembourg,
Executive Vice President Finance and
member of the Executive Board of
the Luxair Group

2002-2014

ArcelorMittal Group (steel), most recently
General Manager Finance and Legal at
ArcelorMittal WireSolutions (2005-2014)

1989-2001

ARBED Group (steel), most recently
Vice President Strategy of
TrefilArbed Arkansas (USA)

Laurence Zenner

Group Lead Grids and
CEO of Creos Luxembourg S.A.
* 1971, Luxembourg

Education

Master's degree in civil engineering
from the University of Liège,
Belgium

Professional experience

2023

Creos Luxembourg S.A.
(Encevo Group, energy), CEO and
member of the Board of Directors,
and member of the Executive Board
of Encevo S.A.

1999-2023

CFL Group (railway activities), Luxembourg,
most recently CEO of CFL Cargo Group
(2018-2023) and Secretary General
(2014-2017)

1995-1999

Commercial Intertech S.A.,
(manufacturer of metal halls),
Luxembourg, research engineer

Additional activities

2025

Member of the Board of Directors
of Luxembourg Institute of Science
and Technology (LIST)

2008-2017

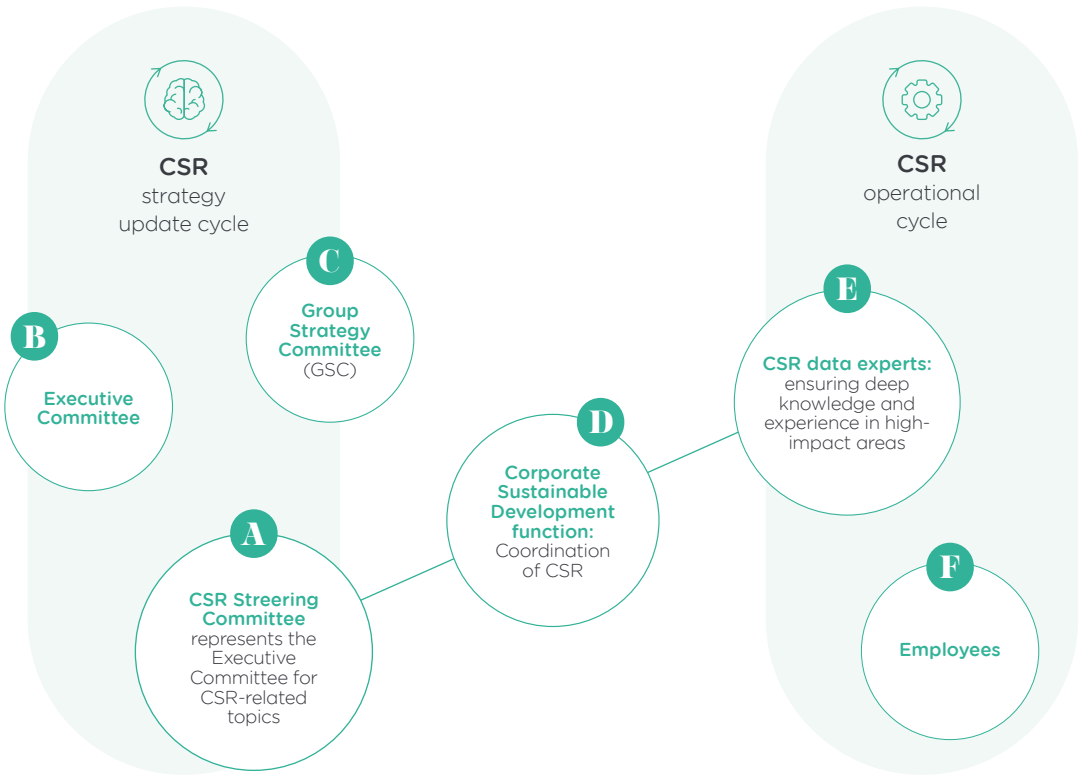
University of Luxembourg,
Associate Teacher at the Faculty of Sciences,
Technology and Communication



How governance works in relation to sustainability matters

In addition to the Executive Board, the Group Strategy Committee and the Board of Directors, all of whom are actively engaged in sustainability matters, a CSR Steering Committee has been set up at daily management level. The committee is responsible for developing the group's CSR policy and overseeing its implementation across the organisation. The CSR Steering Committee is chaired by the CEO of the

Encevo S.A. and comprises key stakeholders with group-level responsibilities in areas such as corporate social responsibility, governance, ethics, communications, human resources and strategic procurement. The CSR department at the holding level is supported by a network of data experts across the group, fostering collaboration with employees in various sustainability-related areas.





CSR strategy update cycle

A CSR Steering Committee

- Selecting and evaluating CSR projects and initiatives to be undertaken
- Providing senior expertise and contributing to the materiality assessment approach
- Reviewing and validating the proposed CSR approach
- Driving and enhancing the Encevo Group CSR Framework
- Providing management attention by the CEO of Encevo acting as Chair

B Executive Committee

- Acting as final authority over launch of CSR initiatives and projects, as well as the validation of the CSR approach and materiality analysis

C Group Strategy Committee

- Acting final authority over launch of CSR initiatives and projects, as well as the validation of the CSR approach and materiality analysis



CSR operational cycle

D Corporate Sustainable Development function

- Reviewing and proposing updates to the group's CSR approach and materiality assessment
- Coordinating the execution of the group's CSR approach with appropriate stakeholders
- Delivering the Sustainability statement as an integrated part of the Encevo Group Annual Report
- Acting as a point of contact and facilitator for CSR exchanges between stakeholders and the organisation.
- Presenting the results to the Group Strategy Committee and the Executive Committee
- Supporting the business with CSR requests from customers related to sustainability
- Ensuring enough organisational weight as hierarchical direct reporting line to CEO of Encevo

E CSR data experts

- Raising specific CSR-related issues
- Participating in materiality assessments
- Providing data and information on current activities within their field of expertise
- Analysing complex data used to determine the level of achievement in various areas

F Employees

- Contributing to CSR projects and actions
- Integrating sustainability in day-to-day operations in their business entities

Information provided to, and sustainability matters addressed by, the undertaking's administrative, management and supervisory bodies

In line with the CSR governance framework adopted in 2022, the Board of Directors of Encevo S.A. received updates on the group's KPI results and achievements for the year, along with CSR targets for 2024 in Q1 2024. The Board acknowledged these updates and validated the revised group strategy, which integrates KPIs addressing financial and operational objectives, as well as environmental, social and governance (ESG) aspects, including greenhouse gas emissions, green investments and revenues and employee engagement. Prior to submission to the Board, the KPIs, 2024 targets (including CO₂ reduction goals) and the Group Strategy had been approved by the Executive Board and subsequently reviewed by the Group Strategy Committee.

The Board was also introduced to the "Energized Leaders" management and leadership training programme, which was launched in 2023 as part of a group-wide HR initiative endorsed by the Executive Board. This ongoing programme aims to foster

a leadership and value-driven culture across the group, emphasising ESG principles such as diversity and inclusion. Furthermore, the Board reviewed the results of the 2023 well-being and engagement survey, which had been initiated by the Executive Board.

In the final quarter of 2024, the Board adopted two key policies: one for the selection and appointment of board members, and another for the recruitment, selection and appointment of executive board members. Both policies, which were developed by the Nomination and Remuneration Committee, prioritise ESG considerations, focusing on relevant skills, competencies and integrity before receiving Board approval.

Lastly, during each of its four meetings in 2024, the Board reviewed reports from the Chairman of the Audit Committee outlining the committee's activities. These reports typically addressed audit, risk management, governance and integrity-related matters.

Integration of sustainability-related performance in incentive schemes

The Nomination and Remuneration Committee (RemCo) is tasked with overseeing and advising the Board of Directors on evaluating the performance of Executive Committee members and defining their remuneration terms. Each year, the RemCo establishes qualitative and quantitative objectives for the Executive Committee members, which serve as indicators to evaluate their

annual performance and determine the variable components of their remuneration. Specifically, the defined objectives are assigned scores, resulting in an assessment outcome. The outcome is applied to the target variable remuneration component set at the beginning of the performance year, thereby determining the actual variable remuneration component.

The performance assessment model is structured as follows:

1. Financial performance

Financial performance constitutes 50% of the overall assessment and is calculated based on the outcomes of one to three financial metrics, each carrying equal weighting.

2. Business objectives

Business objectives also account for 50% of the overall assessment and are evaluated based on the achievement of two to five business objectives, each equally weighted.

These objectives are typically aligned with the group's sustainability strategy and contribute to the development of sustainable operations, particularly in environmental initiatives.

> Developing sustainable operations (Environment)

3. Adjustment factor I -

Management skills

This adjustment factor evaluates the overall management, communication, accountability and leadership skills demonstrated by members of the Executive Committee throughout the performance year. It assesses their contribution to fostering a balanced, responsible and open corporate culture.

> Ensuring a responsible and inclusive corporation (Social)

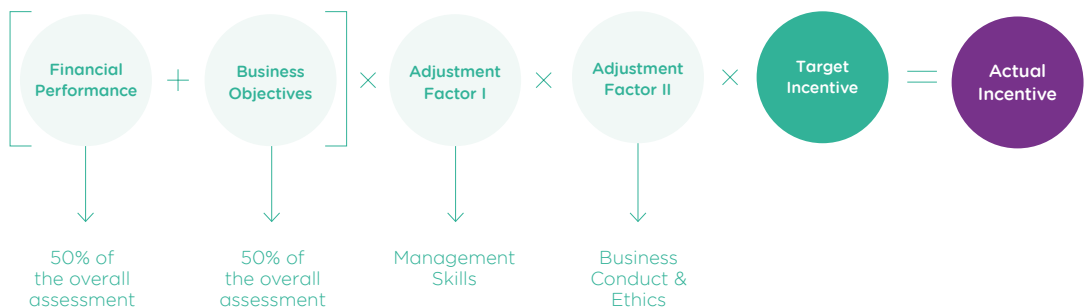
4. Adjustment factor II -

Business conduct and ethics

This adjustment factor assesses compliance by Executive Committee members with the group's rules and regulations. It ensures that Executive Committee members uphold the highest standards of ethics, integrity and independence while adhering to the group's risk management and internal control framework. It also evaluates their role in promoting governance principles and creating value for the community.

> Creating and sharing values with communities (Governance)

The performance assessment model can be outlined as follows:



Statement on due diligence

At the Encevo Group, due diligence is a cornerstone of responsible business conduct. This approach aligns with the ESRS 2 GOV-4 standard, emphasising the importance of a strong corporate culture and ethical governance. The due diligence process is designed to identify, assess and mitigate potential risks related to legal compliance (including economic sanctions, anti-fraud and corruption, as well as anti-money laundering), human rights violations and the environmental impact across its value chain.

The group periodically reviews, refines and strengthens these processes to ensure they remain effective and aligned with best practices. While significant progress has been made, certain areas are still undergoing improvements to ensure consistent and comprehensive coverage.

The due diligence process includes:

- **Risk identification**
Regular evaluations of the group's operations, supply chains and partnerships to identify potential ethical or compliance risks.
- **Stakeholder engagement**
Active collaboration with employees, suppliers, customers and external partners to promote transparency and uphold high standards of integrity.
- **Preventive measures**
Implementation of robust policies, including the Business Code of Conduct and the Supplier Code of Conduct, complemented by mandatory training programmes to ensure awareness and adherence to ethical principles.
- **Monitoring and reporting**
Establishing clear mechanisms for reporting and addressing concerns through escalation processes including a whistleblowing system, as well as regular audits and performance reviews.

Through this approach, the Encevo Group fosters a culture of accountability and ethical behaviour, ensuring compliance with governance standards and contributing to sustainable and responsible business practices. A mapping table will be provided in the Annual Report of the fiscal year 2025.

Risk management and internal controls over sustainability reporting

The Encevo Group prioritises robust risk management and internal control systems to ensure the accuracy, reliability and transparency of its sustainability reporting. These systems are integral to identifying and mitigating risks associated with sustainability data collection, analysis and disclosure.

Key elements of the approach include:

- **Governance oversight**
Clear accountability is established through CSR administrative, management and supervisory bodies, which oversee the development and implementation of sustainability reporting processes.
- **Data integrity**
Standardised procedures with detailed roles and responsibilities of data experts and a professional CSR Management System (Sphera) are in place to collect, validate and consolidate sustainability data from all fully consolidated subsidiaries, ensuring consistency and compliance with applicable standards.
- **Risk assessment**
Periodic evaluations of potential risks, such as data inaccuracies, reporting non-compliance, or gaps in stakeholder expectations, enable proactive risk mitigation. The CSR function maintains a risk and control matrix for this purpose.
- **Audits**
As of 2024, independent reviews are conducted to assess the effectiveness of controls and identify areas for improvement in the reporting framework especially for a first subset of datapoints (decarbonisation, renewable energy sources capacity, work accidents) which will be extended to the full scope as of Annual Report 2025.
- **Continuous improvement**
Extensive training programmes and feedback mechanisms are integrated to ensure employees are informed about reporting requirements and to enhance the robustness of its processes.

This rigorous framework will ensure that the Encevo Group's sustainability reporting reflects its commitment to transparency, supports informed decision-making and aligns with stakeholders' expectations and regulatory requirements.

Strategy

Strategy, business model and value chain

The Encevo Group is strategically positioned as the leading partner for the sustainable energy transition within the Greater Region.

The group operates within four strategic blocks:

1. Central producer and supplier of renewable energy
2. Trusted provider for decentralised energy ecosystems
3. Reliable operator of smart grid infrastructure
4. Enabler for collaboration, cooperation and customer-centricity

The Encevo Group's strategic priorities and business activities are firmly aligned with environmental, social and governance objectives. This alignment drives the group's efforts to significantly reduce its greenhouse gas emissions, enhance resource efficiency and advance sustainable energy systems throughout the Greater Region. Furthermore, the Encevo Group actively engages in initiatives to enhance the Greater Region's renewable energy capacity, promote energy efficiency and advance decarbonised energy solutions.

Core offer: significant products, services and customer focus

The Encevo Group emphasises a customer-centric and collaborative approach, leveraging digital innovation and partnerships, and offers a comprehensive portfolio of products and services designed to meet the energy needs of diverse customer segments while supporting the sustainable energy transition in the Greater Region and beyond.



The group's offer is structured around three core business activities:

1. Energy generation and supply

The Encevo Group, through its subsidiary Enovos, generates energy from centralised and decentralised renewable energy sources such as hydro, wind, solar and sustainable biomass-based electricity and heat. The organisation also supplies energy, including electricity, natural gas and heat, to meet the diverse and evolving needs of residential, commercial and industrial customers across the Greater Region.

responsible for the construction, financing, and operation of district heating grids, providing sustainable and efficient heating infrastructure and supply. Future plans include the integration of hydrogen infrastructure to support the decarbonisation of difficult to decarbonise sectors such as industry and transport. These systems ensure the secure and efficient delivery of energy across urban and rural areas in the Greater Region.

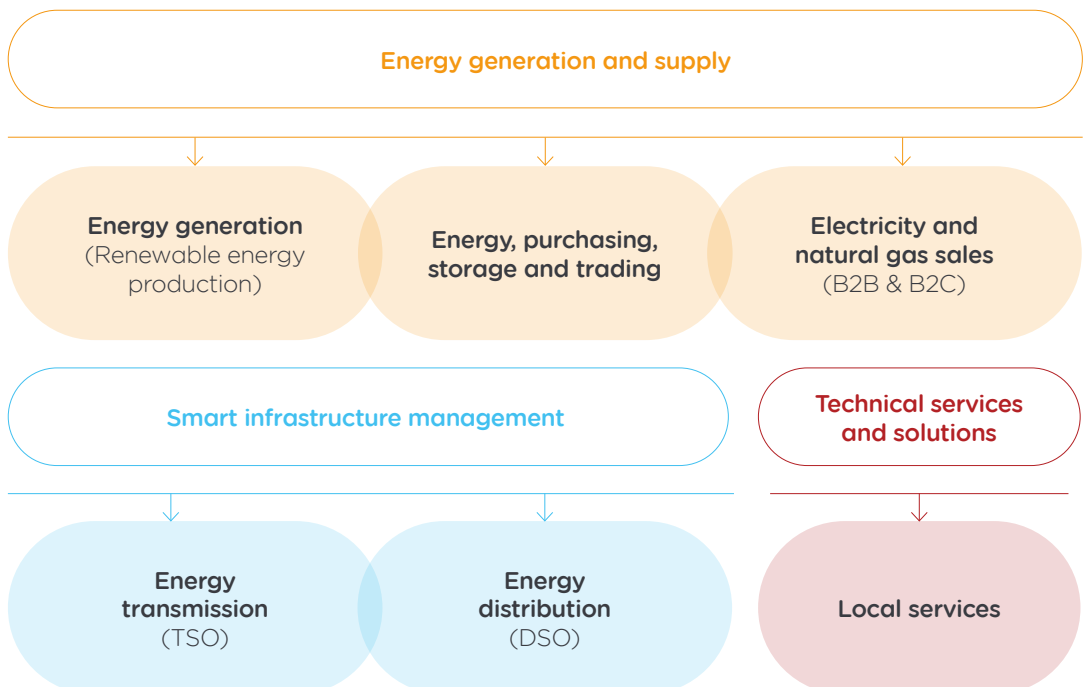
2. Smart infrastructure management

The Encevo Group, through its subsidiaries, develops and operates advanced energy infrastructure, ensuring the secure and efficient delivery of energy across the Greater Region. Creos develops and manages the electricity and gas grids, which form the backbone of reliable energy distribution and enable the integration of renewable energy sources. In addition, its subsidiary LuxEnergie is

3. Technical services and solutions

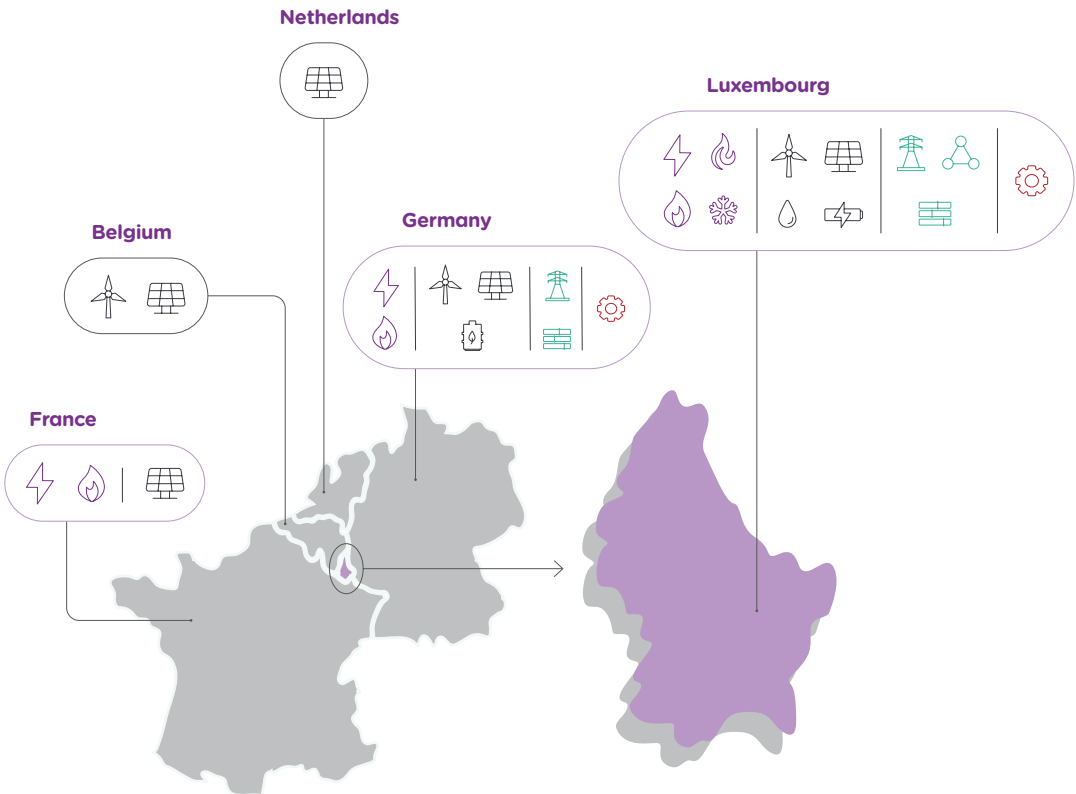
The Encevo Group, through the various entities of its subsidiary Teseos, provides innovative products and services such as decentralised energy systems, energy efficiency solutions and e-mobility infrastructure. These offers are tailored to meet specific customer needs and contribute to reducing the carbon footprint, improving energy efficiency and enhancing sustainability.

The Encevo Group activities along the energy value chain



Presence in the Greater Region

The Encevo Group’s activities are primarily concentrated in the Greater Region, which includes Luxembourg and neighbouring areas in Belgium, France and Germany as well as in the Netherlands. This geographical positioning with its core area in the Greater Region around Luxembourg enables the group to leverage cross-border synergies, contribute to regional energy objectives and act as a reliable partner for stakeholders in the region.



Energy supply

- Electricity
- Natural gas
- Heat
- Cold

Energy generation

- Wind energy
- Hydroelectric energy
- Solar energy
- Combined Heat & Power (CHP)

Energy storage

- Natural gas storage
- Electricity storage

Energy infrastructure

- Electricity transport
- Natural gas transport
- Combined Heat & Power (CHP)

Technical services and solutions

- Building equipment, material distribution, facility management, realisation and installation of energy distribution systems, renewable energy production, e-mobility, and energy efficiency

Geographical priorities and growth: focus areas and expansion plans

The group's current geographical focus includes:

Luxembourg: acting as the central hub of operations. Luxembourg hosts the group's corporate headquarters and key infrastructure projects.

Adjacent regions: strategic activities in the border regions of Belgium, France and Germany, as well as on an opportunistic basis in the Netherlands, allow for the optimisation of energy systems and shared infrastructure. The group is exploring targeted growth opportunities beyond its core area, guided by a selective approach

that prioritises renewable energy sources such as solar and wind. By continuing to invest in innovative energy technologies and infrastructure, including hydrogen and battery energy storage systems, the organisation is well-positioned to expand into new markets while reinforcing its strong regional focus. The group's expansion strategy is driven by its commitment to sustainability, innovation and stakeholder collaboration, ensuring that any growth is in line with both regional and European Union decarbonisation objectives.



The Encevo Group value chain: inputs, operations, outputs and outcomes

The Encevo Group's value chain covers the entire lifecycle of energy-related activities, from the sourcing of key inputs such as natural gas, electricity and renewable energy, through operations that include generation, infrastructure management and customer-focused services, to outputs such as reliable, decarbonised energy solutions. It extends to outcomes that deliver economic, environmental and social value, while integrating significant business relationships with suppliers, customers and distribution channels, ensuring resource efficiency and alignment with sustainability objectives.

Inputs

The Encevo Group's value chain begins with the sourcing of key energy resources, including natural gas, electricity and renewable energy from wind, solar, hydro and biomass. In addition to energy procurement, the group sources different materials that are used to develop its infrastructure projects in transmission and distribution networks and renewable energy production. The group also leverages advanced technologies and digital platforms to optimise energy generation, distribution and customer interactions. The selection of inputs is made with a strong focus on sustainability, prioritising resource efficiency, decarbonisation and compliance with EU environmental regulations.

Operations

The group's operations are centred around three core activities:

Energy generation and supply

The group generates and procures energy, with a growing share of renewable sources, to ensure a secure, reliable and sustainable supply for its customers.

Smart infrastructure management

Through its subsidiaries Creos and LuxEnergie, the group operates robust electricity, gas and heating grids. Creos is responsible for maintaining and modernising electricity and gas grids, while LuxEnergie builds, finances and operates district heating networks, fostering energy efficiency and decarbonised heating solutions.

Technical services and solutions

The group provides tailored solutions, including decentralised energy systems, energy efficiency measures and e-mobility infrastructure, enabling customers to actively participate in the energy transition.

Outputs

The primary outputs of the group's activities include reliable energy supply and/or services, decarbonised energy solutions and innovative products that support energy efficiency and sustainability goals.

These outputs directly contribute to reducing greenhouse gas emissions, enhancing energy security and enabling customers to achieve their environmental objectives.

Outcomes

The outcomes of the group's value chain extend beyond immediate energy delivery. They include tangible contributions to regional decarbonisation, enhanced customer satisfaction and strengthened energy resilience in the Greater Region. The Encevo Group also generates significant social and economic value by creating local jobs, fostering innovation and supporting the EU Green Deal's climate neutrality targets.

Business relationships: building strong partnerships with suppliers, customers and distribution channels

The Encevo Group's strategy is based on a network of significant business relationships that span suppliers, customers and distribution channels. These partnerships enable the group to deliver innovative energy solutions while ensuring environmental and social responsibility across its value chain.

Customers

The Encevo Group's customer base is diverse, encompassing residential, commercial, small and medium sized companies and industrial users. These relationships are integral to driving the adoption of a sustainable energy supply and supply-related services, as well as clean energy solutions. Enovos empowers its customers with tailored energy efficiency initiatives, whereas Teseos and its subsidiaries offer advanced installations and energy-related services that simplify the transition to renewable energy and sustainable mobility.

Suppliers

Suppliers of the Encevo Group are crucial partners in supporting the transition to renewable energy and the modernisation of infrastructure. They provide essential

components and equipment for the electricity, natural gas and heating grids, for renewable energy systems based on wind, solar and biomass, as well as for the procurement of energy related services in the field of photovoltaics, batteries, e-mobility charging infrastructure, heat pumps and the linked electrical equipment. The Encevo Group prioritises partnerships with suppliers committed to sustainability, including compliance with international labour standards and low-carbon production practices.

Distribution channels

The operation of the Encevo Group's electricity, gas and heating grids ensures the reliable delivery of energy within the regions where the group operates in the Greater Region. In parallel, the group is advancing digital platforms and e-mobility infrastructure to enhance accessibility and customer engagement. Strategic collaborations with municipalities and third-party operators further expand its impact while aligning with regional sustainability goals.



The Encevo Group business model in line with the sustainable energy transition

Energy generation and supply

Renewable energy generation

- Generation and growth of renewable electricity production from wind, photovoltaic and hydro sources.
- Production of heat, cold and combined heat and power through trigeneration from renewable energy sources, mainly wood biomass, as well as heat generation from geothermal, aquathermal and aerothermal energy.
- In the future, potentially production of renewable hydrogen.

Renewable energy supply

- Enlargement of the offer of renewable energy products and services including:
 - Renewable electricity products and services sourced from own production, guarantees of origin (GOs), power purchase agreements, (dynamic) tariffs for residual electricity for consumers and prosumers as well as marketing of surplus electricity;
 - Heat and cold generated by renewable energy sources;
 - Renewable gases, sourced from regional biogas plants, biomethane GOs and, in the future, renewable hydrogen.
- Development of the product offer that supports demand-side management, e.g. flexible electricity tariffs.

Smart infrastructure management

Electricity infrastructure

- Network growth in support of the electricity needs for the sustainable energy transition.
- Development of network flexibility, energy data management and digitalisation.

Natural gas infrastructure

- Investments in maintenance of existing infrastructure to supply residential, commercial and industrial needs. Plan the transition to decarbonised gases and green hydrogen.

Heating & cooling infrastructure

- Transition to renewable energy sources, including sustainably sourced biomass and ambient heat sources, to supply district heating networks and connected end customers with renewable heat and cooling.
- Investments in new projects based on wood pellets or heat pumps.

Technical services and solutions

Procurement of solutions in different ecosystems to support the energy transition:

- Installations: PV panels, battery storage, heat pumps, EV chargers and thermal systems;
- Installation-related services: advisory, financing, insurance, subsidies and facility management;
- Energy-related services: smart energy management, EV charging, community and reimbursement solutions.

ESG foundation

Environmental

- Innovation and R&D
- ESG aligned investments
- Sustainable procurement, IT, Marketing
- Own energy consumption is efficient and renewable
- Communications and programmes that foster sustainable choices and habits among consumers

Social

- Security of supply and customer data privacy
- HR skills supporting the energy transition
- Health and safety
- Employment practices and employee well-being
- Training and skills development
- Diversity, equity and inclusion
- Respect of human rights

Governance

- Sound sustainability governance
- Business conduct

Employee headcount by countries

This information is presented in the “Own workforce” section with the metrics and targets on page 125.

Revenue generation by sector

Information on net-turnover breakdown by sector activity is disclosed in note 27 of the consolidated accounts on page 187 of this report. This information includes the revenues generated from the group’s activities in the fossil fuel sector, including transportation and distribution, storage, trading and sales of natural gas.

Interests and views of stakeholders

The Encevo Group’s approach to stakeholder engagement includes three steps:

1.

Identify
stakeholders

2.

Engage with
stakeholders

3.

Align with
stakeholder
interest

1. Identify stakeholders

The Encevo Group engages with a diverse range of stakeholders, recognising their critical role in shaping its operations and driving the energy transition. The key stakeholder groups include (non-exhaustive):

- **Customers:** The Encevo Group caters to a broad range of customers across its electricity, gas and heating grid infrastructure within the Greater Region.

These include:

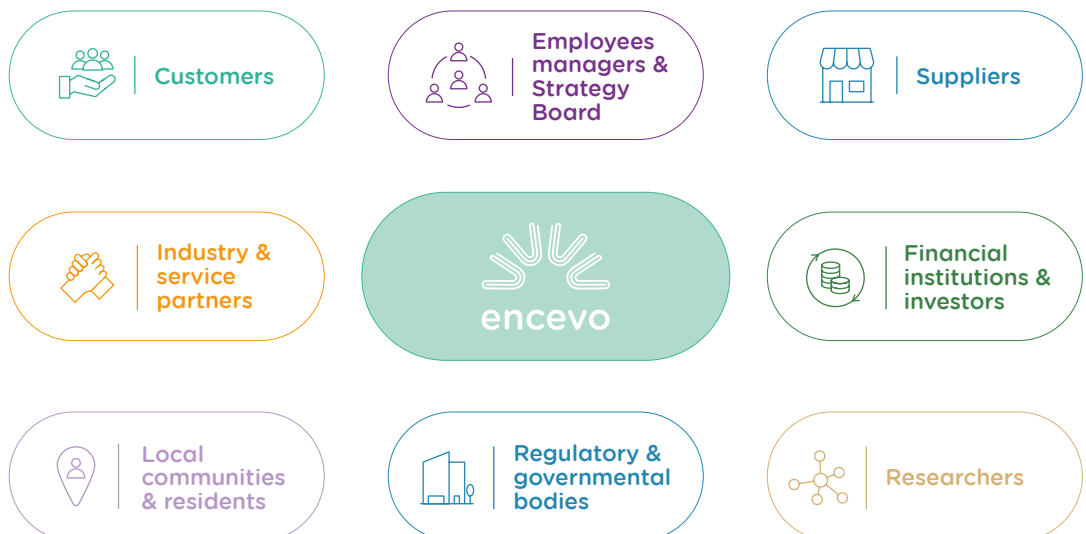
Grid customers: Entities directly connected to the group's electricity, gas and/or heating grids.

Energy customers: End consumers of electricity gas, and/or heat who connect to the group's grids to access energy, including residential households, commercial customers, small and medium-sized enterprises (SMEs) and large industrial customers. The group's customer base spans multiple regions and energy types, reflecting the diversity of needs and energy transition requirements in Luxembourg, Germany and neighbouring areas.

- **Regulators:** National and regional authorities providing the regulatory framework for energy systems and reporting, including sustainability reporting. Engaging with regulators ensures the group's compliance and alignment with EU directives and national frameworks.

- **Employees:** A workforce that includes operational, technical and administrative staff, whose expertise and commitment drive the implementation of the Encevo Group's strategy.
- **Communities:** Local populations in areas impacted by energy grid and renewable energy production infrastructure projects and that are increasingly being confronted with a new role in the context of the energy transition, namely as active consumers and/or prosumers.
- **Financial institutions and investors:** Institutional and individual investors seeking alignment between financial performance and sustainable growth, focusing on the Encevo Group's commitment to decarbonisation and long-term value creation.

By maintaining meaningful dialogue with these stakeholder groups, the Encevo Group ensures its operations are attuned to their needs and expectations while advancing its sustainability objectives.



2. Engage with stakeholders through a structured process

The Encevo Group places strong emphasis on transparent and collaborative stakeholder engagement to foster trust and ensure that its activities are in line with societal and environmental priorities. The group uses various engagement methods, including:

- **Consultations and workshops**
Regular sessions with regulatory bodies, municipalities and community representatives, as well as customer dialogue to discuss infrastructure developments, energy policies and project-specific impacts.
 - **Partnerships**
Collaboration with local governments, industrial actors, SMEs, real estate developers and other stakeholders to co-develop innovative projects, such as renewable energy projects, smart grid advancements, individual or district solutions and sustainability programmes.
 - **Surveys and feedback mechanisms**
Customer dialogues and satisfaction surveys for grid and energy customers to evaluate service quality, assess operational needs and gather input on energy efficiency initiatives. Employee surveys are also conducted to enhance engagement and well-being.
- 

Summary of feedback and its impact on strategic decisions

The insights gathered through several engagement processes, which are conducted in different forms and settings, have directly influenced the Encevo Group's strategy and operational priorities. Stakeholder feedback is critical to ensuring that the group's projects align with societal expectations and contribute effectively to the energy transition. Key examples include:

- **Expanding renewable energy projects and exploring innovative solutions**

Stakeholder demand for decarbonised energy solutions has driven the development of new renewable energy projects, including solar installations and wind farms. The Encevo Group engages with local populations during the planning and authorisation phases to address concerns, enhance transparency and foster public acceptance. The group also strives to involve local populations as shareholders in wind projects, ensuring shared ownership and distributing economic benefits to impacted communities. As part of its innovation strategy, the group is analysing the feasibility of a hydrogen production pilot in Luxembourg, engaging customers and partners to integrate hydrogen into industrial and commercial applications and support decarbonisation.

- **Enhancing grid infrastructure and planning for future needs**

Understanding customer needs, particularly in the context of fuel switching, allows the Encevo Group to plan future grid infrastructure more effectively. For example, by anticipating increases in electricity demand as customers transition from gas to electricity for heating or mobility, the group can ensure the grid capacity meets the evolving requirements. Additionally, investments in energy storage systems enhance the reliability of the grid and support distributed renewable energy.

- **Supporting the adoption of e-mobility**

Feedback from B2C customers has highlighted the importance of accessible and reliable charging infrastructure for electric vehicles. In response, the Encevo Group has integrated the development of e-mobility solutions into its strategy, enabling a smoother transition to electric transportation for residential and commercial customers.

- **Improving customer satisfaction**

Customer surveys and feedback mechanisms have led to targeted efforts to improve service quality and enhance satisfaction among grid and energy customers. This includes optimising energy efficiency programmes and ensuring reliable energy delivery to meet the expectations of both residential and business users.

- **Strengthening community engagement**

The group and its relevant subsidiaries continuously refine their engagement practices with municipalities and residents to ensure projects align with local priorities. This approach minimises the environmental impact while fostering stronger relationships with communities, particularly in areas where new renewable energy infrastructure is being deployed.

These efforts ensure that the Encevo Group remains aligned with stakeholder expectations while driving strategic initiatives that support decarbonisation, resource efficiency and sustainable growth.

3. Align with stakeholder interests

Integrating stakeholder perspectives into the strategy and business model

Stakeholder feedback gathered through consultations, surveys and community engagement processes has significantly shaped the group’s strategic priorities. For example:

- Insights from **local populations** and authorities have informed the design and authorisation of renewable energy and grid infrastructure projects. The Encevo Group has adapted project timelines, layouts and environmental measures to address community concerns and enhance public acceptance.
- **Regulator guidance** has driven the alignment of the Encevo Group’s operations with national and EU sustainability goals, such as emissions reduction and energy efficiency.
- Feedback from **customers**, including residential, SMEs and industrial users, has influenced the expansion of renewable energy offers, energy efficiency programmes and electric mobility solutions.

Adjustments to address stakeholder concerns and sustainability priorities

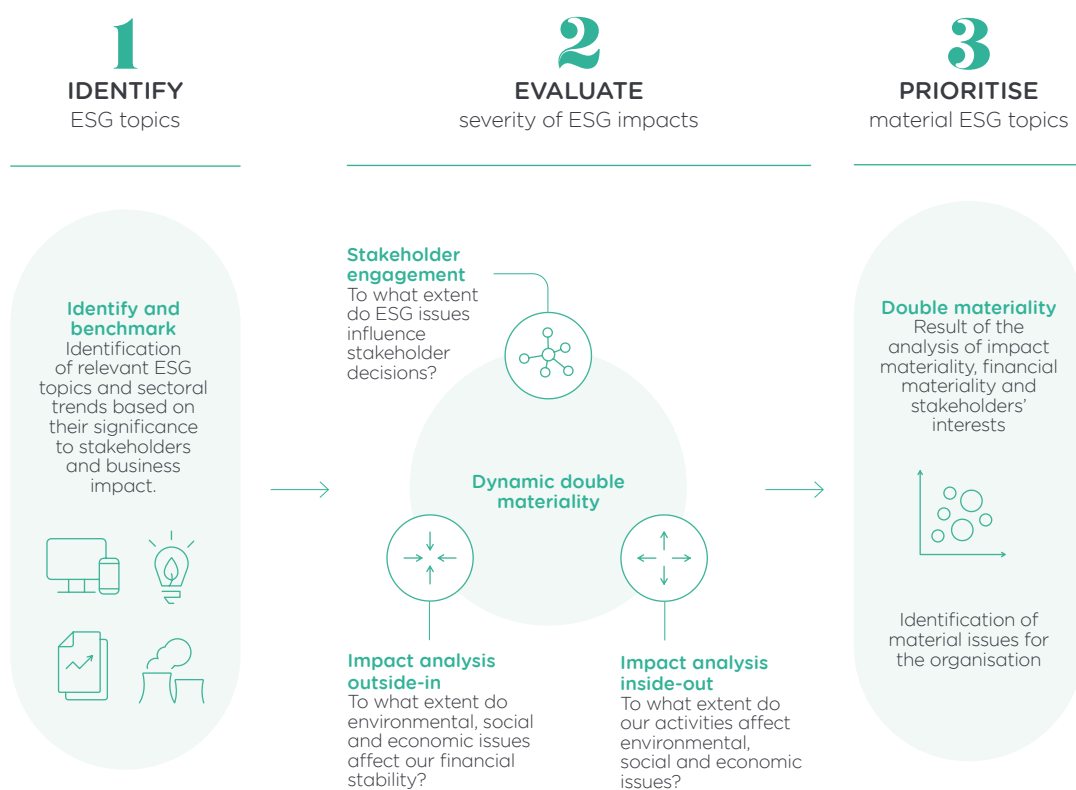
The Encevo Group continuously refines its strategy and operations to respond to stakeholder priorities and advance sustainability goals. Key adjustments include:

- **Enhanced community engagement**
Greater involvement of local populations in wind projects through shared ownership models, ensuring that economic benefits are distributed within impacted communities.
 - **Grid infrastructure development**
Improvements in grid planning and authorisation processes, focusing on anticipating energy demand shifts from fuel switching and accommodating the integration of renewable energy.
 - **Support for e-mobility**
Integration of EV charging infrastructure into strategic plans to meet the needs of customers transitioning to sustainable transport solutions.
 - **Innovation in energy solutions**
Launch of a pilot project for hydrogen production, engaging industrial and commercial partners to explore hydrogen integration, further aligning with decarbonisation objectives.
- Through these measures, the Encevo Group ensures that stakeholder feedback is not only acknowledged but actively incorporated into strategic decision-making. This collaborative approach reinforces the group’s role as a key player in the sustainable energy transition, balancing environmental, social and economic priorities.
- The process described above is summarised in the following table, with stakeholder groups listed in alphabetical order.

Stakeholder group	Engagement methods	Key topics discussed	Impact on strategic decisions
Customers (grid customer, energy customer)	Surveys, feedback mechanisms, consultations	Service quality, energy efficiency, renewable energy, e-mobility	Expansion of renewable energy, improved grid services, enhanced customer programmes
Employees & managers	Surveys, workshops, internal communications, committees	Employee well-being, engagement, skills development	Enhanced employee engagement strategies, workforce development initiatives
Industry & service partners	Partnerships, innovation collaborations	Smart grids, hydrogen production, decarbonisation efforts	Launch of hydrogen pilot projects, investment in smart energy solutions
Financial institutions & investors	Reports, financial meetings	Financial performance, sustainability investments, strategic growth	Alignment of investment strategies with sustainability goals, increased opportunities for green financing instruments
Local communities & residents	Public consultations, stakeholder dialogues, meetings	Renewable energy projects, environmental concerns, community benefits, sponsoring opportunities in environmental or social matters	Shared ownership models for wind or photovoltaic projects, improved transparency and local engagement in environment or social matters
Regulatory & governmental bodies	Consultations, workshops	Energy policies, grid infrastructure development sustainability goals, data privacy	Alignment with national/EU laws and sustainability targets
Researchers	Innovation projects, strategic partnerships	Emerging technologies, energy transition, sustainability research	Development of innovative energy solutions, integration of new technologies
Strategy Board	Strategic meetings, reports	Business direction, market trends, sustainability strategies	Refinement of long-term sustainability strategies and business alignment
Suppliers	Communication on procurement processes, questionnaires	Supply chain sustainability, sustainable sourcing	Strengthened supplier code of conduct, improved supply chain sustainability and compliance

Material impacts, risks and opportunities and their interaction with strategy and business model

In 2022 and 2023, the Encevo Group undertook a comprehensive update of its double materiality matrix including relevant issues in European and international standards such as IIRC¹², SASB¹³, TCFD¹⁴, GRI 2021¹⁵, ISSB¹⁶ and WBCSD¹⁷. This concept of double materiality acknowledges the importance of assessing risks and opportunities from both financial and non-financial perspectives.



In June 2024, the EFRAG guidance on Double Materiality Assessment (DMA) was published, prompting the group to perform an updated DMA in Q2-Q3 2025, incorporating these new requirements.

The Double Materiality Assessment, as defined by the European Financial Reporting Advisory Group (EFRAG), is a framework used to assess the significance of sustainability issues from two distinct perspectives. Firstly, it evaluates **financial materiality**, which considers how sustainability factors, such as climate change or social issues, impact a company's

financial position, performance or prospects. Secondly, it examines **impact materiality**, focusing on how a company's activities affect the environment, people and society at large, both currently and in the future. This dual perspective ensures that businesses account for both the financial implications of sustainability risks and opportunities and their responsibility toward broader societal and environmental impacts. By integrating these dimensions, double materiality provides a comprehensive approach for identifying and prioritising key sustainability issues relevant to stakeholders and regulatory requirements.

Stakeholder engagement approach

The Encevo Group's strategy is built on responsibility, sustainability and stakeholder engagement, fostering trust, strong partnerships and active participation through two-way communication, transparency and fairness to ensure meaningful engagement.

In 2022, the Encevo Group mapped stakeholders during a CSR workshop, prioritising them by influence and dependency. Initial efforts focused on

employees and the Strategy Board via online questionnaires. In 2023, workshops engaged representatives across all levels.

27 CSR topics were analysed for their impact on transmission, distribution, sales and services. Engagement methods remain unchanged since the 2023 Annual Report (for more information, please refer to pages 228-230 in the 2023 Annual Report).



Encevo Group material topics

The Encevo Group has defined nine material topics as a result of the double materiality assessment carried out in 2023:

ENVIRONMENT

ENV.01

Energy use efficiency and demand-side management

Energy efficiency is a cost-effective way of reducing energy consumption and the associated greenhouse gas emissions, as it requires generating less energy to deliver the same end-use services. Promoting energy efficiency involves various initiatives, such as providing rebates for energy-efficient appliances, educating customers on energy-saving practices and offering incentives to reduce electricity use during peak demand through “demand response” programmes. It also includes investing in technologies such as smart meters, which empower customers to monitor and manage their energy usage more effectively.

ENV.02

Renewable and clean energy

Renewable energy is generated from natural resources such as solar, wind, biomass and geothermal energy, while clean energy refers to sources and production methods that minimise pollutants and reduce the environmental impact. Together, renewable and clean energy initiatives include expanding renewable power generation capacity, supporting renewable energy development through network upgrades and offering green power solutions. These efforts enhance energy security, reduce reliance on fossil fuels and contribute to the fight against climate change.

¹² International Integrated Reporting Council

¹³ Sustainable Accounting Standards Board

¹⁴ Task Force on Climate-Related Financial Disclosures

¹⁵ Global Reporting Initiative

¹⁶ International Sustainability Standards Board

¹⁷ World Business Council for Sustainable Development

ENV.04**Circular economy and responsible products across the entire lifecycle (emerging topic)**

The circular economy is a production and consumption model that focuses on sharing, leasing, reusing, repairing, refurbishing and recycling materials and products (here the group's assets) for as long as possible, thereby extending their lifecycle. This approach minimises waste by ensuring that when a product reaches the end of its life, its materials are recycled and retained within the economy. By doing so, these resources can be repeatedly repurposed, thereby continuously generating value.

ENV.09**Material sourcing and environmental impacts**

Material sourcing and environmental impacts include the processes through which materials and products are acquired, along with the environmental consequences of their extraction, production and use. For the Encevo Group, this represents a critical opportunity to reduce or eliminate carbon emissions, reinforcing its commitment to achieving climate change objectives and promoting sustainability.

SOCIAL**SOC.09****Employment practices**

Employment practices at the Encevo Group encompass its approach to job creation, recruitment, hiring, retention and the provision of high-quality working conditions. These practices also extend to its supply chain, ensuring fair and ethical employment standards throughout. A key focus for the organisation is talent development and the continuous enhancement of employee competencies, which play a vital role in motivating and unifying its workforce while driving overall success.

GOVERNANCE**GOV.01****Sustainable economic performance and growth**

Economic performance is key for the Encevo Group's development and includes the generation and distribution of economic value by the group in the Greater Region and beyond, its defined benefit plan obligations, the financial assistance it receives from governments and the financial implications of climate change.

GOV.04**Reliable, safe and smart energy supply (security of supply)**

Reliable, safe and smart energy supply is central to the group's mission, ensuring that its connected and supplied customers' energy needs are met consistently and efficiently. This commitment involves minimising risks, prioritising safety and fostering sustainability in energy provision. The group focuses on maintaining a stable and resilient energy infrastructure capable of withstanding potential disruptions while ensuring continuous access to energy resources. Additionally, the organisation leverages the ongoing digitalisation of the energy sector to enhance efficiency, reliability and innovation in its services.

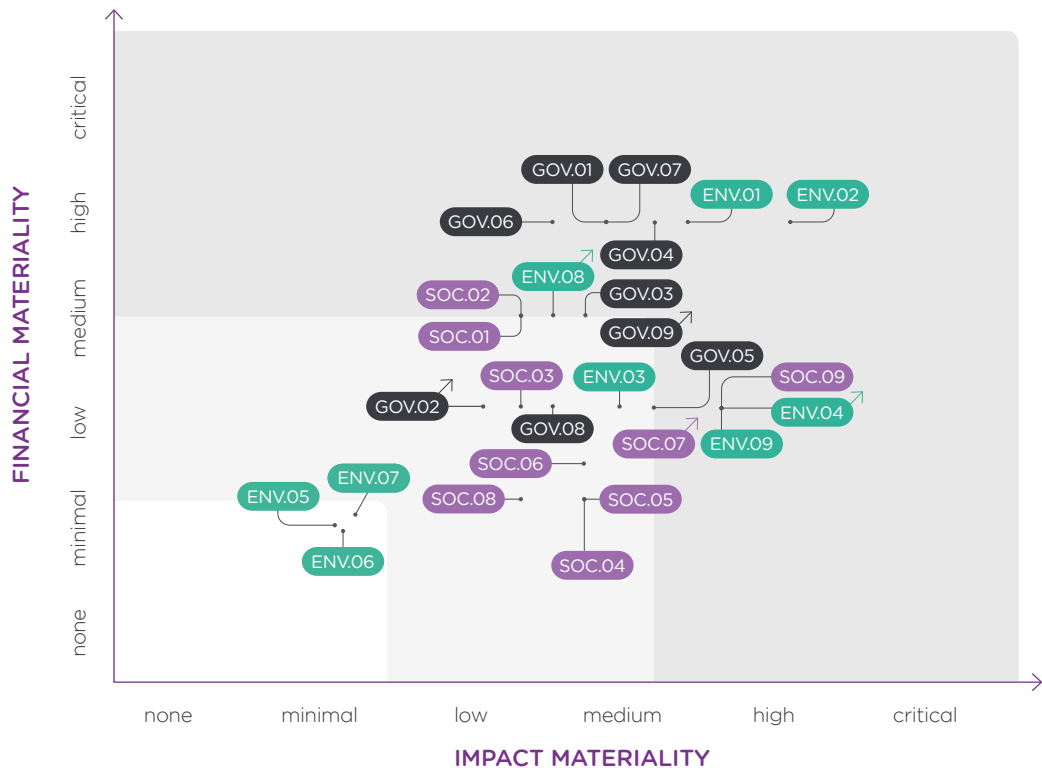
GOV.06**Compliance, anti-corruption**

The implementation of compliance and anti-corruption measures is a key priority for the Encevo Group, achieved through robust policies, standards, procedures and behaviours, including anti-bribery, anti-money laundering, anti-corruption and integrity practices. These efforts are essential to ensuring ethical business conduct, safeguarding the group's reputation and securing the long-term sustainability of its business operations.

GOV.07**Data protection, privacy and cybersecurity**

Data protection involves safeguarding personal data from unauthorised access, ensuring compliance with laws, and implementing measures to maintain confidentiality, integrity and availability.

Privacy refers to individuals' rights to control their personal information, requiring consent and transparency in data handling practices. Cybersecurity focuses on protecting IT systems, networks and data against unauthorised access and cyber-threats to preserve data integrity, confidentiality and availability.



ENV.01 Energy use efficiency and demand-side management
 ENV.02 Renewable and clean energy
 ENV.03 Biodiversity and land use impacts
 ENV.04 Circular economy and responsible product across all the lifecycle
 ENV.05 Water management
 ENV.06 Toxic emissions and air quality
 ENV.07 Hazardous waste management
 ENV.08 Greenhouse gas emissions
 ENV.09 Material sourcing & environmental impacts of feedstock production

SOC.01 Stakeholder dialogue and advocacy, freedom of association and collective bargaining
 SOC.02 Local community empowerment
 SOC.03 Human capital and training
 SOC.04 Customer orientation & partnerships
 SOC.05 Diversity, equal opportunity & inclusion
 SOC.06 Occupational health & safety
 SOC.07 Human rights across the supply chain
 SOC.08 Product safety and customer health
 SOC.09 Employment practices

GOV.01 Sustainable economic performance & growth
 GOV.02 Sustainable governance
 GOV.03 Research & development (STEM)
 GOV.04 Reliable, safe and smart energy supply
 GOV.05 Operational safety of infrastructure, emergency preparedness & response
 GOV.06 Compliance and anti-corruption
 GOV.07 Data protection, privacy and cybersecurity
 GOV.08 Management of the legal & regulatory environment
 GOV.09 Materials efficiency and energy affordability



Emerging topics



Priority area



Secondary area

Based on the presented analysis, the corresponding ESRS standards have been aligned and mapped as follows:

ESRS Standards		Materiality mapping	Material topics (DMA)
General Standard	ESRS 1 General requirements	Mandatory	-
General Standard	ESRS 2 General disclosures	Mandatory	-
Environment	ESRS E1 Climate change	Material	ENV.01 Energy use efficiency & demand-side management ENV.02 Renewable & clean energy
Environment	ESRS E2 Pollution	Not Material	-
Environment	ESRS E3 Water and marine resources	Not Material	-
Environment	ESRS E4 Biodiversity and ecosystems	Not Material	-
Environment	ESRS E5 Resource use and circular economy	Material	ENV.04 Circular economy and responsible products across all the lifecycle ENV.05 Material sourcing & environmental impacts of feedstock production
Social	ESRS S1 Own Workforce	Material	SOC.09 Employment practices
Social	ESRS S2 Workers in the value chain	Not Material	-
Social	ESRS S3 Affected communities	Not Material	-
Social	ESRS S4 Consumers and end-users	Material	GOV.04 Reliable, safe and smart energy supply (security of supply) GOV.07 Data protection, privacy and cybersecurity
Governance	ESRS G1 Business conduct	Material	GOV.06 Compliance and anti-corruption

The ESRS mapping presented above categorises material topics based on their relevance and alignment with sustainability standards

1. Material standards

ESRS E1 – Climate change: Identifies energy use efficiency, demand-side management (ENV.01) and renewable and clean energy (ENV.02) as material topics.

ESRS E5 – Resource use and circular economy: Highlights the circular economy and responsible products throughout the lifecycle (ENV.04) and material sourcing with environmental impacts of feedstock production (ENV.09).

ESRS S1 – Own workforce: Focuses on employment practices (SOC.09).

ESRS S4 – Consumers and end-users: Addresses reliable, safe and smart energy supply (GOV.04) and data protection, privacy and cybersecurity (GOV.07).

ESRS G1 – Business conduct: Covers compliance and anti-corruption (GOV.06).

2. Non-material standards

Topics such as pollution (ESRS E2), water and marine resources (ESRS E3), biodiversity and ecosystems (ESRS E4), workers in the value chain (ESRS S2) and affected communities (ESRS S3) are deemed non-material.

The mapping reflects a focused approach on material topics that align with the group's priorities, emphasising climate change, resource use, workforce, consumer safety and ethical business conduct.

Impact, risk and opportunity management

Description of the processes to identify and assess material impacts, risks and opportunities

During the 2024 ESRS transition process, teams involved in reflections on impacts, risks and opportunities laid the foundations for a more in-depth review ahead.

In the review of the Double Materiality Assessment expected in mid-2025, the group plans to following the process below:

1. Gain a clear understanding of the group's operations through precise scoping, peer benchmarking, value chain mapping, and identify key sustainability aspects together with the relevant internal and external stakeholders.
2. Define stakeholder engagement strategies while assessing potential impacts, risks and opportunities.
3. Evaluate and score impacts, risks and opportunities to establish their significance.
4. Determine thresholds and identify material IROs, leading to a finalised list of key sustainability aspects and the development of a comprehensive materiality matrix.

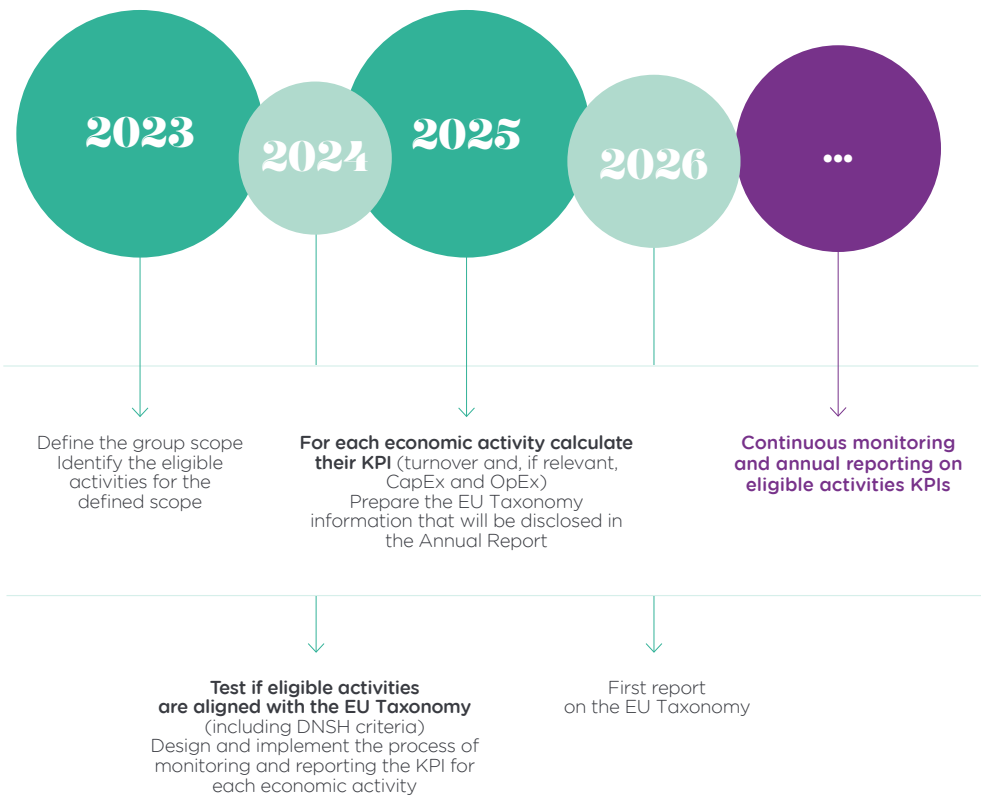


Environmental information

EU Taxonomy

The EU Taxonomy Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020, which came into effect in July 2020, is a classification system for sustainable economic activities that aims to increase sustainable investment.

As the Encevo Group is subject to reporting under the EU Taxonomy Regulation in the 2025 financial year, it has defined the EU Taxonomy roadmap as presented in the graph below.



In line with this roadmap, the Encevo Group started to prepare the EU Taxonomy workstream in 2023 by developing an overview of the scope of activities across the entire group and defining the main eligible activities.

Additionally, a proof-of-concept model was developed and applied to the group's wind and photovoltaic activities in Luxembourg and the Greater Region. For these activities, the turnover, capital expenditures (CapEx) and operating expenditures (OpEx) KPIs were calculated and aligned with the technical screening criteria and "do no significant harm" (DNSH) criteria according to the EU Taxonomy Regulation requirements.

In relation to the minimum safeguards, the proof-of-concept analysis has concluded that the Encevo Group complies with these requirements, as the group has a Human Rights Policy and processes in place, as presented in the ESRS S1 section of this report. More information on the group's human rights approach can be found in the human rights chapter on page 216.

In 2024, the finance team concentrated its efforts on the internal organisation and on obtaining the capacity to develop the workstream further. With the necessary capacity now in place, in 2025 it is planned to extend the proof-of-concept model in the other group activities within the scope, including energy grid infrastructure activities. This will ensure that the Encevo Group is well prepared to start reporting on the EU Taxonomy within the stipulated timeframe.



Climate change



Organisation and management

As described in the General information chapter, environmental responsibility and climate change mitigation are integral parts of the Encevo Group's strategy and business model.

The group aims to contribute to the decarbonisation of the energy sector in line with the objectives set out in the European Green Deal and the Paris Agreement, the Integrated National Climate and Energy Plan (2021 – 2030) of Luxembourg and the corresponding national climate and energy strategies and plans of Belgium, France, Germany and the Netherlands, reflecting the group's operational presence in the Greater Region.

The impact on climate change and greenhouse gas (GHG) emissions management are topics that are supervised with utmost care. This section outlines the group's approach to climate change mitigation and GHG emissions management and discloses the main metrics and targets on climate change.

Integration of sustainability-related performance in incentive schemes

This information has been developed in conjunction with the governance information in the General information chapter under the section: Integration of sustainability-related performance in incentive schemes ESRS 2 GOV-3 on page 64.

Transition plan for climate change mitigation

The Encevo Group calculates its GHG emissions on an annual basis for all fully consolidated entities, as presented in this section below with the metrics and targets information.

The calculation of the group's GHG emissions is in line with the ESRS and applies the GHG Protocol methodology. To this end, the group uses a management tool that is configured to collect the

activity data from all fully consolidated entities, in order to calculate the GHG emissions and other metrics on social and environmental aspects that are disclosed in this report.

In the Annual Report 2023, the Encevo Group defined and disclosed its near-term GHG emissions reduction targets for the three scopes, including a 50% reduction in scope 1 and scope 2 (location based) GHG emissions, and a 30% reduction in scope 3 GHG emissions, with the scope of all fully consolidated entities.

The GHG emission reduction targets and their compatibility with limiting global warming to 1.5 °C, in line with the Paris Agreement, are explained in the metrics and targets information on page 103. This also includes an explanation on the main decarbonisation levers and key actions planned.

The Encevo Group business strategy as the leading partner for the sustainable energy transition drives the group's transition plan for climate change mitigation. The business model and activities have been designed to contribute to this aim, as detailed in the graph "Encevo Group business model in line with the sustainable energy transition" on page 74 in the Strategy section.

The locked-in GHG emissions that result from investments in the existing natural gas transportation and distribution infrastructure are increasingly being reassessed due to the accelerated decarbonisation trajectory under the European Green Deal and net-zero targets for 2050, where the expected operational lifetime of gas grids could be reduced. Current regulatory discussions on frontloading depreciation, reducing asset lifetimes and mitigating stranded asset risks indicate that certain gas infrastructure may be decommissioned earlier than initially anticipated. The group is actively evaluating transition pathways to adapt its infrastructure strategy in line with evolving regulatory and market conditions.

The Encevo Group is committed to ensuring a reliable and continued supply to the customers connected to its natural gas grids. The group maintains its existing gas infrastructure to meet the current demand, while restricting investments in network expansion to essential cases only, primarily to ensure a high level of security of supply. In line with this view, investments in gas infrastructure amounted to EUR 46.7 million in 2024 for all fully consolidated entities.

At the same time, the grid-related subsidiaries of the Encevo Group have begun to actively assess the readiness of their gas networks for hydrogen and other renewable gases. The subsidiaries active in the field of gas supply are actively working on ways to increase the share of biogas and other decarbonised gases in their product portfolio in order to gradually increase sales of sustainable gases.

Material impacts, risks and opportunities and their interaction with strategy and business model

In 2024, the Encevo Group's risk management function initiated a comprehensive analysis of climate-related risks. The assessment is based on insights gathered from various company experts and is summarised in the text below. The evaluation of climate-related impacts, risks and opportunities will be further refined as part of the upcoming double materiality assessment update project, scheduled for 2025.

As a key player in the sustainable energy transition, the Encevo Group has embedded resilience into its strategy and business model. Given the group's proactive efforts in shaping the future of energy, the current assessment indicates that the organisation operates with a robust and adaptable business model in the face of climate change.



Impact, risk and opportunity management

Description of the processes to identify and assess material climate-related impacts, risks and opportunities

The Encevo Group faces various physical and transition risks inherent to its business activity.

Electricity grid

The Encevo Group subsidiaries Creos Luxembourg S.A., Creos Deutschland GmbH and EnergieSüdwest AG own and operate electricity grids. As grid owners and operators, ensuring the resilience of physical infrastructure and maintaining a high level of security of supply are key priorities. A process has therefore been implemented to analyse climate related impacts based on external input from the European Network of Transmission System Operators for Electricity (ENTSO-E). ENTSO-E has developed a comprehensive list of regional electricity crisis scenarios and assessment assumptions. This initiative is based on a methodology for identifying regional electricity crisis scenarios established by the Agency for the Cooperation of Energy Regulators (ACER), in collaboration with Regional Coordination Centres (RCCs), Transmission System Operators (TSOs) and EU Member State groups.

This list aligns closely with the scenarios presented in the European Climate Risk Assessment, published on 7 March 2024 by the European Environment Agency (EEA Report 01/2024). The assessment draws on knowledge from the Intergovernmental Panel on Climate Change (IPCC) reports and identifies 36 climate risks with potentially serious implications for Europe.



The European Climate
Risk Assessment
published on 7 March 2024

TSOs have been mandated to collaborate with their respective competent authorities to assess the identified electricity crisis scenarios. Drawing from the ENTSO-E list of regional scenarios, Creos Luxembourg S.A. has identified the following electricity crisis scenarios relevant to climate change:

- Severe summer
- Severe winter
- Severe storm
- Heavy ice loading
- Heavy flooding

Each scenario was analysed and described in detail, including its potential duration, the identification of the time of year when the scenario may occur, the likelihood and nature of early warnings, as well as the progression and potential escalation of events.

For Luxembourg, Creos, as the national TSO, conducted an in-depth risk assessment in collaboration with the Energy Commissioner from the Ministry of Energy and the High Commission for National Protection (HCPN). The assessment is based on criteria specified by ACER¹⁸, including:

- Electricity crisis scenario likelihood: the probability of occurrence
- Electricity crisis scenario impact: evaluated using two metrics:
Expected Energy Not-Served
Percentage: the proportion of energy demand unmet, calculated as the expected energy not served divided by the estimated total annual energy consumption of the affected area.
Loss Of Load Expectation: the expected number of hours during which resources are insufficient to meet demand in an affected area.
- Cross-border dependency rating: the extent of interdependence with neighbouring systems
- Electricity crisis scenario risk rating: an overall assessment of risk levels

The results of the evaluation identified severe winter and severe storm scenarios as presenting a higher risk, while the remaining three scenarios - severe summer,

heavy ice loading and heavy flooding - were assessed as medium risk.

Gas network

The Encevo Group subsidiaries Creos Luxembourg S.A., Creos Deutschland GmbH and EnergieSüdwest AG own and operate gas networks on the transport and distribution level. While the physical gas networks and installations are generally less susceptible to direct impacts from extreme weather events caused by climate change, transition risks remain significant. These are driven by the shift towards a low-carbon economy, evolving policies, technological advancements and changing market dynamics that contribute to a decline in natural gas demand. The gradual phase-out of fossil fuels could result in stranded assets, with pipelines and gas infrastructure potentially becoming obsolete before reaching the end of their expected lifespan. To address these challenges, the Encevo Group closely monitors the evolving landscape and implements mitigation strategies. Actions such as accelerated depreciation have been undertaken and further analyses are to be carried out.

More information can be found in the Transition plan for climate change mitigation section on page 90.

Renewables

Several subsidiaries of the Encevo Group, among them Enovos Luxembourg S.A., Enovos Renewables GmbH, WES Green GmbH and EnergieSüdwest AG own and operate renewable assets in the areas of photovoltaics, wind, biomass and geothermal energy. Renewable energy divisions of the relevant subsidiaries across the various countries have conducted a comprehensive climate risk assessment for electricity generation using photovoltaic (PV) and wind technologies. This evaluation follows the standard methodology outlined in the Commission Delegated Regulation (EU) 2023/2772 (Appendix 1, AR12.), assessing potential impacts related to temperature, wind, water and solid mass under both chronic and acute scenarios.

¹⁸ "Annex I – Methodology for identifying regional electricity crisis scenarios" published by ACER on 08 March 2024

The assessment covered critical components, including PV modules, wind turbines, associated equipment, infrastructure and the overall production process. While most risks were classified as low, four specific risks were identified as medium. For the medium risks, targeted mitigation measures have been developed and are either already in place or actively monitored.

To ensure ongoing alignment with changing environmental conditions and regulatory requirements, this assessment will be updated on an annual basis, integrating legislative changes and other relevant developments.

Further transition risks

The regulatory framework supporting the European climate targets and energy transition is expected to evolve, notably in the areas of reporting standards related to greenhouse gas emissions, energy efficiency and environmental performance. In response, the Encevo Group is closely following policy and regulatory changes at both national and European levels. The group is also engaged in advocating for public policy measures that align with its strategy and commitment to driving the energy transition in the Greater Region. More information can be found in the Political influence and lobbying activities section on page 139.

Policies related to climate change mitigation and adaptation

The Encevo Group currently has four policies in place that guide its contribution to climate change mitigation and adaptation, as well as energy efficiency and the deployment of renewable energies.

The **Encevo Group Environmental Policy**, published on the Encevo Group website describes its ambitions for environmental responsibility and its contribution towards the sustainable energy transition in the Greater Region. The scope of the policy covers the Encevo Group, including Encevo S.A. and its fully consolidated entities.

The **Encevo Group Sustainability Policy**, also available on Encevo Group's website, emphasises the group's contribution to the Sustainable Development Goals (SDGs), in particular those related to: affordable and clean energy (SDG 7), decent work and economic growth (SDG 8), industry, innovation and infrastructure (SDG 9), responsible consumption and production (SDG 12) and climate action (SDG 13). The policy outlines the group's commitment to establishing high sustainability standards within the group and its value chain. The scope of the policy covers the Encevo Group, including Encevo S.A. and its fully consolidated entities.

The **Encevo Group CSR Policy** is an internal policy that defines the governance, roles and responsibilities for managing CSR and sustainability matters within the Encevo Group. The scope of the policy covers the Encevo Group, including Encevo S.A. and its fully consolidated entities.

The **Encevo Group Risk Management Policy** is an internal policy that establishes the guidelines to ensure effective risk management within the group. It is designed to ensure that risks arising from the group's general business activities, including climate related risks, are properly identified, measured, managed and monitored. The scope of the policy covers the Encevo Group, including Encevo S.A. and its fully consolidated entities.



Encevo Group
Environmental Policy



Encevo Group
Sustainability Policy

Actions and resources in relation to climate change policies

In 2024, the Encevo Group made progress towards achieving its decarbonisation objectives across the different group activities. The main activities and actions undertaken during the year are presented below.

Smart electricity network infrastructure

Investing in extension, reinforcement and digitisation of the electricity grids is essential to Creos Luxembourg S.A. and Creos Deutschland GmbH, as it guarantees security and high-quality energy supply while supporting the energy transition and the decarbonisation of the energy sector.

Creos Luxembourg is developing Project 380 in Luxembourg, a major project for the country that aims to build a 380kV extra-high-voltage line from Bertrange in Luxembourg to Aach in Germany, via Bofferdange, as well as a 380/220/110-65kV substation near Bofferdange. The aim of the project is to safely meet Luxembourg's increasing electricity needs, due to economic and demographic growth and in support of the energy transition.

In 2024, Project 380 advanced smoothly and the Environmental Impact Assessment (EIA) procedure was completed. The project route was analysed and elaborated, with the aim to select a route that is most respectful of communities, nature and the environment. The next steps include finalising the route, initiating discussions with landowners and applying for permits to begin work in accordance with applicable administrative and environmental requirements.



Further information on the project can be found at **Creos-net.lu**.

Creos Luxembourg is also undertaking a project to upgrade the electricity transmission lines in the northern region of the country from 65 kV to 110 kV. The objective of the project is to increase the network transfer capacity, thereby facilitating the integration of the renewable energy production in the north of Luxembourg. The project is scheduled to continue until 2030 and is a key element in Creos Luxembourg's strategic initiatives.

Additionally, Creos Luxembourg is investing in the digitalisation of its electricity grids through asset digitalisation, with particular focus on smart meters, remote controls and system connectivity. It has recourse to a digital twin, KOPR, that optimises the planning and operation of the electricity grid as part of the energy transition. In November 2024, Creos Luxembourg released a new version of KOPR (previously called ALVA), and the project, together with the partners DataThings, won the prestigious FEDIL Innovation Award 2024 in the Data/AI category.

More information on the project can be found in the Further information section, in page 214.

Luxembourg's National Energy Data Platform (LENEDA) was officially launched in September 2024. LENEDA provides a centralised, secure and easy-to-use platform where businesses, researchers, policymakers and the public can access a wide range of energy-related data, including measured energy consumption, production and insights on energy sharing. By making the data accessible, the platform empowers users to make informed decisions that promote efficiency, sustainability and economic growth.

Creos Deutschland is engaged in managing the challenges of the energy transition, focusing on optimising the management of the electricity grid and the flexibility needs, especially considering the additional renewable electricity from wind and solar production facilities.

Moreover, Creos Deutschland is committed to avoiding products that fall under the F-Gas Regulation published in 2024, among other things for sustainability

reasons. To this end, in 2024, Creos Deutschland has acquired a high-voltage switchgear that is completely free of SF6 or other F-gas mixtures and works exclusively based on purified and dried air (technical air) as an insulating medium for the Nordschacht UW construction project. This acquisition contributes to the mitigation of the group's GHG emissions.

Investments in electricity network infrastructure amounted to EUR 125.4 million in 2024 for all fully consolidated entities (excluding electricis integration into Creos Luxembourg, included in the Management's review).

Gas infrastructure

In order to comply with the Regulation (EU) 2024/1787 of the European Parliament and of the Council of 13 June 2024 on the reduction of methane emissions in the energy sector, that entered into force on 4 August 2024, Creos Deutschland has set up a task force to develop appropriate measures to reduce methane gas emissions and implement these in operational processes. This will include the purchase of mobile compressors and flare systems that minimise the amount of gas emitted during construction and maintenance work. The first mobile compressor is scheduled for delivery in spring 2025, with two more to follow. Furthermore, a leak detection and repair (LDAR) programme is being developed that will enable the detection of leaks, primarily with the help of drones equipped with sensors.

Creos Luxembourg engaged in exchanges of experience with Creos Deutschland concerning methane emissions and will assess future developments in this area and determine the appropriate course of action timely.

Renewable energy production

The production of renewable energy alongside continuous investments in solar and wind energy production capacity in Luxembourg and the Greater Region remains a key focus for the Encevo Group.

The Renewable Energies teams in Luxembourg, Germany, the Netherlands, Belgium and France actively drive the growth of renewable energy production by:

- collaborating with customers, strategic partners and communities to develop renewable energy projects and initiatives,
- leveraging strong local market knowledge and expertise in asset development and operations,
- prioritising the development of a robust project pipeline of renewable energy investment opportunities and the construction of additional assets to foster business growth.

Some key achievements in 2024 were:

- **New solar projects, Luxembourg**
In Q3 2024, two new photovoltaic projects were commissioned in Luxembourg. The first is a 1.3 MWp system on the roof of Transalliance, extending the initial project commissioned in 2022. The second is a 0.4 MWp carport on the roof of the Incubator Bissen's parking garage.
- **Wind Park NordEnergie, Luxembourg**
In July 2024, another wind project of Enovos' subsidiary Soler was connected to the grid. The NordEnergie wind park comprises 1 WTG with a capacity of 4.2 MW.
- **AgriPV projects, Luxembourg**
In Q3 2024, the construction of four new agricultural photovoltaic installations was launched for a total capacity of 13 MWp. These installations will combine the generation of electrical power and agricultural activities. The first project is scheduled to be commissioned in Q1 2025.
- **Solar project Südeifel, Germany**
On 19 April 2024, the largest ground-mounted photovoltaic project in Rhineland-Palatinate, Germany was officially inaugurated. The total project includes 11 photovoltaic installations with around 380,000 modules and a combined output exceeding 220 MWp.

- The project was implemented by a specially created project company, Solarkraftwerk Südeifel GmbH & Co KG, which includes Enovos Renewables GmbH, Stadtwerke Trier Versorgungs-GmbH (SWT) and Südeifel Strom eG. The latter enabled local citizens to participate in the project. By the end of 2024, 194 MWp were commissioned, with the remaining capacities scheduled for completion by 2026.
- **Solar Park Hasborn, Germany**
The project was commissioned in July and officially opened in August 2024. It has a capacity of 12.5 MWp.
- **Wind farm Saarwellingen, Germany**
The approval for the planned 17.1 MWp wind farm was obtained in March 2024.
- **New solar projects, Belgium and the Netherlands**
Enovos Green Power initiated the construction of six photovoltaic projects with a total capacity of 35.8 MWp. 5 MWp were commissioned in 2024, with the remainder expected by Q1 2025.

- **Solar Park Panningen, the Netherlands**

The Netherlands subsidiary of Enovos Green Power has successfully completed its inaugural project in the field of greenhouses - a solar park in Panningen with a capacity of 3.5 MWp.

The installation will produce 3 GWh of electrical power annually, supplying green energy to approximately 1,053 households. The project demonstrates the symbolic relationship between sustainability and innovation, highlighting the potential for mutually beneficial outcomes that contribute to environmental protection and support for local farmers.

- **Wind Park CondrEole, Belgium**

In April 2024, the CondrEole wind park (15 MW; 5 WTGs) was finally successfully commissioned following extensive legal proceedings before the Council of State.

Information on the Encevo Group's renewable energy production data can be found on page 106.

During the year, investments in solar and wind energy installations amounted to EUR 31.6 million, under the scope of all fully consolidated entities (100%) and entities consolidated under the equity method (pro rata basis of the respected equity contribution). This represents a 31% increase compared to 2023 (EUR 24,1 million). Please note that the timing of capital expenditures (CapEx) does not always align with new capacity additions, as some investments were incurred in previous periods or are allocated to projects still under construction.



Heating and cooling grids

Through its subsidiary LuxEnergie, the Encevo Group is investing in heating and cooling grids and sustainable heat production facilities, including combined heat and power plants, that increasingly replace fossil fuels with wood biomass for heat/cooling production. All new projects are based on wood pellets or heat pumps of various types, whereas gas heating systems are in the vast majority of cases only as a back-up solution.

The base load of the Kirchberg energy plant, which supplies a significant proportion of the Kirchberg Plateau with heat, was converted to wood pellets in 2017. In 2024, peak load coverage was made more environmentally friendly by swapping the gas-fired cogeneration units for two wood dust boilers, delivering a total output of 15 MW.

In addition, the energy plant in Howald, which had been transformed to wood pellets, was put into operation in September 2024. In Eschdorf, a heat pump project was implemented in combination with geothermal energy, and the Kirchberg town centre was also converted to heat pumps in 2024.

In 2024, LuxEnergie launched a joint venture with IKO Real Estate and Encevo via Callisto S.A., which will develop Luxembourg's first anergy network at the Rout Lëns site in Esch-sur-Alzette. This innovative system leverages geothermal energy, in conjunction with heat pumps and photovoltaics, to provide sustainable heating and cooling for the district, significantly reducing its carbon footprint.

In 2024, EnergieSüdwest AG, in collaboration with Thüga, advanced the development of a sustainable heating network to supply CO₂-neutral geothermal heat to the Municipality of Insheim in Germany. This initiative underscores EnergieSüdwest's commitment to expanding eco-friendly heating solutions within the Landau region.

More information on heating and cooling grids and the corresponding sustainable production technologies, including

combined heat and power production, can be found under the metrics and targets information on page 106.

In 2024, investments in heating and cooling plants in Luxembourg, and heating grids in Germany amount to EUR 15 million under the scope of all fully consolidated entities (100%) and entities consolidated under the equity method (pro rata basis).

Renewable energy products and services

Enovos Luxembourg offers green electricity products to residential and professional customers through its **naturstrom** and **nova naturstrom** products. These products provide renewable electricity whose origin is certified by guarantees of origin. For **nova naturstrom**, additional emphasis is placed on regionality and newer production facilities.

For industrial and commercial customers in Luxembourg, France and Germany, Enovos offers renewable electricity products according to individual customer needs. In addition to the guarantees of origin, these customised products can also be based on Power Purchase Agreements (PPAs), for example, with regional energy parks which are developed, built and operated by Enovos.

In 2024 new PPA contracts were implemented in Luxembourg and Germany. For instance, a 15 GWh/a contract was implemented for wind electricity, to be delivered in 2026 and 2027 for the customer SIG Combibloc GmbH.

As for natural gas, Enovos Luxembourg includes the **nova naturgas** product in its offer. This is a renewable, organic natural gas available to both residential and professional customers in Luxembourg. In addition, Enovos Luxembourg offers its residential and professional customers the **naturgas** product, a certified climate neutral natural gas that compensates its GHG emissions through the purchase of carbon credits from various CO₂ compensation projects in Europe and worldwide.

Customised organic natural gas and climate neutral natural gas products are also being offered to commercial and industrial customers in Luxembourg.

EnergieSüdwest offers environmentally friendly energy products in Landau. Customers can choose 100% green electricity from renewable sources, available at competitive rates with an easy switching process.

To reduce the group's GHG emissions in line with the decarbonisation strategy, the management team has agreed to consider a certain reduction of natural gas sales in Germany in order to reduce the scope 3 GHG emissions by 2030.

Looking ahead, Enovos continues to plan and reinforce its renewable energy products offer in Luxembourg, France and Germany to support the company's defined GHG emission targets.

Renewable hydrogen

The Encevo Group recognises the significance of renewable and other decarbonised gases, such as hydrogen, in facilitating the energy transition, especially in sectors that present considerable challenges in terms of decarbonisation. The group therefore supports the development of renewable hydrogen in line with the European Union and Luxembourg hydrogen strategies to help decarbonise the gas sector in a cost-effective way.

The group is a founding member of the Grand Region Hydrogen EEIG and supports its subsidiary Creos Deutschland in developing the infrastructure project mosaHYc (Moselle-saarhydrogen-conversion) which aims to establish an approximately 100 km long hydrogen pipeline in the Greater Region.

In 2024, Creos Deutschland received funding approval for the mosaHYc project from the Federal Ministry for Economic Affairs and Climate Protection, amounting to EUR 44 million. The project was included in the list of 'projects of common interest'. The regional planning procedure to determine the route corridor for the new Leidingen-Dillingen section of the pipeline was completed at the beginning of 2024.

The documents for the planning approval procedure are currently being prepared.

Creos Luxembourg has taken a significant step into the hydrogen era with the establishment of a new subsidiary, Creos Luxembourg Hydrogen S.A., on 10 December 2024. The subsidiary's focus is on advancing hydrogen infrastructure both in Luxembourg and internationally. Its activities include the construction, planning, management and operation of hydrogen pipelines to meet emerging European and national regulatory obligations and to support the HY4Link project.

HY4Link is strategically designed to connect hydrogen demand clusters in industry and transport sectors across France, Germany and Luxembourg with hydrogen supply centres along the North Sea coast and import hubs in Antwerp, Zeebrugge, Rotterdam and Dunkirk. The project will foster decentralised green hydrogen production across the Greater Region by providing the necessary hydrogen transport infrastructure.

Creos Luxembourg is also participating in the Pre-ENNOH initiative, a collaborative effort by future EU Hydrogen Transmission Network Operators. This temporary voluntary structure is designed to lay the groundwork for the establishment of the European Network of Network Operators for Hydrogen (ENNOH). ENNOH will play a crucial role in fulfilling the mandates of the EU's hydrogen and decarbonised gas market package by 2025. Key deliverables will include creating an EU-wide ten-year network development plan and developing methodologies to support a cohesive hydrogen market across Europe.

In relation to the production of green hydrogen in Luxembourg, the Encevo Group, including its subsidiaries Enovos Luxembourg and LuxEnergie, is actively involved in the LuxHyVal project, which aims to establish a hydrogen valley under the Horizon Europe Framework Programme. This initiative focuses on system integration, efficiency, security, market creation and the complementarity of hydrogen with renewable energy sources, aligning with Encevo Group's

core business and strategy. Their role encompasses strategic connectivity with other initiatives, developing business models with partners, operating a 5 MW electrolyser for practical experience and securing hydrogen purchase agreements with consumers to ensure consistent power supply.

Installations and technical solutions

Teseos Luxembourg is actively contributing to the energy transition by procuring solutions in different ecosystems via its subsidiaries:

- Installations: photovoltaic panels, battery storage, heat pumps, electric vehicle (EV) chargers and thermal systems,
- Installation-related services: training and advisory on decarbonisation and energy efficiency, financing, insurance, subsidies and facility management,
- Energy-related services: smart energy management, EV charging, community and reimbursement solutions.

In 2024, Teseos Luxembourg made strategic investments in several companies to reinforce its portfolio of sustainable products and services:

- Participation in Cube4Finance (16.6 %), provider of an innovative energy monitoring solution.
- Acquisition of C. Schanen S.à.r.l. (100 %), experts in heating, heat pumps, ventilation and solar thermal systems.
- Acquisition of e3 consult S.à.r.l. (100 %), experts in sustainable development and green building, ecology of materials and the circular economy and energy consulting.

Through Encevo Deutschland, the group acquired a 35% stake in Libertas, a German company specialising in technical services, that plans, controls and implements holistic renewable energy concepts.

In addition to these acquisitions, Teseos Luxembourg, through its entities, continued to advance the implementation of the energy transition in Luxembourg and in Germany. The projects include:

- the installation of over 9.26 MW of PV capacity,
- the installation of 600 alternating current chargers, 26 direct current chargers and 14 Supercharge direct current chargers,
- the installation of 45 heat pumps, with plans to continue expanding the business further via Grethen S.à.r.l. and C. Schanen S.à.r.l.,
- over 100,000 registered users for different access and billing services on the e-mobility platform.

Innovation activities

The energy transition, represents a fundamental transformation for the entire energy sector, including the Encevo Group. This shift requires the simultaneous implementation of decarbonisation, digitalisation, decentralisation and a stronger customer focus, requiring companies to adapt quickly to a complex and evolving landscape. To do so, innovation and research and development play a key role.

Organisational approach to innovation

The Encevo Group approaches innovation and research in a dual way, ensuring that both external and internal innovation contribute to long-term strategic objectives:

- **Corporate Venture Capital (CVC)**

By making targeted investments in innovative start-ups, Encevo enhances its technological expertise and strengthens its in-house capabilities. The focus is on strategic investments that drive digitalisation and enable new energy transition solutions. Beyond investments, CVC identifies promising start-ups for collaboration, pilot projects and knowledge transfer. As of 31 December 2024, Encevo's portfolio included eight companies, with a focus on Europe to leverage regulatory and technical synergies. In addition, a total of 2 proof-of-concept trials and pilot projects were supported.

- **Research and development (R&D) and internal innovation projects**

The Encevo Group collaborates with leading research institutions such as SnT (University of Luxembourg) and LIST to develop innovative solutions for the future energy landscape. The collaboration is governed by a framework agreement that establishes an efficient structure for initiating and implementing projects across the group's subsidiaries. In 2024, a total of six projects were carried out across various subsidiaries, with several more in the planning phase.

This dual approach to innovation ensures that insights from the start-up ecosystem are combined with in-house expertise development, enabling the Encevo Group to actively contribute to shaping the energy transition while strengthening its long-term strategic positioning.

An overview of individual projects, proof-of-concept trials and pilot initiatives conducted in 2024 is presented below.

Decarbonisation is at the core of the energy transition, compelling companies to significantly reduce their reliance on fossil fuels and shift toward renewable energy sources such as solar, wind, biomass and subsidiarily also hydrogen. Additionally, energy efficiency plays a pivotal role in further reducing emissions.

Across its subsidiaries, the Encevo Group is addressing these challenges in various innovation projects, such as:

- **Renewable energy optimisation:** testing innovative start-up solutions for production forecasting, marketing and operations & maintenance.
- **Hydrogen infrastructure projects:** the projects mosaHYc and HY4Link strive to establish a cross-border hydrogen network in Luxembourg and the Saarland region with a special focus on the decarbonisation of industry and transport (please refer to details on page 98).
- **Hydrogen production projects:** LuxHyVal, an EU-funded project, brings together 17 partners from seven countries, including Enovos Luxembourg and LuxEnergie, to develop a Hydrogen Valley with a first production plant in Luxembourg (please refer to details on page 98).
- **Smart district project:** developing an innovative anergy network with 300 geothermal boreholes at Rout Lëns to promote fully decarbonised districts.
- **Energy efficiency initiatives:** conducting pilots with AI-powered efficiency solutions for industrial zones and large commercial buildings.

Digitalisation is a key enabler in optimising energy systems and ensuring a resilient energy transition. Advanced technologies such as artificial intelligence (AI), machine learning and high-performance computing (HPC) are driving enhancements in grid management, energy forecasting and decision-making. Key advancements include:

- **AI-driven digital twins** enabling real-time system modelling and optimisation (please refer to the case study on page 214).
- **Large-scale data analytics** to enhance predictive maintenance and energy demand forecasting.
- **Smart grid automation** allowing dynamic adaptation to fluctuating energy supply and demand.

The Encevo Group actively implements AI-driven digital twins to enhance electricity grid management. Particularly noteworthy is a project by Creos Luxembourg, in cooperation with the start-up DataThings, which uses digital twin technology to enhance grid monitoring, predictive analytics and optimisation, addressing challenges from the energy transition. The so-called KOPR solution replaces outdated grid models with AI-driven real-time calculations, improving efficiency and decision-making. Expanding from low- to high-voltage grids, it will soon enable automated grid interactions, supporting a smarter, more resilient energy system.

Decentralisation shifts energy systems from centralised to distributed networks, empowering consumers through rooftop solar, storage and e-vehicle charging. Living labs integrate photovoltaics, heat pumps, batteries and electric vehicle charging to test real-world interoperability.

Across its subsidiaries, the Encevo Group is addressing these challenges in various innovation projects, including:

- **Living Lab for smart grids:** evaluating the impact of electrification on low-voltage grids using real-world data
- **Flexibility potential analysis:** research projects such as FlexBeAn to model the flexibility of electricity consumers across households, SMEs and e-mobility.
- **Home energy management solutions:** pilots to develop digital platforms for optimising decentralised energy flows.
- **Energy-as-a-Service (EaaS) solutions:** offering turnkey solutions for local energy generation, storage and sharing.

Customers now expect transparency, sustainability and personalised energy solutions. Prosumers drive new business models for energy trading, peer-to-peer networks and real-time optimisation. Across its subsidiaries, the Encevo Group is addressing these expectations through:

- **Energy sharing platforms:** launching a Minimum Viable Product (MVP) to facilitate decentralised renewable energy sharing.
- **Smart charging and dynamic tariffs:** upgrading the MyEnovos app to include new features for EV charging and flexible tariff structures.
- **Consumer behaviour research:** studying the influence of digital tools on decision-making through behavioural science projects.

Customer centricity and demand side management

The Encevo Group strives to encourage sustainable choices and efficient use of energy within its own operations, among its customers and in society in general.

In support of these ambitions, Enovos Luxembourg launched a campaign throughout Luxembourg in April 2024. The aim of the campaign was to promote Enovos' green electricity offer while raising awareness among people of Enovos as a supplier and producer of renewable energy.

The campaign featured four main visuals, showcasing notable achievements in 2023, such as the number of new renewable energy installations and the total renewable energy produced during the year. The campaign was displayed on bus shelters, in digital and printed local media and on social networks.

In a similar manner, Enovos Deutschland and Creos Deutschland launched a communications campaign in November 2024, with the aim of increasing awareness of the two brands and promoting their offer of green energy products such as hydrogen, photovoltaic and wind electricity.

Moreover, Enovos Luxembourg consistently provides information and develops communications to educate viewers, customers and society on energy efficiency subjects. For instance, Enovos Luxembourg launched an end-of-year campaign in December 2024 named “Merry (after) Christmas”, with the key message “Good moments also come when we switch off” / “Good moments also come when you power down – and save energy”. The campaign conveyed a twofold message, underscoring the importance of energy sobriety. The campaign was displayed on TV, cinema, bus shelters, local digital and printed media and on social networks.

Enovos Luxembourg also supports and promotes energy efficiency gains through the enoprimes programme, which provides grants to residential customers, companies and municipalities to implement energy-efficient renovations and enjoy energy and cost savings. In 2024, the enoprimes programme implemented a new approach in the form of an image campaign on the topic of energy sobriety. The campaign targeted residential and business customers, as well as municipalities. During 2024, a total of 6,711 applications were submitted with an average saving of 166GWh.

Company vehicles

In 2017, Encevo Luxembourg, Enovos Luxembourg, Creos Luxembourg and Teseos Luxembourg decided to promote hybrid and fully electric vehicles in all new leasing contracts for their corporate cars. In 2022, company car policy was updated, stipulating that only fully electric vehicles could be ordered. The decision has led to a consistent increase in the number of corporate electric vehicles over time, resulting in a positive contribution to the group's GHG emissions. On 31 December 2024, 71% of corporate vehicles were electric, with the remaining 29% being plug-in hybrid electric vehicles. The objective is to have only electric corporate vehicles by 2027.

In addition, Creos Luxembourg aims to increase the number of electric vehicles in its fleet, whenever possible, depending on the availability of the technology for the different vehicles required.

A similar approach has been adopted by other group companies, such as LuxEnergie and the subsidiaries in Germany, with a view to increasing the number of electric vehicles in their fleets for all company vehicles, whenever the technology is available to meet the different requirements.



Metrics and targets

Targets related to climate change mitigation and adaptation

The Encevo Group Annual Report 2023 revealed the group's first set of GHG emission reduction targets for 2030, with the base year set at 2021.

The Encevo Group targets for reducing GHG emissions until 2030 are outlined in the graph below. These include a 50% reduction in scope 1 and scope 2 location based GHG emissions, and a 30% reduction in scope 3 GHG emissions, with the scope of all fully consolidated entities¹⁹.

The defined GHG emission reduction targets for scope 1 and scope 2 are compatible with the Paris Agreement and with limiting global warming to 1.5°C. This conclusion has been validated by the external consultants' analysis although it was not subject to external assurance. Moreover, the targets were defined using a business-as-usual scenario and main reduction levers were analysed to formulate them.

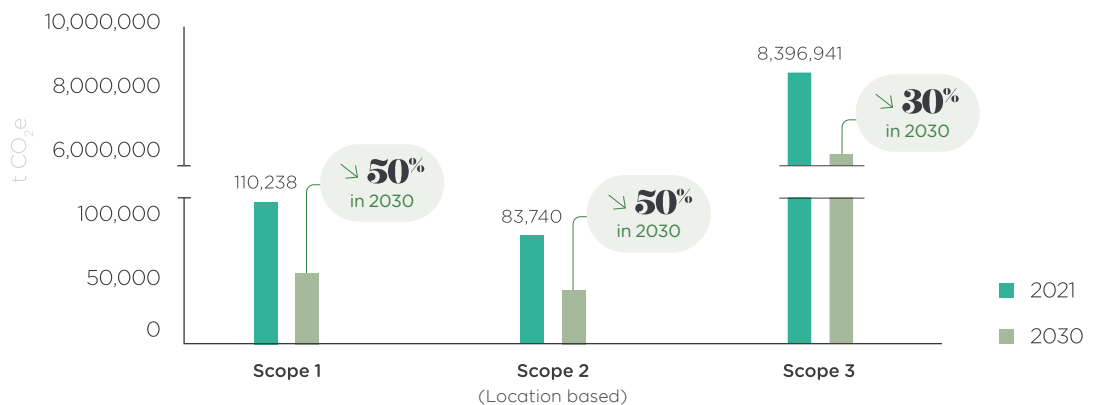
The main reduction levers for scope 1 GHG emissions are:

- The replacement of fossil fuel energy sources with wood biomass in the heating and combined heat and power installations at LuxEnergie.
- The reduction of natural gas network losses from the activities as gas network operator in Luxembourg and in Germany.
- The electrification of fleet and corporate vehicles at Creos Luxembourg and Creos Germany.

Regarding the scope 2 GHG emissions, the most relevant contributors are the electricity network losses from electricity transmission and distribution activities in Luxembourg and in Germany. Electricity losses inevitably occur when electricity is transported through the grid, and they are considered indirect emissions resulting from the production of this electricity upstream in the energy value chain. These losses can be mitigated by increasing the amount of green electricity being transported through the network.

Encevo Group 2030 GHG emission reduction targets (t CO₂e)

Total (base year 2021): 8,590,918 t CO₂e



¹⁹ **Scope 1 GHG emissions** are direct greenhouse gas emissions from sources owned or controlled by a company, such as fuel combustion in company vehicles or facilities. **Scope 2 GHG emissions** are indirect emissions from the generation of purchased electricity, steam, heating, or cooling consumed by a company. **Scope 3 GHG emissions** are all other indirect emissions in a company's value chain, including those from suppliers, business travel, waste disposal and product use (non-exhaustive).

From a location-based perspective, it is foreseen that the electricity transported through the network will be increasingly green as Luxembourg increases its renewable electricity production in line with Luxembourg's National Energy and Climate Plan (PNEC) and with the greening of the electricity that is imported from Germany.

Regarding the scope 3 GHG emission targets, the primary reduction source is the decision to reduce the natural gas activities in Germany. At the same time, the group is expanding its portfolio of green energy products, mainly through increasing the local renewable energy production, and through Guarantees of Origin and Power Purchase Agreements.



Energy consumption and mix

ENERGY CONSUMPTION RELATED TO OWN OPERATIONS AND MIX (MWH) ENCEVO GROUP	2023	2024
Total energy consumption related to own operations	273,590	252,676
Direct energy consumption	237,776	208,131
Energy consumption from fossil sources	222,516	189,772
Fuel consumption from coal and coal products	0	0
Fuel consumption from crude oil and petroleum products	18,707	21,866
Fuel consumption from natural gas	203,808	167,906
Fuel consumption from other fossil sources	0	0
Energy consumption from renewable sources	15,260	18,359
Fuel consumption from renewable sources (including biogas, biomethane, biodiesel and bioethanol)	1,724	1,700
Wood biomass consumption for heat production	13,155	15,997
Consumption of self-generated renewable electricity (wind or solar)	382	663
Indirect energy consumption	35,814	44,545
Indirect energy consumption from non-renewable sources	17,316	5,453
Consumption of non-renewable purchased electricity	5,315	4,957
Consumption of non-renewable purchased heating, cooling and steam	12,000	496
Indirect energy consumption from renewable sources	18,498	39,093
Consumption of purchased electricity from renewable sources	18,498	27,813
Consumption of purchased heating, cooling or steam from renewable sources		11,280
Other direct and indirect energy uses related to own operations	140,074	112,259
Natural gas losses	5,517	3,155
Electricity network losses	134,557	109,104
Electricity network losses without matching Guarantees of Origin (GOs)		84,326
Electricity network losses with matching renewable Guarantees of Origin		24,778

Total energy consumption decreased by -7.6% in 2024 compared to 2023, with a decrease in direct energy consumption by -12.5%, driven mainly by the reduction of consumption from natural gas (-17.6%).

The natural gas losses from own operations also show a decrease of -43% while the electricity network losses decreased by -19% in 2024 compared to 2023. This can be explained by the enhanced precision in the accounting of these losses by Creos Luxembourg and by the higher renewable energy production from increased installed capacity across the country.

Energy intensity based on net revenue

ENERGY INTENSITY ENCEVO GROUP	2024
Energy intensity per net revenue [kWh/EUR]	0.057

The energy consumption per net revenue result is rather low, as a large portion of revenues are generated from the energy purchased and sold to the different customers, where the energy consumption for this end is relatively low.

Energy production Encevo Group

ENERGY PRODUCTION (MWh) ENCEVO GROUP	2023 revised	2024
Combined heat and power (CHP) - renewable & non-renewable		
Electricity	111,796	119,965
Heat	541,004	531,586
Cold	63,648	67,826
Electricity - renewable	766,341	920,796
Photovoltaic	200,607	347,755
Wind	488,829	471,724
Hydroelectric	76,904	101,318

Note: energy production values counted at 100% irrespective of the ownership interest.

This table presents the Encevo Group's energy production in 2024, in the form of electricity, heating and cooling energies.

The energy production information in the above table was revised after the publication of the 2023 Annual Report, because some ownership percentages were updated and the renewable energy production of EnergieSüdwest Group

(fully consolidated within the Stadtwerke segment) in Germany was also added.

The group's objective is to continue growing in renewable energy production through continuous investments in installed capacity, contributing to Europe's ambitions and in line with the PNEC's and Luxembourg's objectives.

Energy production installed capacity

INSTALLED CAPACITY (MW) ENCEVO GROUP	2023 revised	2024
Combined heat and power (CHP) - renewable & non-renewable		
Electricity	22.3	20.8
Heat	276.0	275.2
Cold	36.1	37.0
Electricity - renewable	543.2	761.5
Photovoltaic	293.2	492.2
Wind	217.5	236.7
Hydroelectric	32.6	32.6

Notes: installed nominal capacity values counted at 100% irrespective of the ownership interest.

Total renewable installed capacity for wind, photovoltaic and hydroelectric energy amounts to 413.4 MW in 2024 (pro rata basis) and installed capacity from combined heat and power energy (pro rata basis) amounts to 8.7 MW for power, 156 MW for heat and 18.7 MW for cold in 2024.

The installed capacity information in the above table was revised after the publication of the 2023 Annual Report, because some ownership percentages were updated and the renewable energy production capacity of EnergieSüdwest Group (fully consolidated within the Stadtwerke segment) in Germany was also added.

INSTALLED RENEWABLE CAPACITY BY COUNTRY (PRO RATA BASIS) (MW) ENCEVO GROUP	2023	2023 revised	2024
Total installed capacity by country	219.7	270.4	391.0
Photovoltaic	123.0	171.9	286.1
Luxembourg	32.4	32.6	34.3
Germany	36.4	85.2	191.1
Belgium	8.0	8.0	9.4
Netherlands	35.2	35.1	40.3
Italy	11.0	11.0	11.0
Wind	96.7	98.5	104.9
Luxembourg	54.4	54.4	54.8
Germany	37.2	38.9	38.9
Belgium	5.1	5.2	11.2

Notes: Total installed capacity represents the total absolute operating capacity of renewable energy in the field of photovoltaic and wind.

The installed capacity information was revised after the publication of the 2023 Annual Report, as some ownership percentages were updated and the renewable energy production capacity of EnergieSüdwest Group (fully consolidated within the Stadtwerke segment) in Germany was added.

The total renewable installed capacity (wind and photovoltaic) for all consolidated and non-consolidated entities increased by 45% in 2024 compared to 2023 (revised), mainly driven by an increase in photovoltaic production capacity by 66% in 2024.



Gross scopes 1, 2, 3 and total GHG emissions

GHG EMISSIONS ENCEVO GROUP	2021	2023	2024	Target 2030
Scope 1 GHG emissions				
Gross Scope 1 GHG emissions [t CO ₂ eq]	110,238	60,312	50,082	55,119
Percentage of Scope 1 GHG emissions from regulated ETS ¹ [%]			8.94	
Scope 2 GHG emissions				
Gross Location-based Scope 2 GHG Emissions [t CO ₂ eq]	83,740	55,245	44,295	41,870
Gross Market-based Scope 2 GHG Emissions [t CO ₂ eq]	72,840	66,319	38,227	
Significant Scope 3 GHG emissions				
Total gross indirect scope 3 GHG emissions [t CO ₂ eq]	8,396,941	7,393,500	7,405,376	
1 Purchased goods and services emissions [t CO ₂ eq]			515,049	
2 Capital goods emissions [t CO ₂ eq]			1,629	
3 Fuel and energy related activity emissions [t CO ₂ eq]			4,074,248	
5 Waste generated in operations emissions [t CO ₂ eq]			806	
6 Business travel emissions [t CO ₂ eq]			224	
7 Employee commuting emissions [t CO ₂ eq]			3,103	
11 Use of sold products emissions [t CO ₂ eq]			2,788,802	
12 End of life treatment of sold products emissions [t CO ₂ eq]			2,497	
15 Investments Emissions [t CO ₂ eq] ²			19,019	
Total gross indirect scope 3 GHG emissions - fully consolidated entities (excluding investments emissions) [t CO ₂ eq]			7,386,357	5,877,859
Total GHG emissions Encevo Group				
Total GHG emissions location-based [t CO ₂ e]	8,590,919	7,509,057	7,499,752	
Total GHG emissions market-based [t CO ₂ e]	8,580,019	7,520,131	7,493,684	
Other GHG emissions outside of scope 1-3				
Total biogenic emissions [t CO ₂ e]	73,602	103,047	120,273	

¹ ETS: Emission trading schemes

² New category for 2024, includes scope 1 and 2 GHG emissions from entities consolidated under the equity method.

The Encevo Group total GHG emissions slightly decreased in 2024 compared to 2023 and they decreased by 12.7% compared with the base year 2021, for both location-based and market-based GHG emissions.

The GHG emissions accounting scope of all fully consolidated entities was enlarged in 2024, as the Grethen S.à.r.l., acquired in 2023, was integrated into the CSR management tool for the calculation of the different metrics, including their GHG emissions. However, due to the relatively smaller size of the company within the group, this has a low impact on the total GHG emissions.

Moreover, this year, the scope was enlarged to include value chain GHG emissions from entities consolidated under the equity method. Since 2024, the group is including the scope 1 and 2 GHG emissions from these entities under scope 3, category 15, Investments, in line with the GHG Protocol methodology.

Scope 1 GHG emissions decreased by 17% in 2024 compared to 2023 and have already achieved the 2030 target. The main reasons for the decrease are the reduction in natural gas consumption, especially from the conversion of heating plants to biomass sourcing by LuxEnergie,

and the decrease in the natural gas losses from the transmission and distribution networks, in line with the results shared in the energy consumption table presented above.

The scope 2 GHG emissions show positive results in both the location-based and market-based perspectives, coming closer to the 2030 target, with a -19.8% and -42.4% decrease respectively compared to 2023. The main reason for the reduction in the location-based perspective is the decrease in the electricity grid losses in Luxembourg and in Germany by -19% when compared with 2023.

An additional driver to this reduction comes from the emission factor. The location-based electricity emission factor was reduced both in Luxembourg and in Germany by 6% and 8% respectively, showing the increased portion of renewable electricity supply in both locations.

The larger reduction in the market-based GHG emissions is a result of the purchase of guarantees of origin for part of the electricity network losses (24,778 MWh).

The scope 3 GHG emissions remained stable in 2024, with a 0.2% increase compared to 2023. However, if the value chain emissions from scope 3.15 category integrated in 2024 are not taken into consideration, scope 3 GHG emissions have decreased by -0.1%. Moreover, they have decreased by -12% compared to the base year 2021.

As mentioned in the General information chapter, some indirect emission factors currently in use have been updated with a new scientific improvement. Until now, the Encevo Group's GHG emissions have been calculated using the 2023 indirect emission factors, which do not include the aforementioned scientific improvement, concerning scope 3.1 and 3.3 GHG emissions.

This ensures that the data is comparable with the data from previous years. As of the 2025 Annual Report, the group's GHG emissions for the years 2021-2024 will be updated using the improved calculation method.

GHG emissions intensity based on net revenue

EMISSIONS INTENSITY ENCEVO GROUP	2021
Total GHG emissions (location-based) per net revenue [kg CO ₂ e / EUR]	1.9
Total GHG emissions (market-based) per net revenue [kg CO ₂ e / EUR]	1.9

GHG removals and GHG mitigation projects financed through carbon credits

CARBON CREDITS ORIGINATED AND CANCELLED DURING THE YEAR (t CO ₂ e) ENCEVO GROUP	2021
Amount of carbon credits originated or generated during the year	0
Amount of carbon credits cancelled during the year	477,281

The Encevo Group purchases carbon credits from mitigation projects in Europe and around the world to formulate its carbon neutral natural gas product in Luxembourg, called **naturgas**.

Internal carbon pricing

The Encevo Group has not implemented an internal carbon pricing scheme.

Resource use and circular economy



Organisation and management

The Encevo Group recognises the importance of resource use and circular economy in the energy sector, acknowledging its role in climate change mitigation and environmental preservation. The organisation is therefore committed to progress, advancing and developing its approach on this subject.

In the context of infrastructure investments in energy transportation and distribution, the themes of resource use and circular economy are particularly relevant. This involves the purchase of large quantities of materials such as aluminium, copper and other raw materials and intermediary products. The same holds true for the group's investments in renewable energy production, particularly for wind and solar installations, as well as heat production plants.

These investments in energy infrastructure should consider the responsible sourcing of materials, the integration of circular design principles and planning for the best end-of-life management of these assets, including circular economy considerations.



Impact, risk and opportunity management

Processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

As outlined in the General information chapter, the Encevo Group has identified resource use and circular economy as material ESRS standard.

In 2025, the organisation plans to update its double materiality assessment in accordance with the ESRS methodology and based on the recently published EFRAG materiality assessment implementation guidance in 2024. The results of this exercise will guide the organisation's roadmap in terms of resource use and circular economy.

Policies related to resource use and circular economy

The Encevo Group currently has three policies in place that guide its contribution to resource use and circular economy.



**Encevo Group
Environmental Policy**

The **Encevo Group Environmental Policy**, available on the Encevo Group website, details the group's commitment to environmental responsibility and mentions, among other aspects, its adherence to and consideration of "sustainability by design, choosing the best available technologies and continuously working to reduce environmental impacts based on a life-cycle perspective".

Furthermore, this policy states the organisation's dedication to eliminating or at least reducing waste from its activities.

The **Encevo Group Supplier Code of Conduct** aims to ensure that suppliers adhere to social and environmental standards and respect human rights, and is publicly available on the Encevo Group website. The document is included in the General Terms and Conditions and applies to all procurement contracts signed by the main group subsidiaries.



Encevo Group Supplier
Code of Conduct

The **Procurement Policy** mentions several sustainability considerations, such as the need to consider environmental and social risks in procurement activities. In line with the sustainable procurement roadmap, it is now planned to incorporate sustainable procurement criteria into operational procurement decision-making wherever possible.

Actions and resources related to resource use and circular economy

The latest double materiality assessment, conducted in 2023, identified resource use and circular economy as a material topic, which means the Encevo Group is now in the process of gaining maturity in this area. It is important to note that the different group companies have already shown progress and have implemented several initiatives and actions in recent years that build on this subject.

Regarding the group's business activities, LuxEnergie has implemented a plan to transition from natural gas to wood biomass for heat production. Moreover, most of the new installations are currently specifically designed to run on wood biomass, which represents an important contribution to climate change mitigation. From a resource use perspective, LuxEnergie is now using renewable feedstock for its heat production, allowing the company to offer renewable heat to its customers.

In addition, the Encevo Group companies initiated the incorporation of sustainability principles into different projects. For instance, Creos Luxembourg ensures its infrastructure projects are designed to last longer and be easily repairable or recyclable.

In line with this commitment, the Renewable Energies teams acknowledge that owning renewable energy assets represents a dedication to a sustainable energy future. This responsibility entails owning the assets, as well as ensuring their efficiency, profitability and environmental sustainability throughout their lifecycle. Achieving this requires a strategic approach that optimises performance, enhances financial returns and integrates sustainable practices from procurement, installation to end-of-life management.

Ensuring long-term asset performance is an integral component of sustainable asset management, as maximising the energy production with limited materials is always more environmentally beneficial. Ensuring consistent and optimal energy output over the lifespan of a photovoltaic system or a wind turbine is essential to meet both financial and environmental objectives.

Predictive maintenance technologies play a crucial role here. These tools can identify issues (such as dirt accumulation, microcracks and shading for a photovoltaic asset) before they impact system performance. Leveraging advanced analytics platforms enables asset owners to gain actionable insights and address underperforming components promptly.

Moreover, the high quality of installations and components is fundamental for a high-performing system. Collaborating with experienced engineering, procurement and construction end-to-end solar energy service companies (EPCs) and choosing durable, high-quality materials maximises efficiency and maintenance costs and downtime, which has a positive impact on sustainable asset management.

In relation to the management of the end-of-life of energy infrastructure, the different group companies strive to find solutions to reuse, repurpose or recycle the diverse materials. For instance, Creos Deutschland aspires to identify new applications and solutions for decommissioned underground pipes. In some cases, these pipes are preserved in place after their primary use and sold to other users such as telecommunications service providers or downstream grid operators.

Creos Luxembourg refurbishes decommissioned transformers to extend their technical life by identifying new use cases. While at Creos Deutschland, the contractor is responsible for the end-of-life of transformers which are then dismantled and the oil reprocessed and reused. The metals, including copper and iron, and the sheet metal package are also reused. Creos Deutschland is currently examining the option of a second life for older transformers or retrofitting them.

Enovos Renewables is responsible for the end-of-life planning of photovoltaic installations in Luxembourg, Germany, Belgium and the Netherlands, as well as for wind installations in Germany.

The renewable energy assets in Luxembourg are relatively new, with an estimated end-of-life in approximately 20 years on average. The installation contracts for these assets give customers the option to retain ownership and continue operating them independently after the stipulated end-of-life. By accepting this option, the lifespan of the assets is extended beyond the initial 20 years to 25 or 30 years. Customers can also choose not to keep the assets, in which case the Enovos Renewables team in Luxembourg will be responsible for their dismantling and recycling. Given the longer timeframe, the end-of-life management of renewable energy assets will be further defined in the upcoming years by the Renewables team in Luxembourg.

The renewable assets in Germany, primarily solar and wind installations, are typically commissioned to external service providers. These providers are responsible for the entire installation process at the

start of the project and for the end-of-life management of these assets, including the dismantling and recycling of the different materials and components.

In terms of operational and support activities, energy management is also a key focus for the group's office sites, with several implementing an energy management system to optimise energy use and improved long-term energy efficiency. For instance, the office site in Esch-sur-Alzette has achieved ISO 50001 certification, and Creos Deutschland GmbH has also attained this standard, with LuxEnergie scheduled to receive the certification in 2027.

The Creos Luxembourg Merl site inaugurated in 2021 received the highest rating, namely the platinum label from the Deutsche Gesellschaft für Nachhaltiges Bauen (German Society for Sustainable Building), a German sustainability certification system that evaluates buildings based on ecological, economic, technical and functional criteria. Additionally, the Creos Dispatching site in Bettembourg has also been awarded the gold level certification.

Moreover, the Encevo Group takes care of the end-of-life management of IT and electronic equipment through three main actions. It extends the lifetime of the equipment used by its employees, for instance, through the decision to deploy corporate mobile phones for five years instead of three years in the past, and laptops for five years compared to the previous four years. In addition, the group repairs current devices whenever possible, for instance, by replacing batteries or swapping cracked mobile phone screens instead of purchasing new devices. Finally, the group donates obsolete devices such as laptops to charity organisations that refurbish and donate these devices to persons in need.

Furthermore, the Encevo Group adopts waste management practices that prioritise minimal waste production, optimising reuse and recycling. This includes setting up systems to sort and process waste in an efficient way.

The office sites in Luxembourg are SuperDrecksKëscht certified, a renowned local label for the sustainable use of resources.

The Encevo Group regularly develops and carries out awareness-raising actions and training on resource use and circular economy. For instance, on 11 June 2024, a workshop on sustainable procurement was organised at the offices in Esch-sur-Alzette. Attendees included procurement and sustainability professionals from different group companies who brainstormed and shared ideas on how to further develop and drive forward sustainable procurement within the different companies.

Looking ahead, the Encevo Group set a clear objective to establish a sustainable procurement policy and to define and implement sustainable procurement criteria for its procurement operations by 2025. This is a key milestone in promoting sustainable procurement across the different group companies.



Metrics and targets

Targets related to resource use and circular economy

The Encevo Group has not defined any targets relating to resource use and circular economy. The organisation is currently in the process of developing a more thorough understanding of its current situation. In 2025, the group will begin defining the path forward and consider establishing new targets for the Encevo Group.

Resource inflows

The group's main resource inflows relate to its infrastructure investments in energy transportation and distribution, as well as in renewable energy production for the provision of energy products and services to its customers. These investments involve the purchase of large quantities of materials to build such infrastructure, especially for investments in electricity grids for the energy transition.

The energy infrastructure activities also involve investments in data collection, management and analysis enabling smart operations of these infrastructure assets and the precise balancing of steady energy flows, ensuring energy reliability for customers.

Investments in renewable energy production include the purchase of solar panels and wind turbines, as well as transformers and switchgear to connect these renewable energy sources to the electricity grid. The equipment contains different materials that may be carefully selected to prioritise the use of recycled materials wherever possible.

Solar panels pose a challenge in that they contain some critical and strategic raw materials, such as silicon, gallium, germanium, copper and nickel, while wind turbines contain boron, cobalt, manganese and other rare earth metals. It is therefore critical to select the assets containing such raw materials sensibly and evaluate if there are other more sustainable options. It is also important to draw up a plan to manage the end-of-life of these investments to try to maximise reuse and recycling options and careful disposal.

As of 2025, based on the results of the double materiality assessment review, it is planned to develop a more detailed analysis of the material weight procured during the reporting period.

Resource outflows

The Encevo Group's resource outflows relate to the management of the end-of-life of infrastructure assets in energy transportation and distribution and that of the renewable energy production assets.

Regarding the energy transportation and distribution assets, the asset management teams aim to find solutions to avoid waste generation and to reuse and recycle materials at the end of their lifecycle whenever possible. Some examples can be found on the previous page.

In the case of renewable energy production assets, the Renewables team in Luxembourg will develop a roadmap to plan for the end-of-life of these installations. In Germany, the same external service providers initially commissioned with the installation of these assets generally manage the end-of-life. This ensures the proper dismantling and recycling of solar panels and wind turbines.

As a final point, it should be noted that the different business activities and office sites generate various waste types on a regular basis. The waste is carefully managed and disposed of in the best available manner. The different waste types are classified according to the European Waste Catalogue, a hierarchical list of waste descriptions established by Commission Decision 2000/532/EC. Waste is classified as hazardous and non-hazardous, as defined in the codes list. The table below provides a summary of the total waste generated, classified by hazardous and non-hazardous waste and by diversion and disposal pathways.

**WASTE GENERATED WITHIN
THE ORGANISATION (tonnes)
ENCEVO GROUP**

2024

Total waste generated in the organisation 12,301

Non-hazardous waste 11,005

Hazardous waste 1,296

Non-hazardous waste by diversion pathway 3,480

Preparation for reuse 1,680

Recycling 1,799

Other recovery operations 1

Non-hazardous waste by disposal pathway 7,320

Incineration 123

Landfilling 7,137

Other disposal operations 60

Hazardous waste by diversion pathway 106

Preparation for reuse 28

Recycling 51

Other recovery operations 27

Hazardous waste by disposal pathway 800

Incineration 1

Landfilling 798

Other disposal operations 2



Social information

Own workforce



Organisation and management

The Encevo Group employees play a pivotal role in delivering a wide range of activities across its various entities, driving progress and fostering growth. Consequently, the establishment of robust workforce standards is paramount for the group, as maintaining a dedicated workforce is instrumental to its continued success.

It is very important for the Encevo Group to protect and enhance its human capital by developing employment practices and establishing high-quality working conditions that foster employee development, engagement and overall well-being. This commitment is embodied in the meticulous management of areas such as health and safety, diversity and inclusion, employee learning and skills development and respect for human rights.

This section outlines the Encevo Group's approach to employment and presents the main social metrics from the group's fully consolidated entities.

Interests and views of stakeholders

The inclusion of employee representatives on the Board of Directors is an effective channel for raising employee interests and views and to inform the business strategy. Encevo S.A. has three board members who are employee representatives: two from Creos Luxembourg, representing employees in Luxembourg, and one from Encevo Deutschland, representing employees in Germany. Similarly, other larger group subsidiaries, such as Enovos Luxembourg and Creos Luxembourg as well Encevo Deutschland and Creos Deutschland, also have employee representatives on their Boards of Directors.

In addition, the CEO of Encevo and the Encevo Head of Human Resources conduct a monthly meeting with the staff representatives of Encevo S.A., Enovos Luxembourg, Creos Luxembourg and Teseos Luxembourg, where a variety of employee topics are analysed and discussed.

In a similar manner, the human resources teams from the German companies conduct regular meetings with the works council, a group of delegated employees that represent employees' interests to their employers, as per the Works Council Constitution Act. They also hold regular meetings with the representative body for employees with disabilities and conduct quarterly meeting consultations with the Economic Committee, discussing significant economic matters and plans of the group.

In addition, many methods are employed to gather insights and views from employees:

- Employee survey: results are carefully analysed and improvement actions and initiatives are developed accordingly.
- Group whistleblowing procedure: this procedure, amongst others, can be used to raise concerns regarding human rights, where processes have been established to rigorously manage these concerns. Human rights concerns raised through this channel can inform the Group Strategy whenever relevant. More information can be found in the Business conduct section on page 136.
- Harassment reporting channels allow employees to report cases of harassment in the workplace
- Strategy workshops and meetings: gather information from employees for the revision of the group strategy.

- Thematic focus groups: organised by the Human Resources department on topics such as workload, career development, etc.
- Exit interviews: organised by the Human Resources department to collect insights from departing employees so as to understand their experiences and areas for improvement.
- Leadership programme: collects insights from employees.
- Annual performance review: one-to-one meeting with the manager.
- Annual development review (development talk): one-to-one meeting with the manager. The results of these talks are analysed and used to adapt the training catalogue based on shared development needs.
- Post-training evaluations: collected to shape future programmes that align with employee priorities and the organisational strategy.
- Encevo Communication Partner Meetings: organised by the Encevo Corporate Communication team to ensure bi-directional communication flows to improve dialogue between the management and the designated ambassadors representing the different group departments.

Material impacts, risks and opportunities, and their interaction with strategy and the business model

As explained in the General information chapter, the 2023 double materiality assessment identified employment practices as material to the Encevo Group. The 2025 double materiality assessment update will allow the organisation to delve deeper into the main impacts, risks and opportunities related to employees.

However, the Encevo Group has already developed a comprehensive understanding of its main impacts, risks and opportunities concerning employees, which are outlined below.

Employment practices

The employment practices established at Encevo, Enovos, Creos and Teseos in Luxembourg and in Germany meet very high standards and are understood to have a positive impact on employees.

These practices include a combination of measures and practices that build on self-development, a sense of achievement and general well-being, combined with a comprehensive compensation package for good quality of life.

Employment practices are further developed in the Actions part of this section on page 120.

Inclusive work environment

The Encevo Group develops and promotes an inclusive work environment that has a positive impact on employees.

Main developments and actions on this subject are further developed in the Actions part of this section on page 122.

Health and safety risks

Encevo Group employees are generally exposed to risks related to construction sites and energy infrastructure, whether they are involved in the installation and maintenance of energy production systems or the setting up and maintenance of the gas and electricity transport and distribution network.

In this context, each concerned subsidiary identifies and assesses the specific risks associated with its activities. These risks generally stem from work on construction sites and operations related to energy production and supply. They include hazards such as falls, engine noise, fire risks and electrical hazards, whether arising from operational tasks or work on gas systems - as well as electrical hazards. In district heating networks, additional risks are posed by high-temperature pipelines, potential steam leaks and pressure-related incidents. Furthermore, maintenance and excavation work on underground infrastructure pose risks of accidental damage to existing utility lines, requiring strict safety protocols and careful coordination with other networks. Ergonomic risks, related to repetitive movements, material handling or handling of construction's tools, are also considered. These risks are handled through the implementation of preventive measures, ensuring the safety of our employees and the integrity of the installation.

As an example, employees working with photovoltaic panels are trained to recognise and mitigate electrical hazards and are required to wear a harness when working on rooftops. The training is complemented by ongoing professional development, with the activities permitted subsequently detailed in formal authorisation.

As the energy sector rapidly develops, so too do the service offers and working methods. In such cases, the risk assessments are revised to ensure they remain up-to-date and that employees are well protected during their work. Finally, collective or individual protective measures are implemented to manage any residual risk and protect employees in the event of an accident.

Risk of discrimination, harassment and violence at work

As with any human organisation, there are risks of discrimination, harassment and violence at work. This is why, the Encevo Group has implemented group policies and procedures that provide guidance on prevention and management measures.

Human rights risks

The Encevo Group adheres to all relevant European and national employment legislation. There is currently no indication within the scope of the group's operations that forced labour or child labour is a significant risk.

To address potential risks related to forced labour and child labour along the value chain, the Encevo Group has implemented a Supplier Code of Conduct. The code, which is a mandatory inclusion in all purchasing contracts, ensures that employment laws are respected and the employees' human rights are upheld.

Risk of stress

The most recent employee survey, conducted in 2023, revealed an increased interest and necessity for stress relief and self-care initiatives. In response, the organisation, in collaboration with the Health and Safety department, decided to implement targeted support and well-being programmes for employees. Furthermore, the Human Resources training team proposed new training opportunities in 2024, focusing on stress management and emotional intelligence, so as to better equip employees to manage workplace challenges effectively.

Opportunities

In addition to the main impacts and risks, the Human Resources department has identified several opportunities for Encevo Group employees involving the following:

- Continue investing in employee development
- Building a diverse workforce
- Further promoting employee well-being
- Enhancing employer branding
- Strengthening leadership and communication
- Further creating a feedback culture



Impact, risk and opportunity management

Policies related to own workforce

The Encevo Group has five main policies and procedures in place that set down guidelines on employment practices in relation to its own workforce and that cover the potential social impacts and risks.

The **Talent Management Policy** is an internal policy that defines how the Encevo Group should create a work environment that attracts, develops and retains the best talent and ensures that it has the right people in the right jobs at the right time to implement the business strategy. The scope of the policy covers all fully consolidated entities. Among other subjects, the policy establishes that all entities shall put in place a performance management procedure and provide training to employees that reinforces employee development and engagement.

The **Health and Safety Encevo Corporate Policy** is an internal policy that sets out the organisation's commitment to ensuring healthy and safe working conditions for its employees and applies to all fully consolidated entities. Through this policy, the Encevo Group is committed to ensuring that health and safety risks are well managed and to prioritising the prevention of work-related injuries and illnesses in all decisions. Processes and procedures are in place to ensure that the group's companies comply with European and national occupational health and safety laws.

The Health and Safety Encevo Corporate Policy is implemented in the different subsidiaries, and it is complemented by local specifications that include procedures or work instructions related to health and safety measures.

The Diversity, Equity and Inclusion

Policy is an internal policy which also applies to all fully consolidated entities. It aims to create a workplace environment characterised by fairness, dignity and respect for all employees. The policy underscores the importance of creating an inclusive environment where employees feel valued, included and empowered to share their ideas, and where they are enabled to achieve their full potential. The policy explicitly states that the organisation "does not tolerate discrimination against employees or applicants because of race, national or ethnic origin, gender, pregnancy, marital or parental status, age, disability, religion or belief, sexual orientation, or any other characteristic specified under the applicable law, company policy or the respective collective bargaining agreement".

The **Policy on moral and sexual harassment in employment relationships** was updated in 2024 and the new version took effect on 6 December 2024, applying to all employees of the group companies Encevo Luxembourg, Creos Luxembourg, Enovos Luxembourg, LEO and Teseos Luxembourg and to any third party with whom they may interact. The policy outlines a formal procedure for reporting and addressing harassment issues, ensuring confidentiality and impartiality.

Lastly, the Encevo Group has a **Human Rights Policy** in place that is publicly available on its website. The policy encompasses all fully consolidated entities and defines the group's commitment to upholding globally accepted human rights. In line with the policy, the Encevo Group is developing human rights due diligence workshops with all fully consolidated entities and is establishing due diligence processes to ensure that human rights risks are identified, prevented and mitigated in due time.

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

The group entities Encevo, Enovos, Creos and Teseos in Luxembourg interact with their employees both directly and through their employee representatives. Monthly meetings are set with the representatives to discuss various employee issues. This ensures a structured dialogue and representation. Key channels for these interactions include:

- 30 elected delegates represent employees on management boards and various committees, such as diversity and inclusion, health and safety, and time regulations.
- Monthly meetings are held between the delegates and the Executive Committee to follow up on recurring topics.
- A Collective Bargaining Agreement between the Executive Committee and the trade unions (OGB-L and LCGB) is in place and renegotiated every three years.

The above-mentioned companies also engage directly with their employees through:

- Communication meetings with the CEO and voluntary employees.
- An internal portal providing access to departmental information and contacts, such as information technology, human resources, facility management, etc.
- Direct access to respective departments via points of contact, department heads, or senior management.
- Annual performance review with the direct manager.
- Development talks with the direct manager.

Fixed monthly meetings between the personnel delegation and the management cover recurring topics such as:

- Human resources statistics (recruitment, parental leave rate, turnover, organisational changes, training, etc)
- Updates on the latest developments in the company
- Annual health and safety report
- Updates on service memos and company regulations

The companies Encevo, Enovos, Creos and Teseos in Luxembourg operate under a Collective Bargaining Agreement, which regulates employee topics in a more favourable manner than what is required under Luxembourg labour law. The agreement covers various aspects, including working hours, holidays and employee rights. Additionally, the group has signed policies and procedures to guide the practical implementation of key issues, such as time management.

All Encevo Group human resources policies and procedures are periodically reviewed to assess their effectiveness. Feedback is collected through:

- Monthly meetings with delegates
- Discussions during communication meetings with the CEO of Encevo
- Regular evaluation of implemented policies to determine their impact on the workforce and operational efficiency

For companies established in Germany, the Works Constitution Act (Betriebsverfassungsgesetz) provides a clear framework for structuring employee representation and ensuring that the workforce's perspectives are included in company decisions. On top of that, German laws such as the Occupational Safety and Health Act (ArbSchG) and the General Equal Treatment Act (AGG) clearly outline the requirements for co-determination, employee protection and the integration of workforce perspectives into corporate strategy. These norms complement and strengthen employee representation rights and ensure that their perspectives are taken into account.

Processes to remediate negative impacts and channels for own workers to raise concerns

The Encevo Group has established robust processes to address and remedy any negative impact on its workforce, ensuring compliance with European law, local country laws and internal policies. These processes include:

- **Direct contact**

Employees can reach out directly to the Human Resources department, the Secretary General, members of the Executive Committee or trade union representatives for support. For companies in Germany, employees can also use the works council, the anti-discrimination complaints office and the representation for employees with disabilities.

- **Internal investigations**

Whistleblowing procedure: a confidential whistleblowing channel is in place for all group entities and in accordance with the European Whistleblower Protection Directive and the country laws, allowing employees to report concerns without fear of retaliation.



European Whistleblower
Protection Directive

Harassment procedure: a specific procedure exists to address and resolve cases of workplace harassment, ensuring a safe and respectful environment for all employees.

- **Remedial actions**

Actions such as policy updates, training sessions or workplace adjustments are implemented promptly to address issues and prevent recurrence.

Taking action on material impacts on its own workforce, and approaches to mitigating material risks and pursuing material opportunities related to its own workforce, and effectiveness of those actions

The following text outlines the general organisation and main actions implemented by the Encevo Group in 2024. These actions have enabled the group to make progress, reinforce its positive impact on its own workforce and to prevent, manage and mitigate its own workforce related negative impacts, risks and opportunities mentioned above.

Employment practices

The Encevo Group has set high standards for employment practices to attract, retain and ensure the well-being of its employees. These practices are in line with the Group Strategy, resulting in increased productivity and performance.

To achieve this, the group has established core policies and processes that define employment practices, complemented by a wide range of programmes, initiatives and tools aligned with these objectives. Some programmes and initiatives are managed at group level, while others are handled locally, ensuring a coordinated approach while allowing for independence in the implementation of local initiatives.

Financial well-being is a central element of the proposal, where a comprehensive compensation package is provided to employees that includes a competitive salary and other specific benefits that are managed independently by the different entities.

The organisation also offers talent mobility opportunities, as all new vacant positions are first published internally and shared with the employees before they are advertised on the external job market.

All group companies strive to implement measures that ensure employees achieve a healthy work-life balance. For instance, most group entities in Luxembourg and Germany offer workplace flexibility, including a remote working programme that allows employees to work remotely for up to 52 days a year.

Moreover, the Encevo Group offers equal opportunities for parental leave and part-time work to both men and women across all group entities. Each request is carefully reviewed, and the Human Resources department consistently strives to accommodate parental leave and part-time work requests to meet the personal needs of its employees.

In relation to physical well-being, the Encevo Group supports employees' mental and physical health. The group supports whenever possible the employees' social and sports activity initiatives organised on a voluntary basis throughout the year, such as Christmas market visits, ING marathon, yoga and Pilates lessons, ski week, tennis, etc., partially financed by the Encevo Group.

In relation to young talents, the different group companies dedicate time to hiring and developing young talents and have a proactive presence in schools, supporting local initiatives, and thus positioning themselves as an employer of choice among young graduates. All group companies welcome and train young apprentices in various fields, including energy, mechatronics, logistics, administrative, management, etc.

The different group companies also promote the energy sector to encourage the young generation to pursue science, technology, engineering and mathematics (STEM) studies and further support STEM students. Of particular note is the Prix d'Excellence, launched in 2012 by the Fondation Enovos to promote engineering studies and careers. The group also offers internships and student jobs and maintains contact with them for future recruiting.

Health and safety

The Encevo Group handles health and safety topics with the utmost care. It has a health and safety strategy in place, based on the Vision Zero principles, that aims to ensure the prevention of all work-related accidents, injuries and occupational illnesses. In line with this strategy, all Encevo Group entities have a health and safety management system that meets occupational health and safety requirements, while some entities go a

step further and are externally audited. For example, Paul Wagner et Fils has certification ISO 45001, and Encevo Luxembourg has the Luxembourgish label "Sécher a Gesond mat System".

Concerning specific risks positions, the health and safety teams ensure in particular that employees follow the health and safety rules and principles and raise awareness about the behaviours required to ensure a healthy and safe environment.

The different entities offer safety training on their specific risks and the mitigation measures that have been put in place to prevent accidents at work. Moreover, the organisation encourages its workers to commit to their safety and promotes various health and safety initiatives during the year.

In 2024, several actions were implemented across the group to reinforce health and safety at work.

Firstly, the results of a well-being in the workplace survey conducted in 2023, showed that the risk of stress and burnout was quite high. This led to the carrying out of different initiatives across the group in 2024.

For instance, the Health and Safety Day programme was designed to address these concerns, with activities such as naturopathy, qigong, cardiac coherence and breathing techniques, Tibetan bowls and sophrology. The day's objective is to give employees the opportunity to try different activities so that they can incorporate the ones that suit them best into their daily routine.

Another initiative is the “Energized Leaders” programme which is currently being deployed throughout the group. Creos Luxembourg completed it with a workshop to build up a safety culture and to further open dialogue through the hierarchical lines.

The group companies Creos, Enovos, Encevo and Global Facilities in Luxembourg are working under ISO 45001 principles (ISO 45001 is an international standard for Health and Safety management at work), while Paul Wagner et Fils and Électricité Wagner are already ISO 45001 certified. In 2024 Creos, Enovos, Encevo and Global Facilities in Luxembourg carried out a gap assessment and the first internal audit regarding this standard. The actions to achieve the certification will be implemented during 2025. Creos Deutschland GmbH and Creos Deutschland Services GmbH are also aiming to achieve the ISO 45001 certification in 2025.

Diversity, equity and inclusion

The Encevo Group embraces the principles of equal opportunity, considering inclusion as the profound sense of belonging, accompanied by the space and support for employees to authentically express themselves. Fostering an inclusive and diverse workforce is not only essential for contributing to a positive work environment but also to ensuring long-lasting well-being among the people.

The Encevo Group recognises that the diverse backgrounds and experiences contribute to a rich pool of skills and perspectives, essential for comprehensively understanding and effectively addressing the needs of its stakeholders.

The Encevo Group expects all employees to actively contribute to an inclusive workplace culture. Employees are accountable for fostering inclusion in daily interactions with colleagues and customers. Each new employee receives training on recognising and addressing unconscious bias in the workplace.

The organisation has set up a Diversity, Equity and Inclusion Committee dedicated to fostering equitable practices and

promoting an inclusive culture across all fully consolidated entities. In 2024, the committee redefined its composition by selecting new members who reflect the diverse entities and their business activities. The committee is entrusted with a set of responsibilities that include:

- Conducting a diagnostic assessment and defining priority areas for diversity and inclusion
- Developing and implementing an action plan
- Regularly evaluating progress
- Effectively communicating implemented actions
- Establishing a platform for open exchange and discussion
- Welcoming and analysing suggestions

In 2024, the Diversity, Equity and Inclusion Policy was updated to reinforce the group's commitment to fostering an inclusive workplace. As part of this update, a clear definition of equity was introduced to further enhance understanding and ensure fairness across all practices, emphasising that equitable opportunities and support are vital to recognising and addressing the diverse needs of employees and stakeholders.

Moreover, a Diversity and Inclusion action plan has been defined to guide the organisation in fostering inclusion and engagement. The plan focuses on assessing the current state of inclusion within the organisation, identifying key areas for improvement, strengthening connections with local communities and promoting awareness through targeted initiatives and events planned across group entities.



For the upcoming years, the group is committed to continuing to make progress in this regard and aims to further embed the diversity and equal opportunities concept within the companies through the three objectives:

- Raise awareness among the general management on interpersonal skills and emotional intelligence through dedicated sessions and conferences.
- Train company leaders on managerial competences (including diversity and inclusion mindset / approach) through a dedicated leadership programme.
- Enhance employer branding by integrating diversity and inclusion principles to appeal to talent from all backgrounds, fostering a workplace that values individuality and promotes equal opportunities.

Learning and skills development

The Encevo Group prioritises the growth and development of all employees, at every stage of their careers. Guided by the Encevo Group's mission of driving the energy transition, continuous learning in both energy expertise and personal development is emphasised. These efforts enable the workforce to meet the evolving challenges while enhancing employee engagement and excellence.

Continuous learning and development are ingrained in the group's core competencies, reflecting the belief in the

numerous advantages they bring to the organisation. Beyond fostering individual growth, these practices significantly contribute to creating a motivated and committed workforce.

Recognising that leaders must set the example in continuous learning, their development is a key priority. The "Energized Leaders" programme, designed for leaders across all the Encevo Group entities, equips them with the skills to drive collective success and lead the energy transition. Currently ongoing, this programme fosters a vibrant community of leaders, enabling them to share experiences and support one another's growth.

Moreover, employees benefit from a comprehensive training catalogue tailored to diverse profiles and unique development needs. The learning offer includes various formats such as on-site and virtual classes, live webinars and recorded sessions, ensuring flexibility and accessibility for everyone.

Looking ahead, the learning and skills development team for Encevo, Enovos, Creos and Teseos Luxembourg continue to make progress in implementing the ongoing objective: pursue efforts to increase time spent on e-learning and create learning communities for knowledge sharing.

Human rights

In 2022, the group signed the National Pact on Business and Human Rights, a voluntary commitment for companies aiming to implement the UN Guiding Principles on Business and Human Rights. The signature highlights the group's dedication to respecting human rights and promotes the implementation of processes aligned with the Pact's commitments.



National Pact on Business and Human Rights



The UN Guiding Principles on Business and Human Rights



While during the years 2022 and 2023 the organisation focused on implementing the human rights commitments among the Luxembourg companies Encevo, Enovos, Creos and Teseos, in 2024 the organisation cascaded these commitments to all fully consolidated entities in Luxembourg and the Greater Region. To do so, in July 2024 the CSR team conducted dedicated sessions on human rights due diligence with all entities in Luxembourg and Germany and promoted the implementation of main human rights processes and practices among these companies.

For the upcoming years the group will continue to embed the human rights commitments among all group entities and especially in preparation for the Corporate Sustainability Due Diligence Directive that was adopted in July 2024.



**Corporate Sustainability
Due Diligence Directive**

More information on the Encevo Group's approach and activities on human rights can be found in the dedicated section on this subject on page 216.



Metrics and targets

Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities

The Encevo Group has not defined any targets until now in relation to its own workforce. The organisation has well developed employment practices and evaluates them through the regular employee satisfaction survey that generally achieves very positive results.

Moreover, in the last corporate strategy update in 2024, the Encevo Group

decided to measure the progress of its strategy implementation through four main KPIs, including one relating to employee engagement and well-being. The organisation is currently developing an understanding of how to define and track this KPI to provide valuable strategic information.

Characteristics of the undertaking's employees

The employee data presented in this chapter has the scope of all fully consolidated entities. In 2024 the scope was enlarged to include the Grethen S.à.r.l. that was acquired in 2023. In line with this, companies acquired or created during 2024, such as C. Schanen S.à.r.l., e3consult S.à.r.l. and Global Facilities Deutschland, will only be included in the scope of this data in 2025, which explains - in part - the difference with the headcount data presented in the Consolidated Management Report. The employee data has been gathered through the CSR management tool and is consistent with the ESRS requirements.

The Consolidated Management Report discloses the average employee headcount in 2024, including employees from recently acquired companies mentioned above, while it does not include parental leaves. This explains the difference in the definitions in relation to the number of employees presented in this section. In 2025, the group has planned to align these definitions in order to disclose the same data for both sections.

Until 2023, the employee data was presented in accordance with the GRI standards and with the financial statements, while as of 2024 it is presented as a headcount at the end of the reporting period, in accordance with ESRS.

The information presented this year includes a breakdown of employees by gender and by contract type. In 2024, 97% of the group employees were employed on a permanent basis.

EMPLOYEE HEADCOUNT ENCEVO GROUP BY GENDER	2024
Female employees	546
Male employees	2,390
Not disclosed	0
Total employee headcount	2,936

Note: Headcount at the end of the reporting period

EMPLOYEE HEADCOUNT ENCEVO GROUP BY CONTRACT TYPE	2024
Total number of permanent employees	2,852
Permanent female employees	519
Permanent male employees	2,331
Permanent employees - not disclosed	2
Total number of temporary employees	84
Temporary female employees	26
Temporary male employees	58
Temporary employees - not disclosed	0
Total	2,936

Note: Headcount at the end of the reporting period

EMPLOYEE HEADCOUNT ENCEVO GROUP BY COUNTRY	2024
Luxembourg	2,165
Germany	716
France	46
Belgium	7
Netherlands	2
Total	2,936

Note: Headcount at the end of the reporting period

EMPLOYEES LEAVING THE ORGANISATION BY CONTRACT TYPE	2024
Number of employees leaving the organisation	291
Rate of employees leaving the organisation [%]	10

The rate of employees leaving is calculated as the total number of employees leaving during the reporting period relative to the employee headcount at the end of the reporting year.

Characteristics of non-employees

To develop its activities, the Encevo Group, through some of its subsidiaries, hires workers who are not employees but whose work is controlled by the organisation. All workers are treated by the different entities under the same conditions as

their employees and respecting European and country specific laws and regulations. They are also covered by a health and safety management system.

The organisation plans to disclose the number of workers who are not employees in the Annual Report 2025.

Collective bargaining coverage and social dialogue

COLLECTIVE BARGAINING AGREEMENT ENCEVO GROUP	2023	2024
Percentage of employees covered by collective bargaining agreements [%]	65	63

ENCEVO GROUP 2024

COVERAGE RATE	COLLECTIVE BARGAINING COVERAGE BY COUNTRY	SOCIAL DIALOGUE - WORKPLACE REPRESENTATION
0-19%		
20-39%		
40-59%		
60-79%	Germany, Luxembourg	Germany, France
80-100%	France	Luxembourg

Note: Social dialogue is calculated in line with ESRS as follows: number of employees working in establishments with workers' representatives*100 / total number of employees.

Diversity metrics

The Encevo Group has 20% women representation on the Executive Board. The composition and diversity of the Executive Board is presented with the governance information on page 51.

TOTAL EMPLOYEE HEADCOUNT ENCEVO GROUP BY AGE	2024
Employees under 30 years old	554
Employees with 30 to 50 years old	1,593
Employees with over 50 years old	789
Total employee headcount	2,936

Social protection

The Encevo Group employees are covered by social protection against loss of income caused by the following major life events: sickness; unemployment; employment injury and acquired disability; parental leave; retirement.

Persons with disabilities

This is a new metric incorporated in 2024 in accordance with the ESRS. The Encevo Group has a total of 38 employees with disabilities.

PERSONS WITH DISABILITIES ENCEVO GROUP	2024
Percentage of persons with disabilities among Encevo Group employees [%]	1.3
Total number of employees with disabilities	38

Training and skills development metrics

TRAINING & SKILLS DEVELOPMENT ENCEVO GROUP	2023	2024
Average number of training hours per employee	19.1	26.6
Female employees average training hours	19.7	22.6
Male employees average training hours	19.0	27.5
Not disclosed gender employees average training hours		0.0
Percentage of employees that participated in regular performance and career development reviews [%]	60.1	71.3
Percentage of female employees that participated in regular performance and career development reviews [%]		78.6
Percentage of male employees that participated in regular performance and career development reviews [%]		69.6
Percentage of not disclosed gender employees that participated in regular performance and career development reviews [%]		0.0



Health and safety metrics

HEALTH & SAFETY DATA ENCEVO GROUP	2023	2024
Occupational health and safety management system		
Percentage of employees covered by OHS management system that is based on national legal requirements and/or recognised standards or guidelines [%]	86	98
Percentage of employees covered by internally audited OHS management system [%]	71	72
Percentage of employees covered by externally audited OHS management system [%]	20	33
Work-related accidents (employees)		
Number of fatalities as a result of work-related accident	0	0
Number of recordable work-related accidents	74	100
Frequency rate: rate of recordable work-related accidents ¹	17.0	21.8
Number of recordable work-related accidents with lost time injuries ³	61	66
LTIFR: Lost time injury frequency rate ³	14.0	14.4
Number of days lost to work-related injuries and fatalities from work-related accidents	916	792
Severity rate: rate of days lost to work-related injuries and fatalities from work-related accidents ⁴	0.21	0.17
Number of hours worked ²	4,354,947	4,590,374
Work-related ill health (employees)		
Number of fatalities as a result of work-related ill health during the current year		0
Number of cases of recordable work-related ill health		0
Number of days lost to work-related ill health and fatalities from ill health		0
Work related incidents (workers who are not employees, working in company sites)		
Number of fatalities as a result of work-related accident		0
Number of fatalities as a result of work-related ill health during the current year		0

¹ Number of recordable work-related accidents (employees) * 1,000,000 / Number of hours worked (employees).

² Please note that the rate of recordable work-related accidents and the number of hours worked were updated for 2023 from 16.9 to 17, and from 4,378,693 hours to 4,354,947 hours respectively, as the quality of information has improved with regards to the number of hours worked after the publication of the Annual Report 2023.

³ This is a new metric added for 2023 and 2024. LTIFR: Number of recordable work-related accidents with lost time injuries (employees) * 1,000,000 / Number of hours worked (employees).

⁴ Severity rate: Number of days lost to work-related injuries and fatalities from work-related accidents * 1,000 / Total number of hours worked by employees.

At first glance, the group's results indicate a significant increase in workplace accidents, particularly reflected in the rise of the frequency rate from 17 in 2023 to 21.8 in 2024 (28%). However, the severity rate has decreased notably (-18%), indicating a reduction in the severity of accidents.

Therefore, the increase in workplace accidents should be considered in context, as it primarily reflects a rise in accident reporting, even when there are no physical consequences for employees. Indeed, 34% of the reported accidents did not result in any incapacity.

The analysis of these two combined indicators (severity rate and frequency

rate) suggests a growing maturity within the group's companies in terms of health and safety awareness, leading to faster accident reporting and more effective risk management practices.

Moreover, when accidents occur, the consequences are less impactful, as the time off due to incapacity has notably decreased compared to the previous year. The reduction in severity suggests that the companies' safety measures and preventive protocols are becoming increasingly effective, resulting in fewer serious injuries. As a result, while the frequency of accidents has risen due to increased reporting, the overall impact on employee well-being has been reduced.

Work-life balance metrics

FAMILY-RELATED LEAVE ENCEVO GROUP	2023	2024
Percentage of employees that took family-related leave [%]	4.1	6.9
Percentage of female employees that took family-related leave [%]	7.0	8.2
Percentage of male employees that took family-related leave [%]	3.4	6.6

All Encevo Group employees are entitled to family related leave, and from this total, 6.9% of employees took family related leave in 2024, showing a 70% increase when compared to 2023.

These results show an increasing number of male employees taking family related leave.

Compensation metrics

REMUNERATION METRICS ENCEVO GROUP	2024
Gender pay gap [%]	11

This is a new metric incorporated in 2024 that is calculated in accordance with the ESRS. The gender pay gap of 11% results from the weighted average of the individual gender pay gap calculated for the different group entities, based on the number of employees.

The result reflects that the differences in pay between men and women are impacted by differences in the gender mix across the career levels in the different companies. For most of the companies, the share of women in general is relatively lower and they have significantly lower presence in higher-level leadership positions, resulting in an average pay for women being lower than that for men.

The Encevo Group is committed to equal pay and has a constant focus on ensuring equal pay for equal positions and competences.

Incidents, complaints and severe human rights impacts

This metric has been adapted to meet the ESRS requirements.

HUMAN RIGHTS INCIDENTS AND COMPLAINTS ENCEVO GROUP	2024
Human rights incidents and complaints	
Total number of incidents of discrimination, including harassment, reported in the reporting period	0
Total number of complaints filed through channels to raise concerns (including grievance mechanisms), excluding those already reported in the previous question	0
Total amount of fines, penalties, and compensation for damages as a result of the incidents and complaints disclosed above [EUR]	0
Severe human rights incidents	
Number of severe human rights incidents connected to the undertaking's workforce in the reporting period	0
From the above, number of cases of non-respect of main human rights guidelines	0
Total amount of fines, penalties, and compensation for damages as a result of the incidents disclosed above [EUR]	0

The human rights incidents include, as per the ESRS S1-17, work-related incidents of discrimination on the grounds of gender, racial or ethnic origin, nationality, religion or belief, disability, age, sexual orientation, or other relevant forms of discrimination involving internal and/or external stakeholders across operations in the reporting period. This includes incidents of harassment as a specific form of discrimination.

While severe human rights incidents include, according to ESRS S1-17, the examples of forced labour, human trafficking or child labour.

There were no human rights incidents nor severe human rights incidents or complaints during the year.



Consumers and end-users

Reliable, safe and smart energy supply and data protection, privacy and cybersecurity



Organisation and management

Interests and views of stakeholders

The group's stakeholders are interested in how operations impact consumers and end-users, the risks associated with customer dissatisfaction or service failures and the opportunities to improve energy services and customer engagement. Enhancing service reliability, ensuring transparency and promoting energy efficiency are key to building stronger relationships with consumers, reducing risks and positioning the Encevo Group as a leader in the evolving energy market. Transparent reporting on these aspects will strengthen the group's customer trust and long-term competitiveness in the energy sector.

Material impacts, risks and opportunities and their interaction with the strategy and business model

Impacts

Impacts refer to the effects of the Encevo Group's services on its consumers and end-users. This includes the reliability of energy services, as well as the organisation's efforts to protect consumer rights and provide high-quality customer experiences.

- **Service reliability and quality**
Ensuring uninterrupted and high-quality energy services is of the utmost importance. Power outages, service disruptions and inconsistent service quality can have negative consequences for consumers, including loss of productivity, inconvenience and safety risks (e.g., during severe weather or emergencies).
- **Impact of unreliable energy supply**
Frequent power outages or substandard service diminish consumer trust and damage the group's

reputation. For critical infrastructure such as hospitals or industrial facilities, unreliable energy can lead to significant operational disruptions and even health or safety concerns.

- **Consumer protection and transparency**
Consumers expect transparency in billing, fair pricing and accessible customer service. The Encevo Group is responsible for providing clear and accurate information about energy consumption, pricing and available services, as well as protecting consumers from unfair practices.
- **Impact of poor transparency**
It is essential that customers feel they are receiving clear and accurate information regarding billing, service terms and pricing. Failure to do so can result in dissatisfaction, complaints and legal disputes. In more severe cases, this may lead to regulatory scrutiny and fines.

Risks

- **Service disruption and reliability risks**
 - **Power outages and service failures:**
Interruptions in energy supply, due to technical failures, natural disasters or infrastructure issues, pose a significant risk to the organisation. Frequent or prolonged outages can lead to financial losses for consumers, regulatory penalties and reputational damage.
 - **Grid vulnerabilities:**
As energy systems become more complex and integrated with renewable energy sources and smart grids, there is a risk of increased grid instability if systems are not properly managed or maintained.

- **Cybersecurity and data privacy risks**

Data breaches: With the deployment of smart energy systems, the risk of data breaches increases. Unauthorised access to consumer data could lead to regulatory penalties under data protection laws, such as the General Data Protection Regulation (GDPR), as well as significant reputational harm. Cyber-attacks on energy infrastructure: As the energy sector becomes more digitalised, the risk of cyber-attacks on critical infrastructure increases. A successful attack could lead to service disruptions, data theft and financial losses.

Opportunities

- **Energy efficiency and consumer empowerment**

- Smart energy solutions: The Encevo Group can enhance its service offer by providing consumers with smart energy solutions, such as smart meters services (e.g. smarty+) and energy management tools (LENEDA or customer portals). These technologies enable consumers to monitor and optimise their energy usage, leading to cost savings and more sustainable energy consumption.
- Consumer education and engagement: By educating consumers on how to reduce energy consumption and use energy more efficiently, the group can help customers lower their energy bills while also contributing to broader sustainability goals (e.g. enoprimes).

- **Innovation in renewable energy offers**

- Green energy products: The group can offer renewable energy products or green tariffs (e.g. nova naturstrom), allowing consumers to choose more sustainable energy sources. This appeals to environmentally conscious consumers and enhances the group's reputation as a leader in the energy transition.
- Distributed energy solutions: With the rise of distributed energy technologies (e.g. rooftop solar, energy storage systems), the group can offer new services that empower consumers to generate and store their own energy, contributing to energy independence and resilience.

- **Improved customer experience and loyalty**

- Digitalisation and enhanced customer service: By digitalising its customer service platforms (e.g. offering mobile apps, real-time support and self-service portals), the group can provide a more seamless and efficient customer experience. Enhanced service delivery improves customer satisfaction and builds loyalty.



Impact, risk and opportunity management

Policies related to consumers and end-users

GDPR Policy (Data privacy)

Personal data are valuable assets within the Encevo Group and deserve to be adequately secured and protected throughout their life cycle. Both European and national data privacy laws and regulations (hereafter “Data Privacy Regulations”) apply to the Encevo Group. Amongst Data Privacy Regulations, the General Data Protection Regulation EU 2016/679 (GDPR) sets out in detail the personal data protection rules applicable within the European Union and aims at strengthening and standardising personal data protection requirements at EU level. The Encevo Group is committed to complying with Data Privacy Regulations, in particular with GDPR, and to ensure the integrity of the data related to data subjects with whom the group deals in relation to its activities.

Information Security Policy

This policy establishes the management framework to plan, implement, monitor and improve the organisation of information security based on the of ISO/IEC 27001 requirements. To avoid confusion, redundant actions and omissions a clear definition of roles and responsibilities is required for managing security. The purpose of this policy is to:

- Establish the framework for implementing, monitoring and improving security organisation
- Provide a clear definition of the roles and responsibilities of staff
- Describe the segregation of duties principles
- Outline the importance of maintaining close relationships with authorities and expert groups

Processes for engaging with consumers and end-users about impacts

Customer surveys are regularly conducted to ensure feedback from end-customers is taken into consideration so as to improve products and services.

GDPR processes are implemented to ensure data subject rights (access, rectification, portability, complaint, etc.) can be served.

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Customer service centres in various companies can be contacted any time by phone or e-mail to raise concerns if any appear. We have dedicated e-mail addresses to address where customers can send their concerns or questions.

Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of such actions

Security of supply

Security of supply is a key priority for the Encevo Group, ensuring that consumers and end-users have reliable and uninterrupted access to energy. As an energy provider, we recognise that disruptions can have significant social and economic impacts, affecting households, businesses and essential services.

The Encevo Group is committed to addressing material impacts on consumers and end-users by ensuring reliable and sustainable energy solutions. At the same time, the group's systems must be well protected and achieve compliance with data privacy principles. Related to these key topics, the group actively monitors and assesses customer feedback, energy consumption patterns and market trends to identify potential risks and opportunities.

Specifically in the context of security of supply, Creos Luxembourg identifies and addresses material impacts on consumers and end-users through the following initiatives:

- Identification of weak points in the network that require upgrades or maintenance
- Improvement of outage response times and restoration efficiency
- Investigation in automation and smart grid technologies to minimise customer impact

Creos Luxembourg measures the **System Average Interruption Duration Index (SAIDI)**, which is a standard reliability indicator used to quantify the average outage duration for customers over a specific period of time. The metric performance is reported under metrics and targets ESRS S4-5.

Security of supply is fundamental to fulfilling the organisation's commitment to customers and contributing to societal well-being. By prioritising energy reliability, the group ensures that consumers and end-users can depend on consistent, safe and sustainable energy access.

Data protection, privacy and cybersecurity

Geopolitical tensions and the increasing digitalisation of assets are driving a sharp rise in cyberattacks, particularly for critical infrastructure operators like the Encevo Group. To ensure the security of supply for customers in Luxembourg and the Greater Region, the group continuously strengthens its cybersecurity defences and complies with regulations such as GDPR and the EU's directive on security of network and information systems (NIS2). Protecting customer, partner and employee data is a priority, with all information handled lawfully and confidentially. The group also adapts to emerging regulations, such as the EU Data Act and AI Act, to ensure safe and transparent use of technology. Maintaining high standards helps the organisation to build and preserve trust with its partners and customers.

The Encevo Group has maintained a GDPR framework since 2017, enabling the successful implementation and continuous improvement of its data protection standards. Over the past seven years,

the group has enhanced its framework across governance, data subject rights and awareness through training programmes. Regular collaboration is facilitated through the annual DPO Group Conference, where entities share best practices, update on progress and report performance metrics. Each Data Protection Officer (DPO) reports directly to their respective CEO and is registered with the national supervising authorities, ensuring GDPR compliance is prioritised. This multidisciplinary approach fosters close collaboration between DPOs and colleagues from other fields to address data protection effectively.

Specifically in the context of the material topic of Data protection, privacy and cybersecurity, the following initiatives demonstrate key progress:

- Updating and presenting the continuous improvement programmes for GDPR (led by Encevo's DPO) and IT security (led by Encevo's Chief Information Security Officer) to the responsible committees.
- Analysing the Data Act and evaluating its impacts, including implementing necessary changes such as those related to the LENEDA data platform.
- Carrying out data protection impact assessments for LENEDA and submitting them to the relevant national supervisory agency.
- Organising several awareness-raising initiatives related to the forthcoming AI Act, including hosting data conferences in collaboration with the Association pour la Protection des Données au Luxembourg (APDL) and the Commission Nationale pour la Protection des Données (CNPd).
- Implementing a new IT security governance concept involving local information security officers.



Metrics and targets

Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities.

As explained previously, SAIDI is a key metric and is calculated using the following formula:

SAIDI

=

Sum of customer interruption durations

/

Total number of customers served

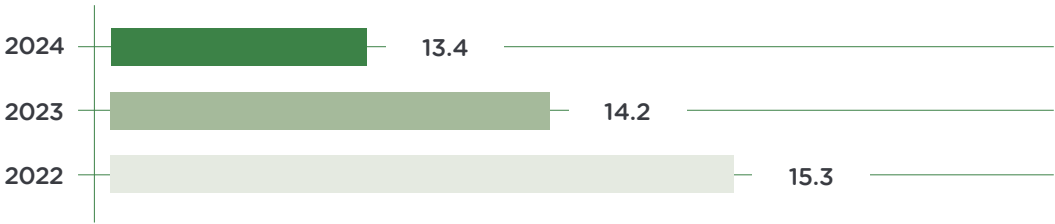
Numerator: The total duration of outages experienced by all affected customers during a specific period (usually measured in minutes).

Denominator: The total number of customers served in the network.

Performance in 2024

In Luxembourg, SAIDI improved to 13.4 minutes, reflecting successful investments in grid modernisation and preventive maintenance.

SAIDI 2014-2024 TOTAL



Creos Deutschland and Network Reliability

Unlike in Luxembourg, SAIDI is not a required regulatory metric in Germany. However, Creos Deutschland, which operates the electricity distribution network in Saarland, ensures a high level of network stability and reliability through:

- Preventive maintenance programmes to minimise outages.
- Grid automation technologies improving response times and fault detection.
- Compliance with German regulatory requirements for electricity distribution network performance.



Creos Luxembourg Annual Report



Creos Deutschland Annual Report

For further details, please refer to the Annual Reports of Creos Luxembourg and Creos Deutschland.

Data privacy and cybersecurity

As a key part of the group's risk management strategy, the organisation continuously monitors and improves data protection and cybersecurity measures across all subsidiaries. The group tracks the following key metrics:

- **Number of complaints**
related to data privacy
- **Number of reported data breaches**
to supervisory authorities

Performance in 2024

The number of complaints and reported data breaches decreased, reflecting improved security measures, awareness campaigns and stronger governance frameworks.

All fully consolidated entities adhere to national and European data protection regulations, including GDPR.

SUBSTANTIATED COMPLAINTS AND BREACHES OF DATA SUBJECTS	2022	2023	2024
Total number of complaints	3	2	1
Total number of complaints received from outside parties (eg.customers, associations, etc.) and substantiated by the organisation	1	0	1
Total number of complaints from regulatory bodies and supervising aughorities	2	2	0
Total number of leaks, thefts, losses	1	2	2
Total number of identified leaks reported to supervising authority	0	1	2
Total number of identified thefts reported to supervising authority	1	0	0
Total number of identified losses reported to supervising authority	0	1	0

In 2024, the number of complaints was reduced. The number of reported data breaches to supervising authorities remained with 2 on the same level.

Next steps

The Encevo Group aims to further enhance its **cybersecurity resilience** through **AI-driven monitoring and incident response systems**. Additional **training and audits** will be conducted to maintain high compliance levels across all subsidiaries.

Governance information

Business conduct

Corporate culture and business conduct policies

The Encevo Group considers integrity a cornerstone for building a successful and sustainable business. This principle is deeply ingrained in the Encevo **Code of Business Conduct**, which establishes the core ethical guidelines applicable to all directors, officers and employees within the group²⁰.

The Code of Business Conduct comprises 11 key principles, supplemented by detailed guidance on expected behaviour across various areas. Rooted in the group's values, it promotes transparency and aims to ensure compliance with essential legislation and high ethical standards.

To reinforce a thorough understanding of the Code of Business Conduct, all Encevo Group employees, including management, are required to participate in periodic training. White-collar employees receive comprehensive training that addresses all aspects of the code, delivered primarily through an online learning management system. These sessions include tailored case studies and test questions. Meanwhile, blue-collar employees typically engage in face-to-face training sessions that focus on topics specifically relevant to their roles.

The online training programme also features an introduction from the CEO of Encevo, emphasising the importance of ethical conduct and fostering a "tone at the top".

The Code of Business Conduct is supported by additional policies and procedures addressing specific areas such as economic sanctions, anti-money laundering, conflicts of interest and personal data protection.

As outlined in the governance section, the evaluation methodology for Executive Board members includes a dedicated adjustment factor centred on business conduct and ethics. This ensures that senior executives uphold the highest standards of ethics, integrity and independence while adhering to the group's risk management and internal control frameworks across all operational entities. Corporate employees, as well as staff in some of Encevo's largest companies in Luxembourg, are systematically assigned objectives related to group alignment and compliance. These objectives, which entail acting with integrity, are evaluated during annual performance reviews.

The Encevo Group's commitment to business integrity is further reinforced by its confidential electronic whistleblowing platform, available to both internal and external stakeholders. The whistleblowing procedure addresses breaches of law and serious ethical issues, including human rights violations, and is designed to protect whistleblowers against reprisals in accordance with Directive (EU) 2019/1937. The platform operates independently of the group's IT systems and allows whistleblowers to remain anonymous if they choose. The whistleblowing procedure outlines the investigation process, which begins when reports are received by the Group Compliance Officer and the Head of Group Internal Audit. These officers carry out the investigations with the support from their respective teams and, when necessary, specialised internal or external experts. Details about the whistleblowing procedure and platform are widely communicated across the group through various channels,

²⁰ The Encevo Group's compliance programme applies to Encevo S.A. and all fully consolidated subsidiaries except for LuxEnergie, the capital of which is majority-held by Encevo S.A. together with significant minority shareholders and which has implemented its own policies and processes in the compliance area.

including the internet, intranet, posters and the reporting platform itself. A dedicated section on whistleblowing is also included in the Code of Business Conduct training, which all employees are required to complete.

In addition to the whistleblowing mechanism, the Code of Business Conduct encourages employees to voice any doubts or concerns related to ethics and compliance. This includes escalating issues to their

management or the Compliance department. According to Encevo's Compliance Policy, serious incidents, including those related to corruption and bribery, must be reported by entity-level compliance managers to the Group Compliance Officer. The Group Compliance Officer has the authority to request Group Internal Audit, an independent department, to conduct a thorough investigation.



Organisation and management

The role of the administrative, supervisory and management bodies

The Secretary General of Encevo has been appointed Group Compliance Officer, reporting to the CEO of Encevo who is the Chair of the Executive Board. Business conduct matters are reported to the Group Risk Committee twice a year and to the Audit Committee once a year. Besides these periodic meetings, additional reports may be submitted to the Executive Board or the Audit Committee as needed. In addition, the Chairman of the Audit Committee, who has expertise in compliance and forensic matters, provides feedback on compliance matters to the Board as part of the quarterly report on Audit Committee activities.



Impact, risk and opportunity management

According to the latest materiality assessment, compliance and anti-corruption were identified as relevant topics and therefore included in the sustainability reporting processes.

To better understand compliance risks, periodic risk assessments are conducted at subsidiary level. Drawing on recent years' experience, a revised compliance risk assessment methodology is being developed, with plans for group-wide implementation in the coming years.

Whenever relevant, the risk matrix will include sector, country and activity specific assessment criteria.

Management of relationships with suppliers

The Encevo Group expects all its suppliers and their subcontractors to abide by the highest ethical standards through its Supplier Code of Conduct



Supplier Code of Conduct

The code of conduct establishes compliance with national, European and international law as a prerequisite for any commercial transaction. The Encevo Group is currently in the evaluation phase of supplier questionnaires which were sent out to gather information on the extent to which suppliers comply with the requirements of the Supplier Code of Conduct. The questionnaire was designed to properly implement the group's Supplier Code of Conduct and ensure that all suppliers respect and apply its requirements. The response rate increased from 18% in 2023 to 36% in 2024.

Moreover, the Encevo Group has recently updated its Group Procurement Policy to include a fundamental supplier selection concept, ensuring that suppliers meet the group's expectations and requirements. More specifically, exclusion criteria define which supplier behaviour is deemed incompatible with the organisation's standards.

For instance, exclusion criteria cover fraud, human trafficking, terrorist financing, prior and ongoing market distortions, violations of environmental, social and labour laws, as well as serious professional misconduct to cite a few.

In addition, selection criteria correspond to economic, financial, professional and technical capacities and capabilities that suppliers must possess in order to supply goods, provide services and undertake construction works. These criteria ensure that suitable suppliers with the appropriate capacities and the right technical know-how are identified, screened and selected.

The exclusion and selection criteria ensure fair and proportionate treatment towards suppliers, independent of size, while minimising risk in terms of supply management as well as in terms of sustainability considerations.

Regarding the award of procurement operations, or tenders, the Group Procurement Policy specifies core

procurement principles to guide decision-making. In particular, the principles of transparency, equality and non-discrimination are enshrined therein, ensuring that all suppliers compete on an equal footing. This implies preventing any form of favouritism or arbitrary decisions and rendering communication with suppliers as clear, precise and obvious as possible. Tenders of considerable scale and scope are published online empowering locally based suppliers as well as encouraging suppliers from any EU Member State to participate in the tendering process.

Furthermore, the recently updated Procurement procedure for subsidiaries subject to public procurement legislation outlines the use of sustainability factors as award criteria for the evaluation of supplier offers, in addition to price and quality, among others. Award criteria are conceived to be objectively verifiable and elaborated for the subject-matter of the tender. Sustainability factors are therefore articulated as certifications, industry norms and compliance with national and EU laws, directly related to the product, service or construction work at hand.

The emphasis on the subject-matter levels the playing field, allowing small and medium-sized enterprises to fulfil these award criteria regardless of their size.

Concerning the procurement and supply chain workforce, the professional team of buyers regularly participates in training sessions to keep up to date with new developments in public procurement requirements. Regarding supplier visits, the team and subject-matter experts conduct, for instance, factory acceptance tests of electric transformers at supplier premises.

Prevention and detection of corruption and bribery

The Encevo Code of Business Conduct covers anti-bribery and corruption, as well as related topics such as conflicts of interest, gifts and entertainment and whistleblowing. In addition, the organisation has adopted several complementary procedures in relation to conflicts of interest and whistleblowing.



Metrics and targets

Information on training

All Encevo Group employees are required to follow a Code of Business Conduct training, which covers a range of topics related to business conduct, including the prevention and detection of corruption and bribery. The training also addresses conflicts of interest, anti-corruption, gifts and entertainment, and whistleblowing.

All white-collar employees receive training online via an electronic platform, with explanations, concrete examples and practical case studies. The time required for all the afore-mentioned topics is approximately 30 minutes. In most of the group subsidiaries with blue-collar employees, a shorter classroom business conduct training specific to this audience is provided.

As for white-collar employees, 100% of the target audience must take computer-based training. Training extends to members of management. It does not cover members of administration and supervisory bodies, who have no daily management responsibility. As the training is designed to ensure that all employees of the group understand the ethical standards expected of them, no specific functions have been identified as higher priority for the purpose of this training.

The Encevo Group launched a refreshed training module in the last quarter of 2024, which will continue to be deployed in 2025. The group will start reporting on the percentage of employees trained under this Code of Business Conduct training programme in 2026. As the training is valid for a period of three years, the organisation intends to report on the number of employees (including management) trained in the reporting year as well as the percentage of the target population this number represents.

In 2025, the group also intends to develop a specific training programme on anti-fraud, corruption and bribery, with the support of an external specialist firm.

Following its development, the programme will be deployed initially in one of the company's major subsidiaries, with subsequent roll-out to other subsidiaries on a gradual basis, with any necessary adjustments made along the way. The training programme will involve the identification of functions as well as the target population for training.

Confirmed incidents of corruption or bribery

The group is currently in the process of defining and implementing a process for reporting confirmed incidents of corruption or bribery within the group. The initial reporting on cases of corruption or bribery for which one of the group companies, or a group employee/director, or former employee/director has been convicted of a criminal offence in relation to their responsibilities with the Encevo Group by a Court or an enforcement agency having taken a final decision imposing penalties in the reporting period, will start in 2026. In the event of such an incident, the report will also include any actions taken to address breaches in procedures and standards of anti-corruption and anti-bribery.

Political influence and lobbying activities

The Encevo Group is engaged in promoting public policy measures in line with its Group Strategy and with its objective to drive the sustainable energy transition in the Greater Region. The Encevo Group maintains transparent lobbying activities, both at national and regional level (in Luxembourg, Germany, France and Belgium) and at European level. Encevo S.A. and its subsidiaries engage in lobbying activities primarily through membership in industry or trade associations (such as Eurelectric and Eurogas at European level and FEDIL at national level).

In all policy making and lobbying related activities, the Encevo Group maintains the highest ethical standards and follows its Code of Business Conduct, which notably sets high standards for compliance with rules on anti-bribery and anti-corruption, as well as on disclosure of conflicts of interest.

The group also complies with applicable transparency rules, in particular the EU Transparency Register Code of Conduct.

Representatives responsible for the oversight of lobbying activities in the administrative, management and supervisory bodies:

The representative ultimately responsible for the oversight of lobbying activities is the CEO of Encevo, who reports to the Encevo Board of Directors.

There was no appointment, during the current reporting period, of any members of Encevo S.A.'s Management Board who held a comparable position in public administration in the preceding two years. As a result of its shareholder structure, some of the members of its Board of Directors are civil servants. This information, including the latest date of appointment, is set out under "General Information – Governance" on page 50.

Financial or in-kind political contributions:

The Encevo Group does not make any financial or in-kind contributions to political parties or organisations. It supports exclusively charitable initiatives. The only external expenditures of the Encevo Group towards political influence or lobbying activities are the payment of membership fees in different industry or trade associations.

Main topics covered by the Encevo Group's lobbying activities and main positions in brief:

The Encevo Group promotes and supports public policy measures in line with its Group Strategy and with its objective to drive the sustainable energy transition in the Greater Region. This includes the following topics, whereby the group is careful to respect unbundling rules:

- Supply of power and natural gas (including sourcing and sale in B2B and B2C relations)
- Production of renewable energy
- E-mobility
- Sustainability and decarbonisation pathways
- Energy-related services
- Heating grids
- Power and gas grids (including grid fee structure)
- Data use and protection, cybersecurity



Registration in transparency registries:

TRANSPARENCY REGISTER	REGISTERED ENCEVO GROUP ENTITY
EU Transparency Register	Encevo S.A., Enovos Luxembourg S.A.
Registre de Transparence de la Chambre des Députés du Luxembourg	Encevo S.A. and its subsidiaries

Payment practices

The Encevo Group is aware of its importance to the local economy and is committed to ensuring that no supplier is discriminated against. The group's subsidiaries in Luxembourg, including Creos Luxembourg S.A., Encevo S.A., Enovos Luxembourg S.A. and Teseos Luxembourg S.A. maintain general payment conditions applicable to suppliers of all size. More precisely, the default payment conditions for Encevo, Enovos and Teseos in Luxembourg are 30 days from the invoice date and 30 days end of month from the invoice date for Creos Luxembourg.

Regarding small and medium-sized enterprises, the group does not have specific payment conditions for these suppliers. However, the Operational

Procurement team negotiates and agrees together with suppliers on applicable payment conditions. It should be noted that every purchase order is the outcome of a mutual agreement between both parties.

The average number of days between the invoice date and payment date is:

- 37 days for Creos Luxembourg
- 27 days for Encevo Luxembourg
- 42 days for Enovos Luxembourg
- 26 days for LEO
- 35 days for Teseos Luxembourg
- 33 days for Real Estate Enovos Esch

The Encevo Group is in the process of reflecting on how to gather, aggregate and disclose additional data on payment practices across the organisation.

Additional information

General information - Impact, risk and opportunity management

Disclosure requirements in ESRS covered by the undertaking's sustainability statement

SUSTAINABILITY STATEMENTS -ESRS CONTENT INDEX		ESRS REFERENCE	MATERIALITY	PAGE
GENERAL INFORMATION		ESRS 2	Mandatory	48
Basis for preparation	General basis for preparation of sustainability statements	ESRS 2 BP-1	Mandatory	48
	Disclosures in relation to specific circumstances	ESRS 2 BP-2	Mandatory	49
Governance	The role of the administrative, management and supervisory bodies	ESRS 2 GOV-1	Mandatory	50
	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	ESRS 2 GOV-2	Mandatory	64
	Integration of sustainability-related performance in incentive schemes	ESRS 2 GOV-3	Mandatory	64
	Statement on due diligence	ESRS 2 GOV-4	Mandatory	66
	Risk management and internal controls over sustainability reporting	ESRS 2 GOV-5	Mandatory	67
Strategy	Strategy, business model and value chain	ESRS 2 SBM-1	Mandatory	68
	Interests and views of stakeholders	ESRS 2 SBM-2	Mandatory	76
	Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS 2 SBM-3	Mandatory	82
Impact, risk and opportunity management	Description of the processes to identify and assess material impacts, risks and opportunities	ESRS 2 IRO 1	Mandatory	87
ENVIRONMENTAL INFORMATION				
EU Taxonomy		ESRS 1	Mandatory	88
Climate change		ESRS E1	Material	90
Organisation and management	Integration of sustainability-related performance in incentive schemes	ESRS 2 GOV-3	Included	90
	Transition plan for climate change mitigation	ESRS E1-1	Included	90
	Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS 2 SBM-3	Included	91

SUSTAINABILITY STATEMENTS -ESRS CONTENT INDEX		ESRS REFERENCE	MATERIALITY	PAGE
Impact, risk and opportunity management	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	ESRS 2 IRO-1	Included	91
	Policies related to climate change mitigation and adaptation	ESRS E1-2	Included	93
	Actions and resources in relation to climate change policies	ESRS E1-3	Included	94
Metrics and targets	Targets related to climate change mitigation and adaptation	ESRS E1-4	Included	103
	Energy consumption and mix	ESRS E1-5	Included	105
	Energy intensity based on net revenue	ESRS E1-5	Included	105
	Energy production	ESRS E1-5	Included	106
	Installed capacity		Included	106, 107
	Gross Scopes 1, 2, 3 and Total GHG emissions	ESRS E1-6	Included	108
	GHG intensity based on net revenue	ESRS E1-6	Included	109
	GHG removals and GHG mitigation projects financed through carbon credits	ESRS E1-7	Included	109
	Internal carbon pricing	ESRS E1-8	Included	109
	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	ESRS E1-9	Not included	
Pollution		ESRS E2	Not material	
Water and marine resources		ESRS E3	Not material	
Biodiversity and ecosystems		ESRS E4	Not material	
Resource use and circular economy		ESRS E5	Material	110
Organisation and management				110
Impact, risk and opportunity management	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	ESRS 2 IRO-1	Included	110
	Policies related to resource use and circular economy	ESRS E5-1	Included	110
	Actions and resources related to resource use and circular economy	ESRS E5-2	Included	111
Metrics and targets	Targets related to resource use and circular economy	ESRS E5-3	Included	113
	Resource inflows	ESRS E5-4	Included	113
	Resource outflows	ESRS E5-5	Included	113
	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	ESRS E5-6	Not included	

SUSTAINABILITY STATEMENTS -ESRS CONTENT INDEX		ESRS REFERENCE	MATERIALITY	PAGE
SOCIAL INFORMATION				
Own workforce		ESRS S1	Material	115
Organisation and management	Interests and views of stakeholders	ESRS 2 SBM-2	Included	115
	Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS 2 SBM-3	Included	116
Impact, risk and opportunity management	Policies related to own workforce	ESRS S1-1	Included	118
	Processes for engaging with own workers and workers' representatives about impacts	ESRS S1-2	Included	119
	Processes to remediate negative impacts and channels for own workers to raise concerns	ESRS S1-3	Included	120
	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	ESRS S1-4	Included	120
Metrics and targets	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	ESRS S1-5	Included	124
	Characteristics of the undertaking's employees	ESRS S1-6	Included	124
	Characteristics of non-employee workers in the undertaking's own workforce	ESRS S1-7	Included	125
	Collective bargaining coverage and social dialogue	ESRS S1-8	Included	125
	Diversity metrics	ESRS S1-9	Included	126
	Adequate wages	ESRS S1-10	Not included	
	Social protection	ESRS S1-11	Included	126
	Persons with disabilities	ESRS S1-12	Included	126
	Training and skills development metrics	ESRS S1-13	Included	126
	Health and safety metrics	ESRS S1-14	Included	127
	Work-life balance metrics	ESRS S1-15	Included	128
	Compensation metrics - pay gap	ESRS S1-16	Included	128
	Compensation metrics - total compensation	ESRS S1-17	Not included	
	Incidents, complaints and severe human rights impacts	ESRS S1-17	Included	128
Workers in the value chain		ESRS S2	Not material	
Affected communities		ESRS S3	Not material	

SUSTAINABILITY STATEMENTS -ESRS CONTENT INDEX		ESRS REFERENCE	MATERIALITY	PAGE
Consumers and end-users		ESRS S4	Material	130
Organisation and management	Interests and views of stakeholders	ESRS 2 SBM-2	Included	130
	Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS 2 SBM-3	Included	130
Impact, risk and opportunity management	Policies related to consumers and end-users	ESRS S4-1	Included	132
	Processes for engaging with consumers and end-users about impacts	ESRS S4-2	Included	132
	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	ESRS S4-3	Included	132
	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end- users, and effectiveness of those actions	ESRS S4-4	Included	132
Metrics and targets	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	ESRS S4-5	Included	134
	Metric: reliable, safe and smart energy supply indicator: SAIDI		Included	134
	Metric: substantiated complaints concerning breaches of customer privacy and losses of customer data		Included	135
Governance information				
Business conduct		ESRS G1	Material	136
Organisation and management	The role of the administrative, supervisory and management bodies	ESRS 2 GOV-1	Included	137
Impact, risk and opportunity management	Description of the processes to identify and assess material impacts, risks and opportunities	ESR 2 IRO-1	Included	137
	Corporate culture and business conduct policies and corporate culture	ESRS G1-1	Included	136
	Management of relationships with suppliers	ESRS G1-2	Included	137
	Prevention and detection of corruption and bribery	ESRS G1-3	Included	138
Metrics and targets	Confirmed incidents of corruption or bribery	ESRS G1-4	Included	139
	Political influence and lobbying activities	ESRS G1-5	Included	139
	Payment practices	ESRS G1-6	Included	141
Additional information				
Impact, risk and opportunity management	Disclosure requirements in ESRS covered by the undertaking's sustainability statement: ESRS content index	ESRS 2 IRO 2	Mandatory	142





04

Consolidated accounts

Consolidated accounts

Consolidated balance sheet as of 31 December 2024 Denominated in EUR

ASSETS	NOTES	31/12/2024	31/12/2023
		€	€
A. Goodwill on first consolidation	Note 5	56,213,090	63,096,156
B. Formation expenses	Note 7	1,474	1,183
C. Fixed assets		2,653,576,234	2,528,415,227
I. Intangible assets	Note 8	169,756,228	165,097,735
2. Concessions, patents, licences, trademarks and similar rights and assets, if they were			
a) acquired for valuable consideration and need not be shown under C.I.3.		137,934,195	142,907,615
3. Goodwill, to the extent that it was acquired for valuable consideration		708,708	798,229
4. Payments on account and intangible assets under development		31,113,325	21,391,891
II. Tangible assets	Note 9	2,167,409,659	2,061,058,499
1. Land and buildings		281,381,684	249,198,214
2. Plant and machinery		1,529,129,189	1,450,681,504
3. Other fixtures and fittings, tools and equipment		82,796,213	83,780,345
4. Payments on account and tangible assets in the course of construction		274,102,573	277,398,436
III. Financial assets		316,410,348	302,258,993
1. Companies consolidated under the equity method	Note 10.1	212,127,316	158,813,874
2. Investments carried at cost	Note 10.2	60,531,719	96,076,388
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests		43,250,661	46,891,249
5. Investments held as fixed assets		10,703	20,302
6. Other loans		489,950	457,181
D. Current assets		1,106,159,148	1,431,060,536
I. Stocks	Note 11	93,512,887	115,265,434
1. Raw materials and consumables		19,396,806	21,380,350
2. Work in progress		30,743,766	39,020,841
3. Finished goods and goods for resale		43,372,315	54,864,243
II. Debtors		811,826,135	1,022,618,631
1. Trade debtors	Note 12.1	676,445,710	914,589,062
a) becoming due and payable within one year		675,963,585	914,525,425
b) becoming due and payable after more than one year		482,125	63,637
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	Note 12.2	21,059,593	11,788,854
a) becoming due and payable within one year		21,033,593	11,762,854
b) becoming due and payable after more than one year		26,000	26,000
4. Other debtors	Note 12.3	114,048,601	96,098,842
a) becoming due and payable within one year		111,190,731	92,852,772
b) becoming due and payable after more than one year		2,857,869	3,246,070
5. Deferred tax assets	Note 23	272,230	141,874
III. Investments	Note 13	973,932	415,675
3. Other investments		973,932	415,675
IV. Cash at bank and in hand	Note 14	199,846,195	292,760,796
E. Prepayments	Note 15	198,454,905	112,249,700
TOTAL ASSETS		4,014,404,852	4,134,822,802

The notes in the annex form an integral part of the consolidated annual accounts.

Consolidated balance sheet as of 31 December 2024

Denominated in EUR

CAPITAL, RESERVES AND LIABILITIES	NOTES	31/12/2024	31/12/2023
		€	€
A. Capital and reserves, group share	Note 16	1,566,898,842	1,379,629,742
I. Subscribed capital		90,962,900	90,962,900
II. Share premium account		387,028,449	387,028,449
IV. Consolidated reserves		848,733,647	633,668,144
IV.b Other non available reserves		24,157,439	23,159,669
V. Profit or loss brought forward		39,286,529	91,522,410
VIII. Capital investment subsidies		7,784,024	7,958,033
Consolidated Profit or loss for the financial year, group share		168,945,853	145,330,137
A.1. Minority interests		296,462,161	288,180,067
A.2. Capital and reserves, total		1,863,361,003	1,667,809,809
B. Provisions		280,880,448	280,929,016
1. Provisions for pensions and similar obligations	Note 17.1	152,162,664	143,352,718
3. Other provisions	Note 17.2	128,717,784	137,576,298
C. Creditors		1,681,533,631	1,931,483,301
1. Debenture loans			
b) Non convertible loans	Note 18	529,292,674	549,437,678
i) becoming due and payable within one year		172,292,674	22,437,678
ii) becoming due and payable after more than one year		357,000,000	527,000,000
2. Amounts owed to credit institutions	Note 19	271,368,645	278,972,170
a) becoming due and payable within one year		15,933,226	16,821,615
b) becoming due and payable after more than one year		255,435,419	262,150,556
3. Payments received on account of orders in so far as they are shown separately as deductions from stocks	Note 20	36,183,160	52,343,558
a) becoming due and payable within one year		36,183,160	52,343,558
b) becoming due and payable after more than one year		0	0
4. Trade creditors	Note 21	546,970,901	751,578,148
a) becoming due and payable within one year		502,693,216	702,380,321
b) becoming due and payable after more than one year		44,277,685	49,197,827
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	Note 22	3,099,514	9,872,125
a) becoming due and payable within one year		863,284	7,833,973
b) becoming due and payable after more than one year		2,236,229	2,038,152
8. Other creditors	Note 23	175,291,077	175,334,029
a) Tax authorities		98,847,223	86,518,683
b) Social security authorities		10,172,713	10,095,423
c) Other creditors		66,271,141	78,719,924
i) becoming due and payable within one year	Note 24	58,529,873	72,774,914
ii) becoming due and payable after more than one year		7,741,268	5,945,009
9. Deferred income tax	Note 25	119,327,660	113,945,592
D. Deferred income	Note 26	188,629,769	254,600,676
TOTAL CAPITAL, RESERVES AND LIABILITIES		4,014,404,852	4,134,822,802

The notes in the annex form an integral part of the consolidated annual accounts.

Consolidated profit and loss account for the year ended 31 December 2024

Denominated in EUR

PROFIT AND LOSS ACCOUNT	NOTES	31/12/2024	31/12/2023
		€	€
1. Net turnover	Note 27	3,786,109,045	5,088,237,667
3. Work performed by the undertaking for its own purposes and capitalised		63,663,172	67,357,522
4. Other operating income	Note 28	38,286,909	31,610,618
5. Raw materials and consumables and other external expenses	Note 29	(3,305,169,078)	(4,523,846,323)
a) Raw materials and consumables		(3,124,892,197)	(4,358,449,181)
b) Other external expenses		(180,276,881)	(165,397,142)
6. Staff costs	Note 30	(295,953,727)	(277,376,607)
a) Wages and salaries		(242,103,153)	(225,184,269)
b) Social security costs			
i) relating to pensions		(20,086,447)	(17,541,712)
ii) other social security costs		(25,520,377)	(25,619,626)
c) Other personnel costs		(8,243,749)	(9,031,000)
7. Value adjustments		(82,206,899)	(229,371,004)
a) in respect of formation expenses and of tangible and intangible fixed assets	Notes 5, 7, 8, 9	(171,468,747)	(163,180,540)
b) in respect of current assets	Note 11, 12	89,261,847	(66,190,464)
8. Other operating expenses	Note 31	(5,062,978)	(4,241,720)
9. Income from participating interests		18,637,147	11,074,444
b) other income from participating interests	Note 32	18,637,147	11,074,444
11. Other interest receivable and similar income		16,601,249	17,525,118
b) other interest and similar income	Note 33	16,601,249	17,525,118
12. Share of profit or loss undertakings accounted for under the equity method	Note 34	24,309,576	18,982,278
13. Value adjustments in respect of financial assets and of investments held as current assets	Note 35	(701,074)	31,975,004
14. Interest payable and similar expenses		(35,668,865)	(33,928,627)
b) other interest and similar expenses	Note 36	(35,668,865)	(33,928,627)
15. Tax on profit or loss	Note 37	(27,088,985)	(25,694,274)
Consolidated Profit or loss after taxation		195,755,490	172,304,097
17. Other taxes not shown under items 1 to 15		(2,884,503)	(1,218,600)
Consolidated Profit or loss for the financial year		192,870,987	171,085,497
Minority interests		(23,925,134)	(25,755,359)
Consolidated Profit or loss for the financial year, group share		168,945,853	145,330,137

The notes in the annex form an integral part of the consolidated annual accounts.

Notes to the consolidated accounts

TABLE OF CONTENTS

Note 1	Creation of the Encevo group
Note 2	Summary of significant accounting principles
Note 3	Authorisations
Note 4	Change in valuation method during the financial year
Note 5	Goodwill on first consolidation
Note 6	Scope of consolidation and list of consolidated companies
Note 7	Formation expenses and similar expenses
Note 8	Intangible assets
Note 9	Tangible assets
Note 10	Financial assets
Note 11	Stocks
Note 12	Debtors
Note 13	Investments
Note 14	Cash at bank and in hand and cash flow statement
Note 15	Prepayments
Note 16	Capital and reserves
Note 17	Provisions
Note 18	Debenture loans
Note 19	Amounts owed to credit institutions
Note 20	Payments received on account of orders
Note 21	Trade creditors
Note 22	Amounts owed to undertakings with which the group is linked by virtue of participating interests
Note 23	Tax authorities
Note 24	Other creditors
Note 25	Deferred income tax
Note 26	Deferred income
Note 27	Net turnover
Note 28	Other operating income
Note 29	Raw materials and consumable and other external expenses
Note 30	Staff costs
Note 31	Other operating expenses
Note 32	Income from participating interests
Note 33	Other interest receivable and similar income
Note 34	Share of profit or loss undertakings accounted for under the equity method
Note 35	Value adjustments in respect of financial assets and of investments held as current assets
Note 36	Interest payable and similar expenses
Note 37	Current and deferred income tax expense
Note 38	Remuneration paid to members of the administration and management bodies
Note 39	Auditor's fees
Note 40	Financial derivatives
Note 41	Off-balance-sheet liabilities and commitments
Note 42	Subsequent events

Note 1 – Creation of the Encevo group (formerly Enovos group)

Encevo S.A. (formerly Enovos International S.A.) was incorporated under the name of Soteg S.A. in Luxembourg on 5 February 1974. The Company is registered under R.C.S. nr. B11723. In the context of the operations described below, the Company was renamed Enovos International S.A. in 2009. The registered office of the Company is established in Esch-sur-Alzette.

As of 23 January 2009, the shareholders of Cegedel S.A. and Saar Ferngas AG contributed their respective shares into Soteg S.A., Soteg S.A. then launched a mandatory public offer on all Cegedel S.A. shares not yet in its possession and Cegedel S.A. was delisted after a successful squeeze-out process. A process of restructuring took place thereafter and resulted in a new energy group named Enovos comprising the parent company, Enovos International S.A. (formerly Soteg S.A.) and its two main subsidiaries, Creos Luxembourg S.A. (formerly Cegedel S.A.) in charge of grid activities and Enovos Luxembourg S.A. (formerly Cegedel Participations S.A.) dealing with energy generation, sales and trading activities. This restructuring was made with retroactive effect as of 1 January 2009. Enovos Luxembourg S.A. has a subsidiary, Enovos Deutschland SE, (former Enovos Deutschland AG), for the German market and Creos Luxembourg S.A. has a subsidiary, Creos Deutschland Holding GmbH (former Creos Deutschland GmbH), for the German grid.

In the context of this restructuring, former Cegedel S.A. and Soteg S.A. sales activities were contributed to Enovos Luxembourg S.A. against issuing new shares. Enovos Luxembourg S.A. acquired 86.2% of Enovos Deutschland SE (former Enovos Deutschland AG). Cegedel Participations S.A. was sold to Soteg S.A. and the former Cegedel S.A. sales activity was contributed to Enovos Luxembourg S.A. in exchange for shares. Former Soteg S.A. grid activities were contributed to Creos Luxembourg S.A. in exchange for shares.

In October 2016, Enovos International S.A. was renamed Encevo S.A., the parent company of the Encevo group.

In early 2019, the group reorganised its energy-related service activities by integrating all of the affiliated undertakings that are active in this field under the newly founded company Teseos Luxembourg S.A. (formerly Enovos Services Luxembourg S.A.), a 100% subsidiary of Encevo S.A. As of 31 December 2024, Teseos Luxembourg S.A. thus manages the participations held in Global Facilities S.A., Paul Wagner & Fils S.A., Power Panels S.A., Minusines S.A., electris Luxembourg S.A. (formerly diego Luxembourg S.A.), Grethen S.à.r.l., Grethen Renovations S.à.r.l., Agence de l'Energie S.A., C.Schanen S.à.r.l. and e3 consult S.à.r.l.

In 2021, in the framework of project Gamos, the group reorganised the structure of its activities in Germany to have a holding company on top of all the German subsidiaries. All the German activities are now coordinated under the ownership of Encevo Deutschland GmbH (merged entity of the former Enovos Deutschland SE and Creos Deutschland Holding GmbH) which is owned at 97.7% by Encevo S.A.

The object of the group is to supply electricity, gas and energy-related services to customers in Luxembourg and abroad. The group is active all along the energy value chain: production, storage, supply, transport, trading, distribution and grid operations.

Note 2 – Summary of significant accounting principles

Basis of preparation

The consolidated accounts of Encevo S.A. (the “Company”), together with its subsidiaries, (the “group”) have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention. Accounting policies and valuation rules are, besides the ones laid down by the Commercial Law of 10 August 1915 as amended and the amended Law of 19 December 2002, determined and applied by the Board of Directors. The consolidated accounts are prepared under the going concern basis of accounting. The amounts are rounded to the nearest EUR.

The preparation of consolidated accounts requires the use of certain critical accounting judgements and estimates. More particularly, management continuously evaluates underlying judgements and estimates for impairment testing and for the evaluation of long-term contracts, based on experience, available facts and expected future events and developments. Changes in assumptions may have a significant impact on the consolidated accounts in the period in which the assumptions changed as well as in the following years.

The Board of Directors believes that the underlying judgements and estimates are appropriate and that the consolidated accounts fairly present the financial position and the results of the year. The financial year starts on 1 January and ends on 31 December of each year.

Scope of consolidation

The consolidated accounts include those of Encevo S.A. and those of its affiliates, including jointly controlled entities, and its associated companies. Together they form the group (the “group”). The consolidated companies are listed under note 6, “Scope of consolidation and list of consolidated companies”.

All consolidated companies prepare their statutory annual accounts as of 31 December.

Significant accounting policies

The main valuation rules applied by the group are the following:

Consolidation methods

The methods used are:

- Full consolidation in the case of companies that the Encevo group directly or indirectly controls (generally with more than 50% of the voting rights). With this method, the assets and liabilities of the consolidated companies are incorporated into the consolidated accounts, rather than the book value of the equity interests held by the group in the companies concerned. Use of this method can lead to goodwill on consolidation and minority interests being reported. Similarly, the income and expenses of these subsidiaries are consolidated with those of the parent company and their results for the financial year are apportioned between the group and the minority interests. Intercompany accounts and transactions are eliminated.
- The equity method in the case of companies over which the Encevo group exercises either joint control with a limited number of associates or significant influence (generally when the group has between 20% and 50% of the shareholders’ or members’ voting rights in that undertaking). With this method, the parent company’s share of its affiliate’s equity, based on its equity interest, is entered in its balance sheet, rather than the acquisition cost of the equity holding itself. The difference thus generated is posted to group capital and reserves. The dividends received by the respective parent company are eliminated from the profit and loss accounts. The other balance sheet and income statement items are not affected, and intercompany accounts and transactions are not eliminated.
- Goodwill on consolidation is calculated at the time of acquisition or consolidation of an equity interest. Goodwill on first consolidation represents the difference between the price paid for the acquired shares in an affiliate, and the value of identifiable tangible, intangible assets and liabilities of the acquired affiliate. Positive goodwill is recorded as an asset and depreciated over the expected economic life of the underlying assets.

The positive and negative goodwills resulting from the restructuring process in 2009 have been by exception recorded in 2009 against the consolidated reserves in the shareholder's equity.

Foreign currency translation

Transactions expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. Formation expenses and long-term assets expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. At the balance sheet date, these assets remain translated at historical exchange rates.

Cash at bank is translated at the exchange rate effective at the balance sheet date, exchange losses and realised gains are recorded in the profit and loss account for the year.

Other assets and liabilities are translated separately respectively at the lower or at the higher of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at the balance sheet date. The unrealised exchange losses are recorded in the profit and loss account. The exchange gains are recorded in the profit and loss account at the moment of their realisation.

Where there is an economic link between an asset and a liability, these are valued in total according to the method described above and the net unrealised losses are recorded in the profit and loss account, and net unrealised exchange gains are not recognised.

All group companies use EUR as their functional currency.

Formation expenses

Formation expenses are written off on a straight-line basis over a period of 5 years.

Intangible assets

Intangible assets are valued at purchase price, including the expenses incidental thereto or at production cost, less accumulated depreciation amounts written off and value adjustments.

The depreciation rates and methods applied are as follows:

	DEPRECIATION RATE	DEPRECIATION METHOD
Concessions, patents, licences, trademarks and similar rights and assets	2% - 33.33%	Straight-line
Goodwill, to extent that it was acquired for valuable consideration	5% - 15%	Straight-line
Customer contracts	6.67% - 20%	Straight-line

Where the group considers that an intangible asset has suffered a long-term depreciation in value, an additional write-down is recorded to reflect this loss. Except for goodwill, these value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Intangible assets under development are valued at cost, based on the direct costs of the group, and are reviewed annually for impairment.

Tangible assets

Tangible assets are valued at purchase price including the expenses incidental thereto or at production cost.

The acquisition price is made up of the purchase price, including customs due and non-refundable taxes, after deduction of commercial discounts and rebates, and any cost directly attributable to the asset's transfer to its place of operation and any adaptation needed for its operation.

Depreciation is recorded on the basis of an asset's useful life under the straight-line method. The estimated useful lives of the main components of tangible assets are as follows:

	DEPRECIATION RATE	DEPRECIATION METHOD
Buildings	2% - 10%	Straight-line
Plant and machinery	6.6% - 16.6%	Straight-line
Other fixtures and fittings, tools and equipment	10% - 33.33%	Straight-line

As for the grid assets in Luxembourg, when a part of grid assets is to be replaced and cannot be separately identified, no disposal of assets is accounted for and the replaced assets continue to be depreciated with normal rates. This accounting principle has been agreed with the Regulator for the determination of grid tariffs.

Where the group considers that a tangible asset has suffered a long-term depreciation in value, an additional write-down is recorded to reflect this loss. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Tangible assets under development are valued at cost, based on the direct and indirect costs of the group and are reviewed for impairment annually.

Work performed by the undertaking for its own purposes and capitalised

The costs incurred on fixed assets under development created by the group itself are recorded in the profit and loss account. At year-end the amount of own work capitalised is transferred to the respective balance sheet line items and disclosed in the profit and loss account under consolidated accounts line item "Work performed by the undertaking for its own purposes and capitalised". If the group significantly relies on third-party suppliers for the construction of fixed assets, the associated costs are initially recorded in the profit and loss account under the caption "Other external charges." These expenses are subsequently capitalized as part of the group's fixed assets under the same caption. The caption "Work performed by the undertaking for its own purposes and capitalised" is exclusively used for staff costs and overhead related to the construction of the group's fixed assets.

Investments carried at cost and investments held as fixed assets

Investments carried at cost and not consolidated in these accounts are recorded in the balance sheet at their acquisition costs including the expenses incidental thereto. In the case of an impairment that the Board of Directors considers permanent in nature, value adjustments are made in respect of these long-term investments to apply the lower value to be assigned to them at the

balance sheet date. These value adjustments are not maintained when the reasons for making them have ceased to exist.

Investments held as fixed assets are classified as long-term financial assets if they are not available for sale. A value adjustment is recorded where the market value is lower than the purchase price.

Raw materials and consumables

Raw materials and consumables are valued at the lower of purchase price calculated on the basis of weighted average cost and market value. Value adjustments are recorded when the estimated realisable value of stocks is lower than the weighted average cost. Their value adjustments are not maintained if the reasons for recording them have ceased to exist.

Finished goods and work in progress

Inventories of finished goods and work and contracts in progress are valued at the lower of production cost including the purchase price of the raw materials and consumables, the costs directly attributable to the product/contract in question and a proportion of the costs indirectly attributable to the product/contract in question, and realisable value. A value adjustment is recorded where the market value is below the production cost. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Debtors

Debtors are recorded at their nominal value. Value adjustments are recorded when there is a risk that all or part of the amounts concerned may not be recovered. These value adjustments are not maintained if the reasons for recording them have ceased to exist.

As of 1 January 2024, Enovos Luxembourg S.A. and LEO S.A., transitioned from a top-down estimation approach to a bottom-up evaluation method for determining unbilled receivables/payables of customers with linear advanced payments, followed by a final invoice based on their actual energy consumption ("Energie en Compteur" or EEC). This change was implemented to enhance the precision of financial reporting by leveraging detailed customer-level consumption data obtained from smart meters.

The previous top-down method relied on broad estimations of total energy sales, adjusted for volume and price assumptions. The bottom-up method, enabled by the rollout of smart meters, now allows for precise, customer-specific calculations at each reporting date, significantly improving the accuracy of reported figures and addressing the limitations of the previous approach (please refer to note 4).

Derivative financial instruments

The group may enter into derivative financial instruments such as options, swaps, futures or foreign exchange contracts. The group initially records derivative financial instruments at cost.

At each balance sheet date, unrealised losses are recognised in the profit and loss account whereas gains are accounted for when realised. In the event of hedging of an asset or a liability, unrealised gains or losses on the hedge as well as the underlying asset/liability are deferred until the recognition of the realised gains or losses on the hedged item.

Cash at bank and in hand

Cash at bank and in hand are recorded at their nominal value.

Cash flow statement

The group's consolidated accounts are prepared in accordance with Luxembourg Generally Accepted Accounting Principles (Lux GAAP). Lux GAAP does not mandate the preparation of a cash flow statement, nor does it provide specific rules or guidelines for its presentation. However, to enhance transparency and provide additional insight into the group's financial position and cash movements, a consolidated cash flow statement has been prepared based on the guidelines provided under IAS 7 and included in these consolidated accounts.

The consolidated cash flow statement is prepared using the indirect method, adjusting profit or loss for the effects of transactions of a non-cash nature, deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows, categorising cash flows into three key activities: operating, investing, and financing.

Prepayments

This asset item includes expenditure laid out during the financial year but relating to a subsequent financial year.

Temporarily tax exempt capital gains

Temporarily tax exempt capital gains include gains for which the taxation is deferred by virtue of Article 54 LIR (Income tax law). Such gains, which are rolled over, are recorded at their initial value. Reinvested gains are written off using the same method and over the same period as the assets to which they relate. This consolidated accounts line item is disclosed under "Other non-available reserves" on the balance sheet.

Provisions

The aim of provisions is to cover clearly defined charges and liabilities, which, on the balance sheet date, are either probable or certain but for which the amount or date of occurrence cannot be determined with certainty. A review is carried out at year-end to determine the provisions to be recorded for the group's liabilities and charges. Provisions recorded in previous years are reviewed annually and those no longer needed are released.

Provisions may be created to cover charges which originate in the financial year under review or in a previous financial year, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

Provisions for pensions and similar obligations

Different group companies offer their employees a defined benefit plan and a defined contribution plan. These plans are provided for based on acceptable principles in the different countries of the group companies.

Defined benefit plan

A defined benefit plan specifies the amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance

sheet date. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to historical evolution of long-term interest rates.

Actuarial gains and losses are charged or credited in the profit and loss account in the period in which they arise.

Past-service costs are recognised immediately in the profit and loss account.

A defined contribution plan is a pension plan under which the group pays fixed contributions to a separate entity and has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and previous periods. Contributions paid are directly registered in the profit and loss account during the year in which they are paid. The commitment of the group is limited to the contributions that the group agreed to pay into the fund on behalf of its employees.

Provisions for contractual agreements

Enovos Luxembourg S.A. (through the Energy, Sales & Trading department ["EST"]) is the entity in charge of purchasing electricity and gas for all Encevo group companies. EST purchases on behalf of the sales entities in Luxembourg, Germany and France. Within a consistent risk framework, EST provides sales entities with electricity and gas sourced via bilateral procurement contracts with large energy producers (with maturities ranging from 2025 to 2037), via the European Federation of Energy Traders (EFET) agreements, Long-Term Contracts (LTCs) and via energy exchanges mainly in Germany, France, Belgium and the Netherlands.

Additionally, it is EST's role to balance the physical and financial exposure on the sales side with the overall sourcing commitments across the group. The procurement side is managed based on the expected total consumption of all sales contracts. There is no direct link between a specific sourcing contract and a specific customer or group of customers. Accordingly, the group brings together all contracts related to a commodity portfolio when assessing onerous contract requirements.

The power and gas supply contracts are tested within a global portfolio approach based on the overall gross profit margin (GPM) expectation to be achieved for Enovos Luxembourg S.A. sales contracts based on the mid-term planning extrapolated until the end of the maturity of the long-term contracts (LTCs). The GPM is determined by comparing the total sales and the total purchases for a given commodity (i.e., Power, Gas), irrespective of the contract type and duration.

If the overall GPM for each commodity portfolio is expected to remain positive for the duration of the commitment in the LTC, no provision for onerous contracts is recorded. If the overall GPM for each commodity portfolio is expected to be negative, then a provision for onerous contracts is recorded for the amount of the negative margin.

Creditors

Debts are recorded at their reimbursement value. Where the amount repayable on account is greater than the amount received, the difference is shown as an asset and is written off over the period of the debt based on a linear method. All fixed costs related to setting up the facilities are depreciated over the duration of the loan.

Deferred income

This item includes income received during the financial year or preceding years but relating to a subsequent financial year.

Current and deferred income tax

Provisions for current income tax include the current taxes charged. Deferred taxes are recorded on the temporary differences existing between the tax rules and those used for preparing the consolidated accounts. Deferred taxes are calculated in accordance with the variable carrying forward method based on the tax rate expected at the time that the receivable or liability materialises. Deferred tax assets are recorded only if it is likely that future taxable profits will be available.

The group is in scope of the Pillar II regulations as introduced in Luxembourg through the Law of 22 December 2023 relating to minimum taxation. This legislation is effective for the group's financial year beginning 1 January 2024.

The rules should subject, in each jurisdiction in which the group operates, a minimum 15% effective tax rate calculated applicable on potential Globe incomes.

The group is aware of the implications of the OECD's Pillar II framework and remains committed to ensuring compliance with all applicable global minimum tax regulations. The group, in collaboration with external experts, conducted analyses ensuring compliance with Pillar II requirements. Based on the latest Top-up Tax assessment performed, no additional tax burden is expected regarding fiscal year 2024.

Net turnover

Net turnover relates to transportation and distribution of electricity and gas, sales of gas and electricity, cogeneration provided as well as related services as part of the group's ordinary activities, net of discounts, value-added tax and other taxes directly linked to sales. Trading sales are not included, as they are shown net of supplies, which is part of the policy to consider trading as a means to reduce procurement costs.

Other operating income

Other operating income comprises all income only indirectly linked to usual business activities.

Cost of sales

The EST (Energy, Sales & Trading) department within Enovos Luxembourg S.A. provides sales entities with gas and electricity sourced via bilateral procurement contracts. As both the procurement side as well as the sales sides are managed as interdependent portfolios, there is no precise link possible between a specific sourcing contract and a specific customer or group of customers. It is EST's role to balance the physical and financial exposure on the sales side with the overall sourcing commitments on the upstream side.

Income from participating interests

Dividend income is recorded when dividends are paid.

Note 3 – Authorisations

Following the two European Directives 2003/54 and 55, of 26 June 2003, concerning common rules for the internal markets in electricity and natural gas, and the laws that transposed these directives into national law, namely the Laws of 1 August 2007, as amended by the Laws of 18 December 2009, 17 October 2010 and 7 August 2012, regarding the organisation of the electricity and natural gas markets, transportation and distribution grid-management activities have been legally separated from the other activities of electric or gas power generation and sale.



Note 4 – Change in valuation method during the financial year

The consolidated accounts as of 31 December 2024, include a change in valuation method to evaluate unbilled receivables/payables (referred to as *Energie en Compteur* or “EEC”) from a Top-Down estimation approach to a precise Bottom-Up method based on smart meter data.

The group introduced the EEC methodology as a practical approach to account for unbilled receivables and payables arising from customers’ linear advance payments, followed by a final invoice based on their actual gas and electricity consumption. Initially implemented in 2011 for gas and in 2018 for electricity, the EEC relied on a Top-Down method due to the absence of advanced metering infrastructure. This approach estimated unbilled amounts by calculating the difference between actual turnover (“as-is”) and expected turnover (“to-be”) for the customer base, using aggregated data and assumptions related to standard tariffs and consumption volumes. While the Top-Down method addressed operational limitations at the time, its reliance on broad estimations resulted in cumulative inaccuracies over multiple reporting periods. These limitations underscored the need for a more precise methodology as detailed consumption data became available through technological advancements.

Effective from 1 January 2024, the group transitioned from a Top-Down estimation approach to a Bottom-Up evaluation method for determining unbilled receivables/payables of customers with linear advanced payments, followed by a final invoice based on their actual energy consumption (“*Energie en Compteur*” or EEC). This change was implemented, as it enhances the precision of financial reporting by leveraging detailed customer-level consumption data obtained from smart meters.

The previous Top-Down method relied on broad estimations of total energy sales, adjusted for volume and price assumptions. The Bottom-Up method, enabled by the rollout of smart meters, now allows for precise, customer-specific calculations at each reporting date, significantly improving the accuracy of reported figures and addressing the limitations of the previous approach.

Based on the analysis performed as of 1 January 2024, the group, due to the practical impossibility to distinguish accurately between the impact of the accumulated inaccuracies and the impact of the change of valuation method, considered this change as a change in the valuation method in accordance with the latest guidance issued by the Luxembourg Commission des Normes comptables (CNC Q&A 21/024). The impact of the change in valuation method for the part pertaining to prior financial year has been included in opening retained earnings, leading to the following adjustment:

- Increase of EUR 29,238,251 related to “D.II.1)a) Trade debtors becoming due and payable within one year” (please refer to note 12.1. Trade debtors)
- Decrease of EUR 35,136,027 related to “C.4.a) Trade creditors becoming due and payable within one year” (please refer to note 21 Trade creditors)
- Increase of EUR 64,374,277 related to “A.IV. Consolidated reserves” (please refer to note 16 Capital and reserves)

Note 5 – Goodwill on first consolidation

Goodwill on acquisitions is recognised on the asset side and is depreciated over the expected economic life of the underlying assets. As of 31 December 2024, the group recognised goodwill on the following acquisitions (see also note 6):

	31/12/2024 GOODWILL GROSS VALUE	31/12/2024 GOODWILL NET VALUE	31/12/2023 GOODWILL GROSS VALUE	31/12/2023 GOODWILL NET VALUE
Minusines S.A.	22,022,923	14,109,364	22,166,644	16,419,926
Leo S.A.	21,157,085	1,410,472	21,157,085	2,820,945
Enovos Luxembourg S.A. (Luxgas S.à r.l.)	14,871,586	330,482	14,871,586	1,321,921
Paul Wagner & Fils S.A.	13,123,167	3,988,466	13,123,167	5,461,674
Wieland & Schultz GmbH	12,405,003	10,621,846	10,000,171	9,457,778
Creos Deutschland GmbH	9,721,789	4,366,492	9,721,789	5,014,611
Creos Luxembourg S.A.	9,285,305	206,340	9,285,305	825,360
Enovos Energie Deutschland GmbH	7,296,109	0	7,296,109	0
Power Panels S.A.	7,090,421	3,616,044	7,090,421	4,339,253
Global Facilities S.A.	6,077,451	3,038,725	6,077,451	3,646,470
Enovos Green Power Group	6,825,079	1,318,021	5,767,968	419,115
Hoffmann Frères Energie et Bois S.à.r.l.	3,314,151	2,982,736	4,319,783	4,319,783
Enovos Renewables O&M GmbH	3,243,786	2,764,427	3,243,786	2,977,075
Enovos Solar Investment II S.r.l. Unipersonale	3,035,199	0	3,035,199	0
WES Green GmbH	2,819,970	1,973,979	2,819,970	2,255,976
ESW Energie Südwest AG	2,205,965	330,895	2,205,965	477,959
Encevo Deutschland GmbH	1,992,075	398,415	1,992,075	531,220
Arctic Cooling Systems S.à.r.l.	1,749,122	1,411,815	1,649,122	1,482,994
C.Schanen S.à.r.l.	1,424,508	1,353,283	0	0
DiSUN Deutsche Solarservice GmbH	1,106,662	442,665	1,106,662	516,442
Luxenergie S.A.	989,661	0	989,661	0
Enovos Solar Investment I S.r.l. Unipersonale	805,849	0	805,849	0
Encevo Deutschland GmbH (CDH GmbH share)	689,966	148,812	689,966	194,810
Grethen S.à.r.l.	541,767	433,414	541,767	487,590
Grethen Renovation S.à.r.l.	139,167	111,334	139,167	125,250
e3 consult s.à.r.l	876,987	855,062	0	0
	154,810,754	56,213,090	150,096,670	63,096,156

Value adjustments have been recorded using a straight-line depreciation method:

	31/12/2024 €	31/12/2023 €
Gross book value - opening balance	150,096,670	133,275,368
Additions for the year	5,863,438	16,821,302
Other movements for the year	(1,005,632)	
Gross book value - closing balance	154,954,475	150,096,670
Accumulated value adjustment - opening balance	(87,000,514)	(76,671,953)
Allocations for the year	(11,740,873)	(10,328,561)
Accumulated value adjustment - closing balance	(98,741,387)	(87,000,514)
Net book value - closing balance	56,213,090	63,096,156

The movements of the year concern:

- an earn-out of EUR 2,409,503 in Wieland & Schultz GmbH fully booked as goodwill.
- the acquisition of 100% of the shares in C.Schanen S.à.r.l. for a purchase price of EUR 3,150,000 generating a goodwill amount of EUR 1,424,508.
- the acquisition of 100% of the shares in e3 consult S.à.r.l. for a purchase price of EUR 1,532,000 generating a goodwill amount of EUR 876,987.
- the acquisition of 100% of the shares in EGP Solar Oudenboch b.v. for a purchase price of EUR 1,022,420 generating a goodwill amount of EUR 1,050,363.
- an earn-out of EUR 100,000 in Arctic Cooling Systems S.à.r.l. fully booked as goodwill.
- the adjustment of the goodwill booked in 2023 on Hoffmann Frères Energie & Bois S.à.r.l. for an amount of EUR -1,005,632 following the final purchase price allocation after the validation of the grid value by the ILR.

Note 6 – Scope of consolidation and list of consolidated companies

The consolidation scope as of 31 December 2024 is as follows:

Fully consolidated group companies:

Name	Country	Registered office	Percentage of control 2024	Percentage of interest 2024	Percentage of control 2023	Percentage of interest 2023	Main activity
Encevo S.A.	Luxembourg	Esch-sur-Alzette	100.00%	100.00%	100.00%	100.00%	Holding company and shared service provider
Enovos Luxembourg S.A.	Luxembourg	Esch-sur-Alzette	100.00%	100.00%	100.00%	100.00%	Supply of power and gas
Creos Luxembourg S.A.	Luxembourg	Luxembourg	75.52%	75.52%	75.47%	75.47%	Transport and distribution of gas and power
Encevo Re S.A.	Luxembourg	Luxembourg	100.00%	100.00%	100.00%	100.00%	Reinsurance
Enovos Energie S.A.	Luxembourg	Esch-sur-Alzette	100.00%	100.00%	100.00%	100.00%	Supply of power and gas
Luxenergie S.A.	Luxembourg	Luxembourg	60.35%	60.35%	60.35%	60.35%	Production of heat and power
Panhelios S.A.	Luxembourg	Esch-sur-Alzette	51.00%	51.00%	51.00%	51.00%	Production of power
Voltranovos S.A.	Luxembourg	Esch-sur-Alzette	51.00%	51.00%	51.00%	51.00%	Production of power
Heliovos S.A.	Luxembourg	Esch-sur-Alzette	51.00%	51.00%	51.00%	51.00%	Production of power
Leo S.A.	Luxembourg	Luxembourg	100.00%	100.00%	100.00%	100.00%	Supply of power and gas
Real Estate Enovos Esch S.A.	Luxembourg	Esch-sur-Alzette	100.00%	100.00%	100.00%	100.00%	Real estate
Enovos Real Estate Luxembourg S.A.	Luxembourg	Esch-sur-Alzette	100.00%	100.00%	100.00%	100.00%	Holding company in Real estate
Conosolar S.A.	Luxembourg	Esch-sur-Alzette	51.00%	51.00%	51.00%	51.00%	Production of power
Solarpark Bartreng S.A.	Luxembourg	Esch-sur-Alzette	51.00%	51.00%	51.00%	51.00%	Production of power
Hoffmann Frères Energie et Bois S.à.r.l.	Luxembourg	Mersch	100.00%	100.00%	100.00%	100.00%	Grid and supply of electricity
Teseos Luxembourg S.A.	Luxembourg	Esch-sur-Alzette	100.00%	100.00%	100.00%	100.00%	Holding company in technical services

Name	Country	Registered office	Percent- age of control 2024	Percent- age of interest 2024	Percent- age of control 2023	Percent- age of interest 2023	Main activity
Power Panels S.A.	Luxembourg	Luxem- bourg	100.00%	100.00%	100.00%	100.00%	Technical services provider
Minusines S.A.	Luxembourg	Luxem- bourg	97.63%	97.63%	97.63%	97.63%	Technical services provider
electris Luxembourg S.A. (formerly diego Luxembourg S.A.)	Luxembourg	Luxem- bourg	100.00%	100.00%	100.00%	100.00%	Technical services provider
Global Facilities S.A.	Luxembourg	Esch-sur- Alzette	100.00%	100.00%	100.00%	100.00%	Facility manage- ment
Paul Wagner & Fils S.A.	Luxembourg	Luxem- bourg	100.00%	100.00%	100.00%	100.00%	Technical services provider
Electricité Wagner S.A.	Luxembourg	Fischbach	100.00%	100.00%	100.00%	100.00%	Technical services provider
Arctic Cooling Systems S.à r.l.	Luxembourg	Wecker	100.00%	100.00%	100.00%	100.00%	Technical services provider
Grethen S.à r.l.	Luxembourg	Sand- weiler	100.00%	100.00%	100.00%	100.00%	Technical services provider
Grethen Renovation S.à r.l.	Luxembourg	Sand- weiler	100.00%	100.00%	100.00%	100.00%	Technical services provider
C.Schanen S.à r.l.	Luxembourg	Bissen	100.00%	100.00%	0.00%	0.00%	Technical services provider
Solarix 1 S.A.	Luxembourg	Esch-sur- Alzette	100.00%	100.00%	100.00%	100.00%	Production of power
e3 consult S.à r.l.	Luxembourg	Merttert	100.00%	100.00%	0.00%	0.00%	Technical services provider
Creos Luxembourg Hydrogen S.A.	Luxembourg	Luxem- bourg	100.00%	75.52%	0.00%	0.00%	Hydrogen grid
Concorde Gestion S.à r.l.	Luxembourg	Bertrange	100.00%	100.00%	100.00%	100.00%	Facility manage- ment
Windpark Mosberg GmbH & Co. KG	Germany	Saar- brücken	100.00%	100.00%	100.00%	100.00%	Production of power
Encevo Deutschland GmbH	Germany	Saar- brücken	97.70%	97.70%	97.70%	97.70%	Holding company and shared service provider
Enovos Energie Deutschland GmbH	Germany	Wies- baden	100.00%	97.70%	100.00%	97.70%	Supply of power and gas
Enovos Renewables O&M GmbH	Germany	Saar- brücken	100.00%	97.70%	100.00%	97.70%	Operation & mainte- nance of solar parks and wind parks
Enovos Storage GmbH	Germany	Saar- brücken	100.00%	97.70%	100.00%	97.70%	Gas Storage
Enovos Renewables GmbH	Germany	Saar- brücken	100.00%	97.70%	100.00%	97.70%	Holding company for power producers
Enovos Power GmbH	Germany	Saar- brücken	100.00%	97.70%	100.00%	97.70%	Supply of power
Energie Südpfalz Shared Service GmbH	Germany	Landau in der Pfalz	64.00%	31.89%	64.00%	31.89%	Service provider
Creos Deutschland GmbH	Germany	Homburg	100.00%	97.70%	100.00%	97.70%	Transport and distri- bution of gas
Creos Deutschland Services GmbH	Germany	Homburg	100.00%	97.70%	100.00%	97.70%	Service provider
Energie Südwest AG	Germany	Landau in der Pfalz	51.00%	49.83%	51.00%	49.83%	Supply of power, gas and heat
Energie Südwest Netz GmbH	Germany	Landau in der Pfalz	100.00%	49.83%	100.00%	49.83%	Transport and distri- bution of gas, power, water and heat
Energie Südwest Projektentwicklung GmbH	Germany	Landau in der Pfalz	100.00%	49.83%	100.00%	49.83%	Supply of heat / Provider of services in gas and power
Solkraftwerk Frauental GmbH	Germany	Saar- brücken	90.40%	52.51%	90.40%	52.51%	Production of power

Name	Country	Registered office	Percent- age of control 2024	Percent- age of interest 2024	Percent- age of control 2023	Percent- age of interest 2023	Main activity
DiSUN Deutsche Solarservice GmbH	Germany	Werder (Havel)	80.00%	78.16%	80.00%	78.16%	Operation & maintenance of solar parks and wind parks
Neustromland Energieprojekt 1 GmbH & Co. KG	Germany	Saarbrücken	100.00%	97.70%	100.00%	97.70%	Production of power
Neustromland Energieprojekt 2 GmbH & Co. KG	Germany	Saarbrücken	100.00%	97.70%	100.00%	97.70%	Production of power
Queichtal Energie Offenbach Netz GmbH	Germany	Landau in der Pfalz	100.00%	49.83%	100.00%	49.83%	Transport and distribution of gas, power, water and heat
WES Green GmbH	Germany	Föhren	100.00%	97.70%	100.00%	97.70%	Production of power
Creos Deutschland Wasserstoff GmbH	Germany	Homburg	100.00%	97.70%	100.00%	97.70%	Promotion of hydrogen development
Blitzschutzbau Rhein-Main GmbH	Germany	Trier	100.00%	100.00%	100.00%	100.00%	Technical services provider
Wieland & Schultz GmbH & Co. KG	Germany	Wachenheim	100.00%	97.70%	100.00%	97.70%	Technical services provider
Windpark Saarwellingen GmbH & Co. KG	Germany	Saarbrücken	100.00%	97.70%	100.00%	97.70%	Production of power
Solarpark Hasborn-Rosenberg GmbH	Germany	Saarbrücken	100.00%	97.70%	100.00%	97.70%	Production of power
Global Facilities Deutschland GmbH	Germany	Saarbrücken	100.00%	98.83%	0.00%	0.00%	Facility management
Solkraftwerke Speicher Land GmbH & Co. KG	Germany	Saarbrücken	100.00%	97.70%	100.00%	97.70%	Production of power
Solarpark Gipperath GmbH & Co. KG	Germany	Gipperath	100.00%	97.70%	100.00%	97.70%	Production of power
Solarpark Großlittgen GmbH & Co. KG	Germany	Großlittgen	100.00%	97.70%	100.00%	97.70%	Production of power
SP Geisfeld GmbH & Co. KG	Germany	Saarbrücken	100.00%	97.70%	100.00%	97.70%	Production of power
SP Oberöfflingen GmbH	Germany	Saarbrücken	100.00%	97.70%	100.00%	97.70%	Production of power
WES 16. Projektgesellschaft GmbH & Co. KG	Germany	Föhren	100.00%	97.70%	100.00%	97.70%	Production of power
Solkraftwerke Trier-Land GmbH & Co. KG	Germany	Saarbrücken	100.00%	97.70%	100.00%	97.70%	Production of power
Solarpark Waldlaubersheim GmbH	Germany	Saarbrücken	100.00%	97.70%	100.00%	97.70%	Production of power
Enovos Green Power n.v.	Belgium	Tongeren	100.00%	100.00%	100.00%	100.00%	Production of power
NPG Green n.v.	Belgium	Tongeren	100.00%	100.00%	100.00%	100.00%	Production of power
NPG Green II n.v.	Belgium	Tongeren	100.00%	100.00%	100.00%	100.00%	Production of power
Wind Farm Sankt-Vith n.v.	Belgium	Sankt-Vith	51.84%	51.84%	51.84%	51.84%	Production of power
EGP Solar BE I b.v.	Belgium	Tongeren	100.00%	100.00%	100.00%	100.00%	Production of power
Enovos Green Power NL n.v.	Netherlands	Herten	100.00%	100.00%	100.00%	100.00%	Production of power
EGP Solar Dedemsvaart b.v.	Netherlands	Herten	100.00%	100.00%	100.00%	100.00%	Production of power
NPG Solar Boekel b.v.	Netherlands	Herten	100.00%	100.00%	100.00%	100.00%	Production of power
Solar Rijssen b.v.	Netherlands	Herten	100.00%	100.00%	100.00%	100.00%	Production of power
Solar Bocholtz b.v.	Netherlands	Herten	100.00%	100.00%	100.00%	100.00%	Production of power

Name	Country	Registered office	Percent- age of control 2024	Percent- age of interest 2024	Percent- age of control 2023	Percent- age of interest 2023	Main activity
EGP Zon op NL-Snelwegen b.v.	Netherlands	Herten	100.00%	100.00%	100.00%	100.00%	Production of power
EGP solar Brakel I b.v.	Netherlands	Herten	100.00%	100.00%	100.00%	100.00%	Production of power
EGP Solar Brakel II b.v.	Netherlands	Herten	100.00%	100.00%	100.00%	100.00%	Production of power
EGP Solar Laarbeek b.v.	Netherlands	Herten	100.00%	100.00%	100.00%	100.00%	Production of power
Solar EGP NL South b.v.	Netherlands	Herten	100.00%	100.00%	100.00%	100.00%	Production of power
EGP Solar De Vlaas b.v.	Netherlands	Herten	100.00%	100.00%	100.00%	100.00%	Production of power
EGP Solar Reuver b.v.	Netherlands	Herten	100.00%	100.00%	100.00%	100.00%	Production of power
Solar EGP NL West b.v.	Netherlands	Herten	100.00%	100.00%	100.00%	100.00%	Production of power
Solar EGP NL East b.v.	Netherlands	Herten	100.00%	100.00%	0.00%	0.00%	Production of power
EGP Solar Oudenbosch b.v.	Netherlands	Herten	100.00%	100.00%	0.00%	0.00%	Production of power
Enovos France SAS	France	Metz	100.00%	100.00%	100.00%	100.00%	Supply of power and gas
Hoffmann SAS	France	Thionville	100.00%	100.00%	100.00%	100.00%	Technical services provider
Enovos Solar Investment I S.r.l. Unipersonale	Italy	Brescia	100.00%	100.00%	100.00%	100.00%	Production of power
Enovos Solar Investment II S.r.l. Unipersonale	Italy	Brescia	100.00%	100.00%	100.00%	100.00%	Production of power

In 2024, the scope of fully consolidated companies changed following the acquisition of shares in new companies as follows:

- Purchase of 100% of the shares in C.Schanen S.à.r.l for a purchase price of EUR 3,150,000.
- Purchase of 100% of the shares in e3 consult S.à.r.l for a purchase price of EUR 1,532,000.
- Purchase of 100% of the shares in EGP Solar Oudenbosch b.v. for a purchase price of EUR 1,022,420.

Moreover, the following new companies were incorporated by the group in 2024, and hence fully consolidated:

- Creos Luxembourg Hydrogen S.A.
- Global Facilities Deutschland GmbH
- EGP Solar NL East b.v.

Finally, in 2024, a review of the control on already owned companies, that were held at cost in 2023, was performed resulting in the first full consolidation of the following companies where a full control was established:

- Windpark Saarwellingen GmbH & Co. KG
- WES 16. Projektgesellschaft GmbH & Co. KG
- SP Waldlaubersheim GmbH
- SP Oberöfflingen GmbH
- Solarpark Großlittgen GmbH & Co.KG
- Solarpark Gipperath GmbH & Co.KG
- SP Geisfeld GmbH & Co. KG
- Solarpark Hasborn-Rosenberg GmbH
- Solarkraftwerke Speicher Land GmbH & Co. KG
- Solarkraftwerke Trier-Land GmbH & Co. KG
- Solarix 1 S.A.
- Concorde Gestion S.à.r.l
- EGP Solar NL West b.v.
- EGP Solar BE I b.v.

As a comparison against the year 2023, an identical treatment of the scope for the fully consolidated companies would have resulted in the full consolidation of additional companies in 2023 and hence higher 'Total Assets' by EUR 3,022,416 and higher 'Total Capital, Reserves and Liabilities' by the same amount (impacting several line items on both sides of the consolidated balance sheet). As for the consolidated profit and loss

account, such a treatment in 2023 would have resulted in lower 'Consolidated Profit or loss' for the financial year by EUR 359,445 (impacting several line items in the consolidated profit and loss account).

Please refer to note 10.

There were no other changes in the scope of full consolidation in 2024.

Companies consolidated under the equity method:

Name	Country	Registered Office	Percentage of control 2024	Percentage of interest 2024	Percentage of control 2023	Percentage of interest 2023
Steinergy S.A.	Luxembourg	Steinfort	50.00%	50.00%	50.00%	50.00%
Soler S.A.	Luxembourg	Luxembourg	50.00%	50.00%	50.00%	50.00%
Cegyco S.A.	Luxembourg	Colmar-Berg	50.00%	50.00%	50.00%	50.00%
Nordenergie S.A.	Luxembourg	Ettelbruck	33.33%	33.33%	33.33%	33.33%
Airportenergie S.A.	Luxembourg	Senningerberg	50.00%	30.18%	50.00%	30.18%
Datacenterenergie S.A.	Luxembourg	Bettembourg	50.00%	30.18%	50.00%	30.18%
Kiowatt S.A.	Luxembourg	Bissen	50.00%	30.18%	50.00%	30.18%
Aveleos S.A.	Luxembourg	Luxembourg	59.02%	59.02%	59.02%	59.02%
Agence de l'Energie S.A.	Luxembourg	Bouneweg-Süd	50.00%	50.00%	50.00%	50.00%
Solarkraftwerk Südeifel GmbH & Co. KG	Germany	Saarbrücken	62.40%	60.96%	68.90%	67.32%
Pfalzgas GmbH	Germany	Frankenthal	50.00%	48.85%	50.00%	48.85%
Projecta 14 GmbH	Germany	Saarbrücken	50.00%	48.85%	50.00%	48.85%
Energis GmbH	Germany	Saarbrücken	28.06%	27.41%	28.06%	27.41%
Windpark Wremen GmbH & Co. KG	Germany	Bremerhaven	40.00%	29.51%	40.00%	29.51%
SK Ahorn GmbH & Co. KG	Germany	Ahorn	49.10%	47.97%	49.10%	47.97%
Neustromland Projekt 2 GmbH	Germany	Saarbrücken	75.00%	61.31%	75.00%	61.31%
ESW Grüne Energie GmbH	Germany	Landau in der Pfalz	84.90%	42.30%	84.90%	42.30%
EnergieSüdpfalz GmbH & Co. KG	Germany	Landau in der Pfalz	50.00%	24.91%	50.00%	24.91%
Solarpark Lauperath GmbH & Co. KG	Germany	Saarbrücken	52.00%	50.80%	59.95%	58.57%
Solarkraftwerk Bardenup GmbH & Co. KG	Germany	Oeversee	32.50%	19.22%	32.50%	19.22%
Solarpark Leiwen-Sonnenberg GmbH & Co. KG	Germany	Saarbrücken	55.00%	53.73%	59.95%	58.57%
Solar Kraftwerk Kenn GmbH	Germany	Trier	49.00%	47.87%	49.00%	47.87%
Windkraftwerk Meckel/Gilzem GmbH & Co. KG	Germany	Trier	34.00%	21.73%	34.00%	21.73%
Solarkraftwerk Niersbach GmbH	Germany	Niersbach	37.50%	36.64%	37.50%	36.64%
SP Nordband GmbH & Co. KG	Germany	Schwanewede	49.00%	47.87%	49.00%	47.87%
Enovos Pfalzwerke BG St Ingbert GmbH	Germany	St. Ingbert	50.00%	48.85%	50.00%	48.85%
QueichtalEnerg.Offenbach GmbH & Co.KG	Germany	Offenbach an der Queich	49.00%	24.42%	49.00%	24.42%
Regab GmbH	Germany	Herxheim bei Landau	49.50%	36.51%	49.50%	36.51%
Stadtwerke Bliestal GmbH	Germany	Blieskastel	23.50%	22.96%	23.50%	22.96%
Stadtwerke GmbH Bad Kreuznach	Germany	Bad Kreuznach	24.52%	23.96%	24.52%	23.96%
Stadtwerke Trier Versorgungs GmbH	Germany	Trier	24.90%	24.33%	24.90%	24.33%
SWT Erneuerbare energien GmbH & Co.KG	Germany	Trier	49.00%	24.42%	49.00%	24.42%
Trifels Gas GmbH	Germany	Annweiler am Trifels	49.00%	24.42%	49.00%	24.42%
Werner Rübsam Elektrotechnik GmbH	Germany	Landau in der Pfalz	40.00%	19.93%	40.00%	19.93%
NPG Willebroek NV	Belgium	Tongeren	50.00%	50.00%	50.00%	50.00%
Condre'Eole S.A.	Belgium	Neupré	40.00%	40.00%	40.00%	40.00%

In 2024, the review of the control on already owned companies performed as described in the fully consolidated companies' section above, was also performed for the companies consolidated under the equity method, resulting in the first consolidation under the equity method of the following companies where a joint control was established:

- Windkraftwerk Meckel/Gilzem GmbH & Co. KG
- Werner Rübsam Elektrotechnik GmbH
- Trifels Gas GmbH
- SWT Erneuerbare energie Co&KG
- Stadtwerke Trier Versorgungs-GmbH
- Enovos Pfalzwerke Beteiligungsgesellschaft St. Ingbert GmbH
- Stadtwerke Bad Kreuznach GmbH
- Stadtwerke Bliestal GmbH
- SP Nordband GmbH & Co KG
- Solarkraftwerk Niersbach GmbH
- Solar Kraftwerk Kenn GmbH
- Regab GmbH
- QueichtalEnerg.Offenbach GmbH&Co.KG
- Agence de l'Energie S.A.

As a comparison against the year 2023, an identical treatment of the scope for the companies consolidated under the equity method would have resulted in additional companies consolidated under the equity method in 2023 with higher 'Fixed assets - Financial assets' by EUR 7,732,237 and higher 'Capital and reserves - total' by the same amount. As for the consolidated profit and loss account, such a treatment in 2023 would have resulted in lower 'Income from participating interests - other income from participating interests' by EUR 5,023,239 and higher 'Share of profit or loss undertakings accounted for under the equity method' by EUR 2,959,352.

Please also refer to note 10.

There were no other changes in the scope of consolidation under the equity method in 2024.

Note 7 – Formation expenses and similar expenses

Formation expenses comprise costs incurred during the creation of the group.

Movements for the year are as follows:

	31/12/2024 €	31/12/2023 €
Gross book value - opening balance	319,644	318,574
Change in consolidation scope	1,078	1,070
Gross book value - closing balance	320,722	319,644
Accumulated value adjustment - opening balance	(318,461)	(317,496)
Allocations for the year	(696)	(805)
Change in consolidation scope	(90)	(160)
Accumulated value adjustment - closing balance	(319,247)	(318,461)
Net book value - closing balance	1,474	1,183

The Board of Directors considers that no value adjustments are needed as of 31 December 2024.

Note 8 – Intangible assets

Movements for the year are as follows:

	Concessions, patents, licences, trademarks and similar rights and assets	Goodwill acquired for valuable consideration	Payments on account and intangible fixed assets under development	Total 31/12/2024 €	Total 31/12/2023 €
Gross book value - opening balance	417,046,654	126,167,750	23,170,884	566,385,289	539,320,908
Additions for the year	3,472,395	0	22,463,968	25,936,363	23,203,216
Disposals for the year	(2,063,728)	0	0	(2,063,728)	(76,216)
Transfers for the year	12,799,411	0	(12,742,535)	56,876	(109,447)
Change in consolidation scope	345,927	0	0	345,927	4,046,828
Gross book value - closing balance	431,600,658	126,167,750	32,892,318	590,660,726	566,385,289
Accumulated value adjustments - opening balance	(274,139,040)	(125,369,521)	(1,778,993)	(401,287,554)	(374,848,560)
Allocations for the year	(19,399,930)	(89,521)	0	(19,489,451)	(23,918,399)
Reversals for the year	792,702	0	0	792,702	0
Transfers for the year	(56,802)	0	0	(56,802)	0
Change in consolidation scope	(863,393)	0	0	(863,393)	(2,520,596)
Accumulated value adjustment - closing balance	(293,666,464)	(125,459,042)	(1,778,993)	(420,904,499)	(401,287,554)
Net book value - closing balance	137,934,195	708,708	31,113,325	169,756,228	165,097,735

Enovos Luxembourg S.A. participated in the construction of the 11th turbine at the Vianden pumping station of SEO S.A. This investment offers virtual rights to the turbine's output and thus qualifies as an intangible asset in the group's books.

Production at the pumping station started on 1 August 2015. The depreciation period mirrors the duration of the contract between the Company and SEO S.A. which ends in 2063. The total gross value for that project amounts to EUR 111,346,944 (2023: EUR 111,346,944) and the accumulated depreciation amounts to EUR 21,597,364 (2023: EUR 19,296,093).

The remaining balance of the amount payable towards SEO S.A. of EUR 44,236,950 (2023: EUR 49,152,000) is posted under the consolidated accounts line item "Trade creditors becoming due and payable after more than one year" and EUR 4,915,050 (2023: EUR 4,915,050) is posted under the consolidated accounts line item "Trade creditors becoming due and payable within one year" (please refer to note 21).

The goodwill acquired for valuable consideration relates to the customers of LEO S.A. for an amount of EUR 120,000,000 and Enovos Luxembourg S.A. for EUR 5,280,000. These amounts are fully amortised as of 31 December 2024. These amounts are fully amortised as of 31 December 2024. The remaining amount of EUR 708,708 is related to LuxEnergie S.A. in the context of the absorption of its affiliate SURRE S.A. in 2022.

The total additions of the year of EUR 25,936,363 mainly relate to software investments in support of the sales business, software required for operations, standardised electronic market communication and smart meter systems.

The transfers from “Payments on account and intangible fixed assets under construction” to “Concessions, patents, licences, trademarks and similar rights and assets” for the year of EUR 12,799,411 relate mainly to Creos Luxembourg S.A.’s software developments required for

operations, standardised electronic market communication and smart meter systems, and to Enovos Luxembourg S.A.’s investments into support of the sales business amongst other things.

The item “Change in consolidation scope” concerns the first full consolidation of all incoming entities (please refer to note 6).

The Board of Directors is of the opinion that no exceptional value adjustments on intangible assets are necessary.



Note 9 – Tangible assets

Movements for the year are as follows:

	Land and buildings €	Plant and machinery €	Other fixtures and fittings, tools and equipment €	Payments on account and tangible fixed assets in the course of construction €	Total 31/12/2024 €	Total 31/12/2023 €
Gross book value - opening balance	362,655,281	3,203,978,202	238,819,491	277,398,436	4,082,851,409	3,791,939,934
Additions for the year	950,845	26,376,669	5,818,411	215,807,837	248,953,762	265,640,488
Disposals for the year	(1,173,309)	(1,557,822)	(3,119,383)	(33,381)	(5,883,895)	(3,109,753)
Transfers for the year	36,780,956	165,690,030	9,429,051	(211,930,520)	(30,483)	110,442
Change in consolidation scope	5,018,878	1,213,255	571,927	(7,139,797)	(335,737)	28,270,297
Gross book value - closing balance	404,232,652	3,395,700,333	251,519,497	274,102,574	4,325,555,055	4,082,851,409
Accumulated value adjustment - opening balance	(113,457,067)	(1,753,296,698)	(155,039,146)	0	(2,021,792,912)	(1,888,954,359)
Allocations for the year	(9,130,376)	(115,006,830)	(16,454,186)	0	(140,591,393)	(128,067,379)
Exceptional depreciation for the year	0	(1,040,000)	0	0	(1,040,000)	0
Reversals and disposals for the year	12,984	2,811,924	2,879,444	0	5,704,352	2,343,736
Transfers for the year	0	0	30,484	0	30,484	(995)
Change in consolidation scope	(276,509)	(39,541)	(139,880)	0	(455,930)	(7,113,915)
Accumulated value adjustment - closing balance	(122,850,968)	(1,866,571,145)	(168,723,284)	0	(2,158,145,398)	(2,021,792,912)
Net book value - closing balance	281,381,684	1,529,129,189	82,796,213	274,102,573	2,167,409,659	2,061,058,499

The item “Transfers for the year” are mainly linked to Creos Luxembourg S.A. and Creos Deutschland GmbH transfers from “Payments on account and tangible assets in course of construction” to “Plant and machinery” for the electricity and gas grid.

In 2024, Creos Luxembourg S.A. invested EUR 135,166,112 (2023: EUR 147,493,424) in the electricity grid and EUR 9,860,339 (2023: EUR 15,311,896) in the gas grid and EUR 15,993,409 (2023: EUR 15,551,707) in other assets. As of 31 December 2024, investment projects by Creos Luxembourg S.A. of EUR 173,452,016 (2023: EUR 129,636,675) were definitively closed and transferred to their respective asset class.

Creos Deutschland GmbH also invested EUR 40,262,100 (2023: EUR 32,081,444) in its electricity and gas grid. As of 31 December 2024, investment projects of EUR 16,924,487 (2023: EUR 16,281,563) were definitively closed and transferred to their respective asset class.

The disposals of the year of EUR 5,883,895 (2023: EUR 3,109,753) and the reversals and disposals in the adjustments for the year amounting to EUR 5,704,352 (2023: EUR 2,343,736) are mainly related to reversal of the gross value and amortisation of assets disposed during the year in Creos Luxembourg S.A. for an amount of EUR 1,665,221 for disposed transformers, cars, and meters. Furthermore, an impairment of EUR 1,420,040 was reversed on tangible assets of Enovos Solar Investment II S.r.l. following the receipt of the feed-in tariff for the parc Giordano Maria and the final settlement of the legal case related thereto.

The item “Change in consolidation scope” concerns the first full consolidation of all incoming entities (please refer to note 6).

The Board of Directors is of the opinion that no exceptional value adjustments on tangible assets are necessary.

Note 10 – Financial assets

10.1. Companies consolidated under the equity method

Companies consolidated under the equity method are companies in which the group has a significant influence (see note 6). The undertakings consolidated accordingly are broken down as follows:

	31/12/2024 €	31/12/2023 €
Energis GmbH	45,388,186	40,106,261
Soler S.A.	29,056,088	26,523,862
Pfalzgas GmbH	23,726,247	23,394,286
Projecta 14 GmbH	18,997,555	14,902,662
Stadtwerke Trier Versorgungs GmbH	17,271,571	-
Solarkraftwerk Südeifel GmbH & Co. KG	15,920,633	21,100,324
Stadtwerke GmbH Bad Kreuznach	11,875,383	-
Datacenterenergie S.A.	6,874,134	7,299,370
Enovos Pfalzwerke BG St Ingbert GmbH	6,868,005	-
Kiowatt S.A.	5,031,878	5,068,022
Cegyco S.A.	3,330,922	3,157,567
Stadtwerke Bliestal GmbH	3,001,791	-
Solarpark Leiwen-Sonnenberg GmbH & Co. KG	2,064,222	2,249,855
Solar Kraftwerk Kenn GmbH	2,234,941	-
SK Ahorn GmbH & Co. KG	2,029,026	2,122,655
EnergieSüdpfalz GmbH & Co. KG	2,041,899	1,803,187
Enovos Green Power AE entities	1,978,168	1,531,871
Neustromland Projekt 2 GmbH	1,672,503	1,774,455
ESW Grüne Energie GmbH	1,808,947	2,418,349
Solarpark Lauperath GmbH & Co. KG	1,211,953	1,441,861
Agence de l'Energie S.A.	1,210,752	-
Nordenergie S.A.	1,133,880	975,239
Windkraftwerk Meckel/Gilzem GmbH & Co. KG	1,065,445	-
Solarkraftwerk Barderup GmbH & Co. KG	950,179	1,203,350
Regab GmbH	842,343	-
Solarkraftwerk Niersbach GmbH	790,234	-
SWT Erneuerbare energien GmbH & Co.KG	726,495	-
Windpark Wremen GmbH & Co. KG	695,315	1,051,637
QueichtalEnerg.Offenbach GmbH & Co.KG	601,334	-
Steinergy S.A.	485,838	409,561
Trifels Gas GmbH	373,973	-
SP Nordband GmbH & Co. KG	371,900	-
Werner Rübsam Elektrotechnik GmbH	324,723	-
Airportenergy S.A.	170,853	279,501
	212,127,316	158,813,874

Please note that Aveleos S.A. is a company consolidated under the equity method. Aveleos S.A. had been fully impaired in the year 2014.

In 2024, the review of the control on already owned companies resulted in the first consolidation under the equity method of companies where joint control was established. Please refer to note 6.

No other changes occurred in the scope of consolidation under the equity method in 2024.

Management has applied the equity method by directly calculating its share in the equity and net profit of the companies consolidated under the equity method through a multiplication of the equity (respectively,

the net profit) of each company by the percentage of interest held by the group in each company.

This method is an alternative to the step-by-step consolidation process where indirectly held companies consolidated under the equity method are first consolidated into the relevant sub-group before the sub-group is consolidated into the group's consolidated accounts.

If the step-by-step consolidation process would have been applied, on the consolidated balance sheet, 'Fixed assets – Financial assets – Companies consolidated under the equity' would have been higher by EUR 19,434,837 (2023: 16,324,126) and 'Minority interests' would have been higher by the same amount as of 31 December 2024.

10.2. Investments carried at cost

Name	Location	2024		2023	
		Percentage owned	Net value €	Percentage owned	Net value €
Vialis S.A.	France	7.95%	11,100,000	7.95%	11,100,000
Stadtwerke Pirmasens GmbH	Germany	12.99%	7,423,000	12.99%	7,423,000
GasLINE GmbH & Co. KG	Germany	5.00%	6,487,519	5.00%	5,787,519
AMPACIMON S.A.	Belgium	19.79%	4,198,610	19.79%	4,198,610
Enrotec Holding GmbH & Co. KG	Germany	10.00%	3,703,228	10.00%	3,703,228
SW Völklingen Netz	Germany	17.60%	3,584,274	17.60%	3,584,274
Pfalzwerke AG	Germany	1.86%	3,549,000	1.86%	3,549,000
Stadtwerke Sulzbach GmbH	Germany	15.00%	2,389,062	15.00%	2,389,062
AmpereCloud GmbH	Germany	7.83%	2,000,040	0.00%	0
SEO S.A.	Luxembourg	4.46%	1,971,596	4.46%	1,971,596
R8 Technologies OÜ	Estonia	4.02%	1,599,977	4.02%	1,599,977
Ezzing Renewable Energies S.L.	Luxembourg	7.23%	1,499,946	7.23%	1,499,946
Stadtwerke Völklingen Vertrieb GmbH	Germany	17.60%	1,100,000	17.60%	1,100,000
Ewatth SAS	Luxembourg	12.00%	999,984	12.00%	999,984
Versorger-Allianz 450 Bet. GmbH & Co KG	Germany	1.63%	950,000	1.63%	598,500
Stadtwerke Lambrecht GmbH	Germany	15.00%	766,608	15.00%	766,608
TSCNET Services GmbH	Germany	6.25%	756,250	6.25%	756,250
Renewabl Ltd	England	5.91%	713,890	100.00%	0
Datathings S.A.	Luxembourg	10.31%	695,455	10.31%	695,455
NEXXTLAB S.A.	Luxembourg	50.00%	573,926	50.00%	950,000
WIL Solarprojekt GmbH & Co. KG	Germany	15.00%	538,880	15.00%	538,880
Gridio 2,0 OÜ	Estonia	6.25%	500,000	0.00%	0

Name	Location	2024		2023	
		Percentage owned	Net value €	Percentage owned	Net value €
Callisto S.A.	Luxembourg	50.00%	456,000	50.00%	300,000
Encasol S.A.	Luxembourg	50.00%	320,000	50.00%	320,000
Solarpark Ritzelt S.A.	Luxembourg	100.00%	308,783	100.00%	30,000
Solarpark Plein GmbH & Co. KG (formely WES 19. Projektgesellschaft GmbH & Co. KG)	Germany	100.00%	254,000	100.00%	4,000
Cube4Finance S.à.r.l.	Luxembourg	16.67%	250,000	0.00%	0
Stadtwerke Homburg GmbH	Germany	10.67%	233,452	10.67%	233,452
JAO S.A.	Luxembourg	4.00%	209,809	4.00%	209,809
Neustromland GmbH & Co. KG	Germany	5.56%	145,215	5.56%	145,215
ESP PV-Anl. Leinefelde-Worbis GmbH&Co.KG	Germany	10.00%	127,500	10.00%	127,500
Solarpark St. Wendel GmbH	Germany	15.00%	112,500	15.00%	112,500
Enovos Renewables Verwaltungsgesellschaft GmbH	Germany	100.00%	89,578	100.00%	130,000
Libertas Energy GmbH	Germany	35.00%	78,283	0.00%	0
IZES GmbH	Germany	8.26%	67,700	8.26%	67,700
Balansys S.A.	Luxembourg	50.00%	50,000	50.00%	50,000
PW Solar S.A.	Luxembourg	100.00%	30,000	100.00%	30,000
Solarpark Niederranven S.A	Luxembourg	100.00%	30,000	0.00%	0
Haus zum Maulbeerbaum eG	Germany	15.00%	30,000	15.00%	30,000
Charge@Lux S.A.	Luxembourg	100.00%	30,000	0.00%	0
Enovos Projekt 11 GmbH	Germany	100.00%	26,264	0.00%	0
Enovos Projekt 13 GmbH	Germany	100.00%	26,264	0.00%	0
Enovos Projekt 15 GmbH	Germany	100.00%	26,264	0.00%	0
Enovos Projekt 12 GmbH	Germany	100.00%	26,171	0.00%	0
Enovos Projekt 14 GmbH	Germany	100.00%	25,971	0.00%	0
SP Benschelbach GmbH	Germany	100.00%	25,333	100.00%	25,200
Enovos Renewables Infra GmbH	Germany	100.00%	25,303	100.00%	25,200
Enovos Agri PV GmbH	Germany	100.00%	25,303	100.00%	25,200
Enovos Projekt 5 GmbH	Germany	100.00%	25,293	100.00%	25,293
ESEL.CAB GmbH	Germany	100.00%	25,000	100.00%	25,000
Solkraftwerk Südeifel Verwaltung GmbH	Germany	100.00%	25,000	100.00%	25,000
Stammeinlage WES Verw.	Germany	100.00%	25,000	100.00%	25,000
WES Green 11. Projektgesellschaft GmbH & Co. KG	Germany	100.00%	21,000	100.00%	11,000
WES 15. Projektgesellschaft GmbH & Co. KG	Germany	100.00%	21,000	100.00%	7,000
WES 17. Projektgesellschaft GmbH & Co. KG	Germany	100.00%	21,000	100.00%	6,000
WES 18. Projektgesellschaft GmbH & Co. KG	Germany	100.00%	21,000	100.00%	6,000
Solkraftwerk Oberscheidweiler GmbH&Co. KG	Germany	100.00%	21,000	100.00%	1,000
WES 21. Projektgesellschaft GmbH & Co. KG	Germany	100.00%	21,000	0.00%	0
Solarpark Siesbach GmbH & Co. KG	Germany	100.00%	21,000	0.00%	0
WES 22. Projektgesellschaft GmbH & Co. KG	Germany	100.00%	21,000	0.00%	0
WES 23. Projektgesellschaft GmbH & Co. KG	Germany	100.00%	21,000	0.00%	0
Windpark Gimbleweil & Mosberg Infr. GbR	Germany	50.00%	20,602	50.00%	22,566
Enselux S.A.	Luxembourg	50.00%	15,000	50.00%	15,000
Solarpark Leiwien-Sonnenberg Verwaltung GmbH	Germany	59.95%	14,988	59.95%	14,988
Expert GmbH & Co KG	Germany	0.50%	13,000	0.50%	13,000
EnergieSüdpfalz Verwaltung GmbH	Germany	50.00%	12,500	50.00%	12,500
My green e Beteiligungs GmbH	Germany	49.00%	12,250	49.00%	12,250
Enovos Projekt 3 GmbH	Germany	45.00%	11,986	100.00%	25,736
Libertas Grundstücksgesellschaft GmbH	Germany	35.00%	9,881	35.00%	9,800
GasLINE GmbH	Germany	5.00%	1,278	5.00%	1,278
Energency S.A.	Luxembourg	0.00%	0	19.10%	1,494,930
Stadtwerke GmbH Bad Kreuznach	Germany	24.52%	0	24.52%	15,122,600

Name	Location	2024		2023	
		Percentage owned	Net value €	Percentage owned	Net value €
Stadtwerke Trier Versorgungs GmbH	Germany	24.90%	0	24.90%	5,925,516
Enovos Pfalzwerke BG St Ingbert GmbH	Germany	50.00%	0	50.00%	5,000,000
Stadtwerke Bliestal GmbH	Germany	23.50%	0	23.50%	1,855,804
Solar Kraftwerk Kenn GmbH	Germany	49.00%	0	49.00%	1,749,526
Concorde Gestion S.à.r.l.	Luxembourg	100.00%	0	100.00%	12,395
SWT Erneuerbare energie Co&KG	Germany	49.00%	0	49.00%	1,225,000
QueichtalEnerg.Offenbach GmbH&Co.KG	Germany	49.00%	0	49.00%	1,173,650
Regab GmbH	Germany	49.50%	0	49.50%	976,235
WES 16. Projektgesellschaft GmbH & Co. KG	Germany	100.00%	0	100.00%	7,000
Windaprk Saarwellingen GmbH & Co	Germany	100.00%	0	100.00%	921,000
Windp. Meckel/Gilzem GmbH&Co.KG	Germany	34.00%	0	34.00%	560,340
Agence de L'Energie S.A.	Luxembourg	50.00%	0	50.00%	547,236
Solarix 1 S.A.	Luxembourg	100.00%	0	100.00%	530,000
Solarpark Hasborn-Rosenberg GmbH	Germany	100.00%	0	100.00%	525,736
Solarkraftwerke Speicherer Land GmbH & Co. KG	Germany	100.00%	0	100.00%	521,000
Solarkraftwerk Niersbach GmbH	Germany	37.50%	0	37.50%	510,809
Trifels Gas GmbH	Germany	49.00%	0	49.00%	492,250
Solarpark Geisfeld GmbH Co. KG	Germany	100.00%	0	100.00%	453,000
Werner Rübsam Elektrotechnik GmbH	Germany	40.00%	0	40.00%	440,000
Solarkraftwerke Trier-Land GmbH & Co. KG	Germany	100.00%	0	100.00%	321,000
Solarpark Nordband GmbH & Co. KG	Germany	49.00%	0	49.00%	289,590
Solarpark Waldlaubersheim GmbH	Germany	100.00%	0	100.00%	25,293
SP Oberöfflingen GmbH	Germany	100.00%	0	100.00%	25,200
Global Facility Deutschland GmbH (formerly Enovos projekt 10 GmbH)	Germany	100.00%	0	100.00%	25,200
Solarpark Großlittgen GmbH & Co.KG	Germany	100.00%	0	100.00%	6,000
Solarpark Gipperath GmbH & Co.KG	Germany	100.00%	0	100.00%	4,000
			60,531,719	96,076,388	

This consolidated accounts line item includes companies which are not consolidated because of minor significance of these entities for the group. The companies held at cost are not controlled, and the group has no significant influence on these participations, while those owned at more than 20% are not significant as of 31 December 2024 and therefore not consolidated.

In 2024, a review of the control on already owned companies, that were held at cost in 2023, was performed resulting in the first full consolidation of companies where a full control was established and in the consolidation under the equity method of companies where joint control was established. Please refer to note 6.

In 2024, the group proceeded to acquire new participations as follows:

- 7.83% participation in Amperecloud GmbH by Encevo S.A. for EUR 2,000,040
- 5.91% participation in Renewabl Ltd by Encevo S.A. for EUR 713,890.
- 6.25% of the shares of Gridio 2.0 OÜ by Encevo S.A. for EUR 500,000
- 16.67 participation in Cube4Finance S.à.r.l. by Teseos Luxembourg S.A. for EUR 250,000.
- 35% participation in Libertas Energy GmbH by Encevo Deutschland GmbH for EUR 78,283.

The group incorporated the following companies in 2024:

- WES 21. Projektgesellschaft GmbH & Co. KG and WES 22. Projektgesellschaft GmbH & Co. KG were incorporated by WES Green GmbH as sole shareholder, with capital of EUR 21,000 respectively.
- Charge@Lux S.A. was incorporated by electricis Luxembourg S.A. (formerly diego Luxembourg S.A.) as sole shareholder in December 2024, with a capital of EUR 30,000.
- Enovos Renewables GmbH incorporated the following companies as sole shareholder:
 - Solarpark Siesbach GmbH & Co. KG with a capital of EUR 21,000.
 - WES 23. Projektgesellschaft GmbH & Co. KG with a capital of EUR 21,000.
 - Enovos Projekt 11 GmbH with a capital of EUR 26,264.
 - Enovos Projekt 12 GmbH with a capital of EUR 26,171.
 - Enovos Projekt 13 GmbH with a capital of EUR 26,264.
 - Enovos Projekt 14 GmbH with a capital of EUR 25,971.
 - Enovos Projekt 15 GmbH with a capital of EUR 26,264.

In 2024, the group increased the capital in some of its investments carried at cost to further finance the development of their activities, as follows:

- Enovos Renewables GmbH proceeded to increases of capital in Solarkraftwerk Oberscheidweiler GmbH & Co. KG and Solarpark Plein GmbH & Co. KG (formerly WES 19. Projektgesellschaft GmbH & Co. KG) for total amounts of EUR 20,000 and EUR 250,000 respectively (while keeping the same ownership)
- WES Green GmbH proceeded to increases of capital in several participations for a total amount of EUR 54,000 (while keeping the same ownership)
- Encevo Deutschland GmbH proceeded to increases of capital in GasLINE GmbH & Co. KG and Versorger-Allianz 450 Bet. GmbH & Co KG Wfor total amounts of EUR 700,000 and EUR 351,500 respectively (while keeping the same ownership)

- Encevo S.A. subscribed to an equity increase in Callisto S.A. of EUR 31,200; while LuxEnergie S.A. subscribed to an equity increase in Callisto S.A. of EUR 124,800 in December 2024, maintaining the percentage of ownership unchanged.

In 2024, the group proceeded to redeem capital in some of the participations as follows:

- Redemption of EUR 40,422 in the capital of Enovos Renewables Verwaltungsgesellschaft GmbH.
- Redemption of EUR 13,750 in the capital of Enovos Projekt 3 GmbH.
- Redemption of EUR 1,964 in the capital of Windpark Gimbweiler GbR by Windpark Mosberg GmbH & Co. KG.

On 8 February 2023, Encevo S.A. signed an agreement for the progressive sale of its participation in Energiency S.A. to EPSA. The disposal of the share was realised in several tranches, with the first one on 28 February 2023, for an amount of EUR 399,480. The second tranche was on 31 August 2024 for an amount of EUR 876,147 and the last one on 20 December 2024 for an amount of 1,290,839. For the 2024 tranches, a total capital gain of EUR 672,056 was realised on these transactions and posted under the consolidated accounts line item "Other interest receivable and similar income" (see note 32).

In the framework of the impairment testing performed at group level on all of the participations owned, Creos Luxembourg S.A. partially depreciated its investment in Nexxlab S.A. by an amount of EUR 376,074 and fully depreciated the shareholder loan granted to Nexxlab S.A. by an amount of EUR 350,000 under the consolidated accounts line item "Value adjustment in respect of financial assets and investments held as current assets" (please refer to note 35).

The Board of Directors is of the opinion that no additional value adjustments are necessary for investments held as fixed assets.

Note 11 – Stocks

Raw materials of EUR 19,396,806 (2023: EUR 21,380,350) comprise mainly the inventory of Creos Luxembourg S.A., LuxEnergie S.A., Minusines S.A., Paul Wagner & Fils S.A. and Energie Südwest AG.

Work and contracts in progress of EUR 30,743,766 (2023: EUR 39,020,841) are mainly related to:

- grid customers of Creos Luxembourg S.A., Creos Deutschland Services GmbH and Energie Südwest Netz GmbH,
- renewable activities for Enovos O&M Renewables GmbH and WES Green GmbH;
- technical services of Paul Wagner & Fils S.A., Power Panels S.A. and Wieland and Schultz GmbH which will be invoiced to customers once completed.

Finished goods and goods for resale of EUR 43,372,315 (2023: EUR 54,864,243) mainly comprise gas stocks held in France and Germany. No value adjustment has been recognised in 2024 under the consolidated accounts line item “Value adjustments in respect of current assets” (2023: EUR 80,472,925).

As of 31 December 2023, Enovos Luxembourg S.A. had recorded a value adjustment of 91,053,529 regarding its gas stocks. Such value adjustment has been fully reversed during the financial year ended 31 December 2024 under the consolidated accounts line item “Value adjustments in respect of current assets”.

Note 12 – Debtors

12.1. Trade debtors

Trade receivables are mainly related to energy sales, transportation and distribution of electricity and gas.

As of 1 January 2024, Enovos Luxembourg S.A. and LEO S.A., transitioned from a top-down estimation approach to a bottom-up evaluation method for determining unbilled receivables/payables of customers with linear advanced payments, followed by a final invoice based on their actual energy consumption (“Energie en Compteur” or EEC). This change was implemented to enhance the precision of financial reporting by leveraging detailed customer-level consumption data obtained from smart meters.

The previous top-down method relied on broad estimations of total energy sales, adjusted for volume and price assumptions. The bottom-up method, enabled by the rollout of smart meters, now allows for precise, customer-specific calculations at each reporting date, significantly improving the accuracy of reported figures and addressing the limitations of the previous approach (please refer to note 1 and note 4).

The impact on the “D.II.1) a) Trade debtors becoming due and payable within one year” consolidate accounts line item is an increase of EUR 29,238,251, out of which Enovos Luxembourg S.A. and LEO S.A. are impacted by EUR 20,580,533 and EUR 8,657,718 respectively.

	31/12/2024 €	31/12/2023 €
Trade debtors - Gross value	690,407,685	923,587,288
Value adjustment	(13,961,974)	(8,998,225)
Trade debtors - Net value	676,445,710	914,589,062

Trade debtor's value adjustments are calculated for customers for which realisation of the outstanding receivable is not assured. Value adjustments are computed based on an assessment of the recoverability of the receivables on a case-by-case basis.

12.2. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests

Receivables due by undertakings with which the group is mainly linked by virtue of participating interests related to commercial activities mainly due within 30 days.

12.3. Other debtors

This consolidated accounts line item mainly includes taxes receivable and other amounts receivable from non-commercial counterparts.

Note 13 – Investments

The amounts recorded under investments primarily comprise cash allocated for the payment of pension liabilities in Germany, as well as CO₂ certificates and guarantees of origin certificates in Luxembourg, all with a maturity of less than three months.

Note 14 – Cash at bank and in hand and cash flow statement

This consolidated accounts line item comprises sight and term deposits for investment periods of less than three months. Cash at bank of EUR 199,846,195 (2023: EUR 292,760,796) decreased mainly from the increased need for working capital from the affiliated undertakings, from the reimbursement of a EUR 20,000,000 tranche on the “Schuldschein” issued in 2014 and from a dividend payment to group shareholders of EUR 72,661,165 in 2024, whereas there were no dividend distribution to group shareholders in 2023.

The cash flow statement enclosed with the consolidated accounts details the total cash movements for the year amounting to EUR -93,324,968 (2023: EUR -93,837,783). Operating cash flow of EUR 257,716,819 (2023: 220,060,898) stems from the operational activities and mostly covers the cash flow from investing activities amounting to EUR -241,302,506 (2023: EUR -283,235,654) that is mainly related to cash relevant Grid investments as the capital

expenditures considered in the cash flow statement are those related to payments made in 2024. Cash flow from financing activities of EUR -109,739,281 (2023: EUR -30,663,028) decreased in 2024 mainly from the distribution of EUR 72,661,165 dividends to group shareholders, while no dividend was distributed to group shareholders in 2023.

The situations at the beginning and at the end of the year disclosed in the cash flow statement include Cash at bank and in hand of EUR 199,846,195 (2023: EUR 292,760,796 – consolidated accounts line item D.IV. Cash at bank and in hand), Investments of EUR 973,932 (2023: EUR 415,675 – consolidated accounts line item D.III.3. Other investments) and cash overdrafts and credit lines of EUR -3,013,413 (2023: EUR -2,044,789), that are included in the consolidated accounts line item C.2.a) Amounts owed to credit institutions becoming due and payable within one year.

	31/12/2024 €	31/12/2023 €
Result for the financial year, group share	168,945,853	145,330,137
+ Minority interests	23,925,134	25,755,359
+ Amortization and depreciation	171,468,747	163,180,540
+/- Capital gain/loss on disposals financial assets	(12,693,174)	(694,501)
- Capital gain on disposals fixed assets	(251,779)	(287,506)
+/- Change in provisions	(58,068)	(23,633,319)
- Share in result of companies accounted under the equity method	(24,309,576)	(18,982,278)
+ Dividends received from companies accounted for under the equity method	27,587,624	18,653,176
+ Non Cash Taxes (DTL)	4,604,739	4,489,190
+ Accrued interests	(90,416)	648,934
+ Other non cash elements (impairments, etc)	701,074	761,000
- Increase / (+) Decrease in current assets	179,185,074	(79,893,138)
+ Increase / (-) Decrease in current liabilities	(281,298,414)	(15,266,695)
Operating cash flow	257,716,819	220,060,898
- Capital expenditures on intangible assets	(25,936,363)	(23,203,216)
- Capital expenditures on tangible assets	(230,043,636)	(244,540,526)
- Capital expenditures on financial assets	(5,627,852)	(13,157,207)
- Net Capital expenditures on purchases of subsidiaries	(7,850,827)	(33,449,146)
- Cash received from disposal of fixed assets	251,779	0
+ Cash received from disposal of financial assets	18,852,521	7,630,974
+ Net cash received from disposal of subsidiaries	70,687	0
+ Cash in incoming subsidiaries (scope change)	5,340,596	31,221
- Increase in loans to participations (Not consolidated)	(7,150,000)	(14,269,970)
+ Decrease in loans to participations (Not consolidated)	10,790,588	37,722,216
Cash flow from investing activities	(241,302,506)	(283,235,654)
- Dividends paid to the group shareholders	(72,661,165)	0
- Dividends paid to the minorities of consolidated companies	(11,107,086)	(11,670,513)
+ Capital redemption	0	0
- Capital increase	0	0
+ Subsidies received	1,064,863	923,973
+ Increase in financial liabilities	11,741,693	27,243,844
- Decrease in financial liabilities	(38,777,587)	(47,160,332)
Cash Flow from financing activities	(109,739,281)	(30,663,028)
CHANGE IN CASH	(93,324,968)	(93,837,783)
Situation at the beginning of the year	291,131,682	384,969,465
Situation at the end of the year	197,806,714	291,131,682
D.III. Investments	973,932	415,675
D.IV. Cash at bank and in hand	199,846,195	292,760,796
Included in C.II.a Amounts owed to credit institutions	(3,013,413)	(2,044,789)

Note 15 – Prepayments

The consolidated accounts line item mainly relates to the following natures of transaction, mainly comprising:

- European Commodity Clearing (ECC) performed in the context of Energy Management and Trading activities, thereof:
 - unmatured, unrealised trading transactions (net of “initial margin” and “variation margin”) for an amount of EUR 90,992,168 (2023: EUR 53,800,096).
 - cleared unmatured realised trading transactions for future deliveries for an amount of EUR 7,357,511 (2023: EUR - 168,736,755 booked in deferred income).
- Considering the current situation on the energy markets, ECC positions are volatile and may be subject to high fluctuations. The balance sheet reflects the situation as of 31 December 2024 and may be subject to positive and/or negative fluctuations on a daily basis.
- Derivative financial instruments which are used to hedge operations to be settled in subsequent years for an amount of EUR 69,422,305 (2023: EUR 20,165,520).
- in the context of the regulation scheme at Creos Luxembourg S.A., a cumulated difference (2024 and prior years) is calculated individually for each regulated activity and is recorded, when positive, in the consolidated accounts line item “Prepayments” for an amount of EUR 2,949,375 (2023: EUR 5,658,408) and when negative, in the consolidated accounts line item “Deferred income” for an amount of EUR 45,383,068 (2023: EUR 30,397,022) (please refer to note 26).
- Other transactions, which amounts to EUR 27,733,546 (2023: EUR 32,625,676), comprising (among others) several natures such as upfront fees for RCF and “Schuldschein”, forward swap contracts and guarantee fees paid to the state-guaranteed bank loans (“Prêt Garanti par l'Etat”).

Note 16 – Capital and reserves

As of 31 December 2024, the share capital of Encevo S.A. amounted to EUR 90,962,900. It was fully paid-up and was represented by 909,629 ordinary shares (2023: 909,629), with a nominal value of EUR 100 per share and with no preferential rights.

The Company is required to allocate a minimum of 5% of its annual net income to a legal reserve, until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

As of 1 January 2024, the change in the valuation method of the EEC determination, lead to an adjustment of EUR 64,374,277 in the consolidation reserves (please refer to note 4 and 12.1). The remaining movement in Consolidation Reserves under the column ‘Other’ mainly relates to the group’s share of movement in equity of the companies consolidated under the equity method.



Consolidated capital and reserves, group share

	31/12/2023 €	Allocation of results €	Distribution of dividends €	Change in scope €	Other €	Profit for the year €	31/12/2024 €
I. Subscribed capital	90,962,900	0	0	0	0	0	90,962,900
II. Share premium account	387,028,449	0	0	0	0	0	387,028,449
IV. Consolidated Reserves	633,668,144	124,904,853	0	5,917,030	84,243,617	0	848,733,647
Legal Reserve	9,096,290	0	0	0	0	0	9,096,290
Reserve of first consolidation	(58,546,186)	0	0	0	0	0	(58,546,186)
Consolidation reserves	618,185,887	124,904,853	0	5,917,030	84,243,617	0	833,251,388
Other reserves	64,932,152	0	0	0	0	0	64,932,152
IV.b Other non available reserves	23,159,669	0	0	0	997,770	0	24,157,439
V. Profit or loss brought forward	91,522,410	20,425,284	(72,661,165)	0	0	0	39,286,529
VIII. Capital investment subsidies	7,958,033	0	0	0	(174,009)	0	7,784,024
Consolidated profit, group share	145,330,137	(145,330,137)	0	0	0	168,945,853	168,945,853
A. Capital and reserves, group share	1,379,629,742	0	(72,661,165)	5,917,030	85,067,378	168,945,853	1,566,898,842
A.1. Minority interest	288,180,067	0	(11,107,086)	(254,696)	(4,281,259)	23,925,134	296,462,161
A.2. Capital and reserves, total	1,667,809,809	0	(83,768,250)	5,662,335	80,786,119	192,870,988	1,863,361,003

Note 17 – Provisions

17.1. Provisions for pensions and similar obligations

This consolidated accounts line item includes provisions relating to pension commitments. Under a supplementary pension scheme, Encevo S.A., Enovos Luxembourg S.A., Creos Luxembourg S.A., LEO S.A., Teseos S.A., Encevo Deutschland GmbH and its subsidiaries (including Creos Deutschland GmbH) have contracted defined benefit schemes. The amount reported in the balance sheet is based on the following assumptions:

- Retirement age taken into account for financing: 60 years (for Luxembourg), 62 years (for Germany)
- Yearly discount rate of 2.44%
- Estimated salary at time of retirement based on past experience
- Turnover rate of employees

All actuarial gains and losses are recorded in the provision for pensions.

17.2 Other provisions

The consolidated accounts line item “Other provisions” comprises provisions to cover the following risks:

	31/12/2024 €	31/12/2023 €
Provisions for regulatory and environmental risks	70,363,030	71,650,584
Provisions for staff costs	26,987,282	24,213,932
Provisions for sales risks	4,510,823	4,510,823
Provisions for derivatives	5,150	715,000
Provisions for litigation	7,026	7,026
Other provisions	26,844,473	36,478,933
Total	128,717,784	137,576,298

The caption includes a provision of EUR 9,669,880 (2023: EUR 9,669,880) related to guarantees issued in the context of Enovos Luxembourg S.A.'s participations in Enovos Solar Investments I S.r.l. Unipersonale ("ESI I") and Aveleos S.A. and to cover the litigation risks in relation to Enovos Solar Investments II S.r.l. Unipersonale ("ESI II").

With regards to the remaining claims of the EAM group against Encevo S.A. and/or Enovos Luxembourg S.A., management is continuously monitoring any developments.

Furthermore, "Other provisions" comprise provisions to cover risks related to energy trading for an amount of EUR 5,150 (2023: EUR 715,000), representing the negative impact against the market valuation of Enovos Luxembourg S.A.'s proprietary trading positions when netting by commodity type and by maturity year.

A provision for other risks for an amount of EUR 8,073,000 (2023: EUR 10,643,000) has been accounted for at the level of Creos Luxembourg S.A. to consider the risks related to:

- Defective assets (HV transformers for EUR 4,100,000 (2023: EUR 4,100,000) and cable terminal EUR 0 (2023: EUR 650,000)
- Other sundry risks including defective works for EUR 1,700,000 (2023: EUR 2,400,000),
- Potential legal cases for EUR 2,273,000 (2023: EUR 2,593,000)
- Sharing factor risks for EUR 0 (2023: EUR 900,000)

This consolidated accounts line item also comprises under the line "Provisions for staff costs" provisions to cover untaken holidays for employees for an amount of EUR 12,009,954 (2023: EUR 11,036,817) related to Creos Luxembourg S.A., an amount of EUR 2,882,577 (2023: EUR 2,535,510) related to Enovos Luxembourg S.A., and an amount of EUR 1,871,001 (2023: EUR 1,949,215) related to Encevo S.A.

The provision in Enovos Energie Deutschland GmbH for commercial risks in the biogas supply contract with Bioenergie Merzig GmbH amounts to EUR 4,206,889 (2023: EUR 2,982,420).

Note 18 – Debenture loans

The financial line item comprises several German certificates of indebtedness ("Schuldschein"), with various issuance dates and terms as follows:

- On 26 June 2013, the Company issued a first German certificate of indebtedness ("Schuldschein"). The loan bore 4 tranches with tenors of 7, 10, 12 and 15 years. The tranches with tenors of 7 and 10 years respectively were reimbursed (one of which amounting to EUR 20,000,000 was reimbursed in 2023). The remaining Schuldschein amounts to EUR 47,000,000. The accrued interests payable as of 31 December 2024 amount to EUR 791,770 (2023: EUR 789,607).
- On 21 November 2014, the Company issued an additional Schuldschein bearing 3 tranches with tenors of 7, 10 and 12 years. The 7 year tranche was reimbursed in November 2021 and the 10 year tranche was reimbursed in November 2024. The remaining loan amounts to EUR 30,000,000. The accrued interests payable as of 31 December 2024 amount to EUR 69,663 (2023: EUR 110,483).
- On 26 July 2018, Encevo S.A. issued a third (green) Schuldschein of EUR 250,000,000 with tenors of 7, 10, 12 and 15 years. The accrued interests payable as of 31 December 2024 amounted to EUR 1,258,092 (2023: EUR 1,335,920).
- On 16 December 2021, Encevo S.A. issued a fourth (green) Schuldschein of EUR 200,000,000 with tenors of 7, 10, and 15 years. One of the two 7 years tranches as well as one of the two 10 year tranches bear a floating interest rate. The accrued interests payable as of 31 December 2024 amounted to EUR 173,149 (2023: EUR 201,668).

The detailed maturities of all non-convertible debenture loans are listed below:

	Within one year €	After one year and within five years €	After more than five years €	Total 2024 €	Total 2023 €
Non-convertible debenture loans	172,292,674	142,000,000	215,000,000	529,292,674	549,437,678
Total	172,292,674	142,000,000	215,000,000	529,292,674	549,437,678

Note 19 – Amounts owed to credit institutions

Encevo S.A. has access to a credit facility totalling EUR 750,000,000 including a revolving credit facility (RCF) of EUR 350,000,000 which has been extended one final time to expire on 18 January 2030 and a EUR 400,000,000 Swingline which has been extended for six months and set to expire on 18 July 2025 with the option of renewal for another six months.

The EUR 350,000,000 revolving credit facility provides for an ESG mechanism that was converted into a sustainability-linked loan on 17 July 2024. The three main key performance indicators (KPIs) that define

the sustainability-linked loan are Scope 1, 2 and 3 GHG Emissions, Installed Renewables Capacity and Lost Time Injury Frequency Rate.

The amount drawn on the committed RCFs as of 31 December 2024 is EUR 0 (2023: EUR 0). For the revolving credit facility, interests to be paid are based on Euribor plus a margin.

Regarding the swingline, the interests to be paid are based on the ESTR plus a margin.

The amounts owed to credit institutions are broken down as follows:

	31/12/2024 €	31/12/2023 €
Current financial liabilities due to financial institutions due within one year	15,933,226	16,821,615
Non-current financial liabilities due to financial institutions due after one year and within five years	223,995,707	224,920,016
due in more than five years	31,439,712	37,230,540
Total	271,368,645	278,972,170

The main outstanding current financial liabilities are loans of EUR 8,048,923 (2023: EUR 7,746,266) due by LuxEnergie S.A, EUR 2,264,673 due by C.Schanen S.à r.l., EUR 1,579,374 (2023: EUR 1,633,470) due by Real Estate Enovos Esch S.A., EUR 684,672 (2023: EUR 1,763,124) due by NSL Energieprojekt 2 GmbH & Co.KG, EUR 1,260,000 (2023: 1,260,000) due by NSL Energieprojekt 1 GmbH & Co.KG, and EUR 1,207,834 (2023: EUR 1,145,058) due by Energy Green Power N.V.

The main outstanding non-current financial liabilities are loans in Enovos Luxembourg S.A., which were signed on 22 December 2022 with three counterparties a six-year bullet state guaranteed bank loan (“Prêt

Garanti par l'Etat”) for a total amount of EUR 180,000,000 that was drawn on 28 December 2022 (2023: EUR 180,000,000), a loan of EUR 39,379,801 (2023: EUR 42,413,299) due by LuxEnergie S.A., EUR 12,150,000 (2023: EUR 13,500,000) due by Real Estate Enovos Esch S.A., EUR 4,590,835 (2023: EUR 0) due by Solarpark Hasborn-Rosenberg GmbH, EUR 5,882,768 (2023: EUR 10,216,488) due by NSL Energieprojekt 2 GmbH & Co.KG, EUR 8,820,000 (2023: EUR 10,080,000) due by NSL Energieprojekt 1 GmbH & Co.KG, EUR 2,352,244 (2023: EUR 2,354,864) due by Conosolar S.A., and EUR 891,185 (2023: EUR 964,895) due by EnergieSüdwest AG.

Note 20 – Payments received on account of orders

Recorded under this consolidated accounts line item are down-payments received, largely for works performed for third-party grid customers.

Note 21 – Trade creditors

Trade creditors are mainly related to energy purchases / supplies and trading activities.

Furthermore, this consolidated accounts line item also includes the amount payable to SEO S.A. related to the investment at the Vianden pumping station for an amount of EUR 49,152,000 (2023: EUR 54,067,050), out of which EUR 4,915,050 is due within one year (2023: EUR 4,915,050). The total amount due after one year will be fully reimbursed in 2033, resulting in the debt related to the investment being repaid prior to the end of the useful life of the asset.

As of 1 January 2024, Enovos Luxembourg S.A. and LEO S.A., transitioned from a top-down estimation approach to a bottom-up evaluation method for determining unbilled receivables/payables of customers with linear advanced payments, followed by a final invoice based on their actual energy consumption ("Energie en Compteur" or EEC). This change was implemented to

enhance the precision of financial reporting by leveraging detailed customer-level consumption data obtained from smart meters.

The previous top-down method relied on broad estimations of total energy sales, adjusted for volume and price assumptions. The bottom-up method, enabled by the rollout of smart meters, now allows for precise, customer-specific calculations at each reporting date, significantly improving the accuracy of reported figures and addressing the limitations of the previous approach (please refer to note 2 and note 4).

The impact on the "C.4.a) Trade creditors becoming due and payable within one year" consolidated accounts item is a decrease of EUR 35,136,027, out of which Enovos Luxembourg S.A. and LEO S.A. are impacted by EUR 32,329,599 and EUR 2,806,428 respectively.

Note 22 – Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests

This consolidated accounts line item includes mainly provisions on accrued interests related to the financing of the investment in machine 11 in the SEO pumping station in Vianden and receivables on Pfalzgas GmbH which is also a major gas supplier. Furthermore, this consolidated accounts line includes bridge financings to new renewable participations in Germany and Luxembourg.



Note 23 – Other creditors - Tax authorities

This consolidated accounts line item includes corporate income taxes, value added tax (VAT) liabilities, taxes on gas and electricity sales and social taxes on pensions and salaries.

Encevo S.A. is subject to all taxes applicable to Luxembourg companies and the tax provisions have been provided in accordance with the relevant laws. Since 2009, Encevo S.A. has been head of the fiscal unity comprising Enovos Luxembourg S.A., Teseos Luxembourg S.A. and Encevo Ré S.A.. At the beginning of 2012, LEO S.A. joined the fiscal unity. In 2014, Enovos Real Estate Luxembourg S.A. and Real Estate Enovos Esch S.A. joined the fiscal unity. On 1 January 2021, Paul Wagner et Fils S.A., Power Panels S.A. and Global Facilities S.A. joined the fiscal unity. On 1 January 2023, Arctic Cooling Systems S.A. joined the fiscal unity. On 1 January 2024, Minusines S.A. joined the fiscal unity.

The fiscal unity is, in accordance with Article 164bis of the Luxembourg Income Tax Law (LITL), a tax consolidation regime for corporate income and municipal business tax purposes.

To benefit from the fiscal unity regime, the companies concerned have agreed to be part of the fiscal unity for a period of at least five financial years. This means that if the conditions laid down in Article 164bis LIR (Income Tax Law) are not met at any time during this five-year period, the fiscal unity ceases to apply, retroactively, as from the first year in which it was granted.

There are three other fiscal unities in Germany:

- One for Encevo Deutschland GmbH, bringing together Creos Deutschland GmbH, Creos Deutschland Services GmbH, Enovos Energie Deutschland GmbH, Enovos Renewables GmbH and Enovos Storage GmbH (since 2021) and Enovos Power GmbH (since 2024).
- A second one bringing together Enovos Power GmbH and Enovos Renewables O&M GmbH since 2020.
- A third one, set up in 2023, including Creos Deutschland GmbH, heading the fiscal unity, and Creos Wasserstoff GmbH.

There were no other changes in the fiscal unities of the group in 2024.

Deferred tax assets

Deferred tax assets mainly relate to ESI II as a result of the partial non-deductibility of interest costs and a change in law concerning depreciation duration for photovoltaic plants.

On 4 August 2023, the Luxembourg Government published draft law no. 8292 introducing a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union, according to the Pillar II Directive (the Directive 2022/2523). On 20 December 2023, the Luxembourg Parliament voted to approve the draft law transposing such “Pillar II Directive”. Accordingly, the law entered into force as from fiscal years starting on or after 31 December 2023.

The Encevo group is in scope of the Pillar II regulations as introduced in Luxembourg through the Law of 22 December 2023 relating to minimum taxation. This legislation is effective for the group's financial year beginning 1 January 2024. The rules should subject, in each jurisdiction in which the group operates, a minimum 15% effective tax rate calculated applicable on potential GloBE incomes.

The group is aware of the implications of the OECD's Pillar II framework and remains committed to ensuring compliance with all applicable global minimum tax regulations. The group, in collaboration with external experts, conducted analyses ensuring compliance with Pillar II requirements. Based on the latest Top-up Tax assessment performed, no additional tax burden is expected regarding fiscal year 2024.

In accordance with the respective provisions of the Directive 2022/2523, deferred taxes assets, attributable either to a deficit for a fiscal year or to a specific investment tax credit (ITC), are recognised at the lowest rate between the minimum tax rate and the tax rate applicable under domestic law.

According to latest recommendation issued on 6 March 2024 by the Luxembourg “Commission des Normes Comptables” (CNC-24/032), the corresponding deferred tax asset or liability is computed according to the statutory rate the Taxpayer is subject to. However, with reference to the ITC, the latter are considered at their nominal value.

During the fiscal years listed below, the Encevo group faced the following tax losses:

Tax losses carried forward

In Luxembourg

The fiscal unity headed by Encevo S.A. realised the following tax losses:

- in the fiscal year 2014, a tax loss amounting to EUR 64,109,973(1)
- in the fiscal year 2016, a tax loss amounting to EUR 18,582,144(1)
- in the fiscal year 2017, a tax loss amounting to EUR 40,472,912(2)
- in the fiscal year 2018, a tax loss amounting to EUR 12,591,060(2)
- in the fiscal year 2019, a tax loss amounting to EUR 8,796,876(2)
- in the fiscal year 2020, an estimated tax loss amounting to EUR 21,428,371(2)
- in the fiscal year 2021, an estimated tax loss amounting to EUR 664,391(2)
- in the fiscal year 2022, an estimated tax profit amounting to EUR 27,482,384
- in the fiscal year 2023, an estimated tax loss amounting to EUR 3,320,712(2)

Tax losses carried forward

After computing the consolidated taxable result for the 2024 fiscal year (estimated profit of EUR 56,318,890), the total amount of tax losses carried forward relating to the above-mentioned financial years, as of 31 December 2024 amounts to EUR 86,165,168, generating a total deferred tax asset of EUR 21,860,103, considering the local statutory tax rate of 25.37% as applicable from financial year starting on 1 January 2025.

The respective tax losses are carried forward as follows:

- (1) are carried forward indefinitely.
- (2) are carried forward during the 17 operating years following the tax year corresponding to the financial year in which the losses occurred.

It is anticipated that Encevo S.A. will be able to use the losses carried forward within those 17 years.

In Germany

As of 31 December 2024, the following German entities, Encevo Deutschland GmbH and Enovos Energie Deutschland GmbH, have the following tax losses carried forward:

Encevo Deutschland GmbH

- EUR 9,285,000 for corporate tax purpose, generating a deferred tax asset of EUR 1,469,816
- EUR 47,883,000 for trade tax purpose, generating a deferred tax asset of EUR 8,211,935.

Enovos Energie Deutschland GmbH

- EUR 85,814 for corporate tax purpose, generating a deferred tax asset of EUR 13,584
- EUR 514,936 for trade tax purpose, generating a deferred tax asset of EUR 88,312,

by considering a statutory corporate income tax rate of 15.83% and a statutory trade tax rate of 17.15%.

The respective tax losses may be carried back one year and may be carried forward indefinitely.

It is anticipated that the German group will be able to use the available tax losses carried forward.

In Belgium

As of 31 December 2024, Enovos Green Power NV has a tax loss carried forward amounting to EUR 6,904,875, thus generating a total deferred tax asset of EUR 1,726,219, considering the local statutory tax rate of 25%.

The respective tax losses may be carried forward indefinitely.

It is anticipated that the Belgian entity will be able to use the available tax losses carried forward.

In the Netherlands

As of 31 December 2024, Enovos Green Power NL BV has a tax loss carried forward amounting to EUR 19,548, thus generating a total deferred tax asset of EUR 3,714, considering the local statutory tax rate of 19%.

As of 31 December 2024, EGP Solar Reuver BV has a tax loss carried forward amounting to EUR 499,335, thus generating a total deferred tax asset of EUR 128,828, considering the local statutory tax rate of 25.80%.

As of 31 December 2024, EGP Solar Laarbeek North has a tax loss carried forward amounting to EUR 1,195,629, thus generating a total deferred tax asset of EUR 308,472, considering the local statutory tax rate of 25.80%.

As of 31 December 2024, EGP South has a tax loss carried forward amounting to EUR 634,100, thus generating a total deferred tax asset of EUR 163,598, considering the local statutory tax rate of 25.80%.

As of 31 December 2024, EGP Solar Bocholtz has a tax loss carried forward amounting to EUR 18,337, thus generating a total deferred tax asset of EUR 3,484, considering the local statutory tax rate of 19%.

As of 31 December 2024, EGP Solar Boekel has a tax loss carried forward amounting to EUR 248,939, thus generating a total deferred tax asset of EUR 64,226, considering the local statutory tax rate of 25.80%.

As of 31 December 2024, Enovos Green Power Nederland NV has a tax loss carried forward amounting to EUR 3,854,115, thus generating a total deferred tax asset of EUR 994,362, considering the local statutory tax rate of 25.80%.

As of 31 December 2024, EGP Solar Brakel I has a tax loss carried forward amounting to EUR 15,555, thus generating a total deferred tax asset of EUR 2,955, considering the local statutory tax rate of 19%.

As of 31 December 2024, EGP Solar Brakel II has a tax loss carried forward amounting to EUR 9,455, thus generating a total deferred tax asset of EUR 1,796, considering the local statutory tax rate of 19%.

As of 31 December 2024, Solar EGP NL East has a tax loss carried forward amounting to EUR 189,172, thus generating a total deferred tax asset of EUR 35,943, considering the local statutory tax rate of 19%.

As of 31 December 2024, Solar EGP NL West has a tax loss carried forward amounting to EUR 113,663, thus generating a total deferred tax asset of EUR 21,596, considering the local statutory tax rate of 19%.

As of 31 December 2024, EGP Oudenbosch has a tax loss carried forward amounting to EUR 73,774, thus generating a total deferred tax asset of EUR 14,017, considering the local statutory tax rate of 19%.

The respective tax losses may be carried back for one year and may be carried forward indefinitely.

It is anticipated that the Dutch entities will be able to use the available tax losses carried forward.



Note 24 – Other creditors

As of 31 December 2024, Encevo Deutschland GmbH and Creos Deutschland GmbH have a long-term liability of EUR 1,700,000 and EUR 1,500,000 respectively towards “Pensionskasse der Encevo Deutschland VVaG” (2023: EUR 1,700,000 and EUR 1,500,000).

Furthermore, in the context of the financing of renewable projects, Energie Südwest AG has a liability towards its customers of EUR 2,393,475 (2023: EUR 2,671,150), which becomes due in 2029.

Enovos Energie Deutschland GmbH booked an amount of EUR 20,947,391 (2023: EUR 39,967,358) under this financial line item related to debtors with creditor balances that are on prepayment terms. The decrease of this amount compared to 2023 is related to the decrease of the spot prices used to compute the monthly prepayments.

This consolidated accounts line item also includes a payable of EUR 8,587,711 in Enovos Luxembourg S.A. in the context of the mechanism of compensation (2023: EUR 2,969,026).

Finally, the financial line item also includes salaries to be paid.

Note 25 – Deferred income tax

The deferred income tax liability is mainly related to:

- the different depreciation methods used in consolidated accounts (linear) compared to the statutory accounts (degressive) of several group companies,
- the different calculation method of the pension obligations in consolidated accounts compared to statutory accounts of several group companies,
- a provision reversal at Encevo Ré S.A. in the consolidated accounts.

Note 26 – Deferred income

The consolidated accounts line item mainly relates to the following natures of transaction, mainly consisting of:

- Derivative financial instruments which are used to hedge operations to be settled in subsequent years for an amount of EUR 113,723,680 (2023: EUR 40,810,297).
- In the context of the regulation scheme at Creos Luxembourg S.A., a cumulated difference (2024 and prior years) is calculated individually for each regulated activity and is recorded, when positive, in the consolidated accounts line item “Prepayments” for an amount of EUR 2,949,375 (2023: EUR 5,658,408) and when negative, in the consolidated accounts line item “Deferred income” for an amount of EUR 45,383,068 (2023: EUR 30,397,022) (please refer to note 15).
- In 2023, the consolidated accounts line item also related to European Commodity Clearing (ECC) performed in the context of Energy Management and Trading activities, thereof cleared unmatured realised trading transactions for future deliveries for an amount of EUR 168,736,755. Considering the current situation on the energy markets, ECC positions are volatile and may be subject to high fluctuations. The balance sheet reflects the situation as of 31 December 2024 and may be subject to positive and/or negative fluctuations on a daily basis.

Note 27 – Net turnover

The sales break-down is as follows:

	2024 €	2023 €
Sales electricity	2,351,305,279	3,060,527,248
Sales gas	832,820,367	1,458,131,097
Other energy sales	53,618,004	63,583,986
Grid sales electricity	96,692,710	96,575,910
Grid sales gas	151,868,309	162,090,204
Sales Technical Services	196,842,731	189,514,303
Other sales	117,272,466	98,751,583
Rebates & discounts	(14,310,818)	(40,936,663)
Total sales	3,786,109,045	5,088,237,667

Other sales include sales of services to electricity and gas customers such as metering and costs for grid connections. Sales relating to gas and electricity trading are shown net of purchases under “Raw materials and consumables”.

Geographical sales are broken down as follows:

	2024 €		2023 €	
Luxembourg	1,644,362,910	43.43%	1,932,503,595	37.98%
Germany	2,025,663,560	53.50%	2,936,539,961	57.71%
France	95,014,343	2.51%	200,572,311	3.94%
Belgium	7,749,219	0.20%	8,886,354	0.17%
Other countries	13,319,013	0.35%	9,735,444	0.19%
Total sales	3,786,109,045	100.00%	5,088,237,667	100.00%

Note 28 – Other operating income

The consolidated accounts line item “Other operating income” includes mainly the activities unrelated to the supply of gas and electricity, such as reversals of value adjustments, income from asset sales, renting fees, income from employees and re-insurance fee.

Note 29 – Raw materials and consumables and other external expenses

	2024 €	2023 €
Electricity supplies	1,661,121,165	2,301,190,258
Gas supplies	796,470,529	1,376,984,266
Other supplies	667,300,504	680,274,657
Total Raw materials and consumables	3,124,892,197	4,358,449,181

The consolidated accounts line item “Raw material and consumables” includes energy procurement and energy trading costs.

The consolidated accounts line item “Other external expenses” includes, amongst other things professional fees, subcontracting and maintenance costs, marketing and communication costs, rental costs and insurance premiums.

Note 30 – Staff costs

The group had on average 2,884 employees (i.e. headcount) in 2024 (2023: 2,765). The figure includes the staff of the City of Luxembourg made available to Creos Luxembourg S.A., 34 employees (2023: 41 employees) whose costs are shown under wages and salaries for EUR 4,723,402 (2023: EUR 5,041,857).

The increase of the total consolidated accounts line item compared to 2023 is related to the gain on disposals of EUR 12,693,174 out of which EUR 12,021,118 were realised by Encevo Deutschland GmbH on the sale of the water grid in Stadtwerke Trier Versorgungs GmbH. Furthermore, a gain on sale of EUR 672,056 was realised by Encevo S.A. on the sale of the remaining participation in Energiency S.A. (please refer to note 10.2).

Note 31 – Other operating expenses

The consolidated accounts line item “Other operating expenses” comprises mainly provisions for risks, attendance fees, losses on receivables, extraordinary charges and sundry taxes.

On the other hand, the dividends received from entities held at acquisition costs decreased in 2024 to EUR 5,943,973 (2023: EUR 11,074,444).

Note 32 – Income from participating interests

Income from participating interests relates to dividends received from entities held at acquisition costs and to gain on disposals of participations.

Note 33 – Other interest receivable and similar income

The amount of EUR 16,601,249 (2023: EUR 17,525,118) in the consolidated accounts line item “Other interest receivable and similar income” comprises interest received on short-term bank deposits.

Note 34 – Share of profit or loss undertakings accounted for under the equity method

The share of profit or loss undertakings accounted for under the equity method breaks down as follows:

	2024 €	2023 €
Energis GmbH	7,474,725	5,019,938
Pfalzgas GmbH	5,119,262	4,784,369
Stadtwerke Trier Versorgungs GmbH	2,777,117	0
Soler S.A.	2,098,441	3,776,572
Stadtwerke GmbH Bad Kreuznach	1,470,724	0
Kiowatt S.A.	1,020,760	916,121
EnergieSüdpfalz GmbH & Co. KG	855,578	501,081
Solarpark Leiwen-Sonnenberg GmbH & Co. KG	659,735	718,851
ESW Grüne Energie GmbH	653,121	683,046
Enovos Green Power AE entities	597,697	213,307
Projecta 14 GmbH	537,257	1,604,218
Datacenterenergie S.A.	510,344	2,108,550
Cegyco S.A.	473,355	315,989
Solarpark Lauperath GmbH & Co. KG	380,301	483,034
Stadtwerke Bliestal GmbH	358,158	0
REGAB GmbH	336,447	0
Windkraftwerk Meckel/Gilzem GmbH & Co. KG	329,037	0
SK Ahorn GmbH & Co. KG	319,497	413,126
Enovos Pfalzwerke BG St Ingbert GmbH	318,976	0
Windpark Wremen GmbH & Co. KG	278,610	436,892
Neustromland Projekt 2 GmbH	265,909	371,625
Nordenergie S.A.	258,631	185,694
Solar Kraftwerk Kenn GmbH	162,746	0
Steinergy S.A.	136,277	119,109
SWT Erneuerbare energien GmbH & Co.KG	115,995	0
Werner Rübsam Elektrotechnik GmbH	102,752	0
SP Nordband GmbH & Co. KG	88,989	0
Airportenergy S.A.	84,504	96,944
Solkraftwerk Niersbach GmbH	10,311	0
QueichtalEnerg.Offenbach GmbH & Co.KG	5,895	0
Trifels Gas GmbH	4,388	0
Agence de l'Energie S.A.	(63,000)	0
Solkraftwerk Barderup GmbH & Co. KG	(253,171)	(41,677)
Solkraftwerk Südeifel GmbH & Co. KG	(3,179,790)	(3,724,511)
Total	24,309,576	18,982,278

As explained in note 10.1, management applies the equity method by directly calculating its share in the equity and net profit of the companies consolidated under the equity method.

If the step-by-step consolidation process would have been applied, 'Share of profit or

loss undertakings accounted for under the equity method', 'consolidated profit or loss for the financial year' and 'minority interests' in the consolidated profit and loss account would have been higher by EUR 3,488,771 for the year ended 31 December 2024 (2023: EUR 3,268,203).

Note 35 – Value adjustments in respect of financial assets and of investments held as current assets

The financial line item is mostly composed of value adjustments booked in the framework of the impairment testing performed at group level on the participations owned. In 2024, Creos Luxembourg S.A. partially depreciated its investment in NEXXTLAB S.A. by an amount of EUR 376,074 and fully depreciated the shareholder loan granted to NEXXTLAB S.A. by an amount of EUR 350,000 under consolidated accounts line item “Value adjustment in respect of financial assets and investments held as current assets” (please refer to note 10.2).

Note 36 – Interest payable and similar expenses

The consolidated accounts line item “Interest payable and similar expenses” of EUR 35,668,865 in 2024 (2023: EUR 33,928,627) mostly comprises interest paid on bank loans, on the bond and on the German certificates of indebtedness, as well as of the depreciation of the hedge costs related to the 2012 bond issuance. The 2018 German certificate of indebtedness and the SSD that was issued in December 2021 for an amount of EUR 200 million and interest expenses for the state-guaranteed loan (“Prêt garanti par l’Etat”) granted to Enovos Luxembourg S.A. (please refer to note 18).

Note 37 – Current and deferred income tax expenses

The current tax provisions have been provided in accordance with the relevant laws applicable in Luxembourg, Germany, Belgium, the Netherlands, France and Italy. Deferred taxes are recorded on the time differences existing between the tax rules and those used for preparing the consolidated accounts. Deferred taxes are calculated in accordance with the variable carrying forward method based on the tax rate expected at the time that the receivable or liability materialises. Deferred tax assets are recorded only if it is likely that future taxable profits will be available.

Note 38 – Remuneration paid to members of the administration and management bodies

Remuneration paid to members of the administration and supervisory bodies totalled EUR 2,353,541 in 2024 (2023: EUR 2,328,424). No advance or loan was granted to members of the administration and supervisory bodies and no commitment was given on their behalf in respect of any form of guarantee.

Note 39 – Auditor’s fees

Audit and audit-related fees for the year 2024 amounted to EUR 1,181,868 (2023: EUR 1,146,583). Non-audit related fees amount to EUR 0 (2023: EUR 147,744).

	31/12/2024 €	31/12/2023 €
Audit fees	1,055,670	1,024,337
Audit-related fees	126,198	122,246
Other fees	0	147,744
Total	1,181,868	1,294,327

Note 40 – Financial derivatives

The group is further engaged in spot and forward electricity and gas trading on organised markets and by private sales. These transactions are carried out using various instruments. Among these instruments are forward contracts, which involve final delivery of electricity and gas; swap contracts, which entail promises of payment to and from counterparties in conjunction with the difference between a fixed price and a variable price indexed on underlying products; options; and other contractual agreements.

These contracts are not accounted for on the balance sheet, as the group has opted not to take up the option to use fair value accounting in its consolidated accounts. Only the unrealised losses are accounted for in the profit and loss account, in accordance with prudence principles.

Unrealised gains on sell positions decreased by EUR 97 million while unrealised losses on buy positions increased by EUR 97 million since prices are still decreasing and because delivery year 2024 has realised.

Derivative financial instruments – Unrealised gains (losses) on sell positions

	31/12/2024 €	31/12/2023 €
Financial derivatives on electricity futures	19,053,571	105,168,795
Other financial derivatives (gas, CO ₂ certificates, coal)	(328,190)	10,703,890
Total	18,725,380	115,872,685

Derivative financial instruments – Unrealised gains (losses) on buy positions

	31/12/2024 €	31/12/2023 €
Financial derivatives on electricity futures	(19,031,638)	(104,997,574)
Other financial derivatives (gas, CO ₂ certificates, coal)	331,750	(10,699,440)
Total	(18,699,888)	(115,697,014)

The total nominal value (net of purchases and sales) of derivative contracts and the net fair value breaks down as follows:

	31/12/2024 €		31/12/2023 €	
	Nominal value	Fair value	Nominal value	Fair value
Financial derivatives on electricity futures	260,505	21,933	723,652	171,221
Other financial derivatives (gas, CO ₂ certificates, coal)	3,560	3,560	4,450	4,450
Total	264,065	25,493	728,102	175,671

The net fair value of the derivative contracts, consisting of unrealised gains (losses) on sell and buy positions, amounts to a gain of EUR 25,493 (2023: EUR 175,671), thereof EUR -5,150 of unrealised losses. A provision of EUR 5,150 is recorded in the books of the group to account for these negative positions (please refer to note 17.2).

Note 41 – Off-balance sheet liabilities and commitments

Commercial commitments

Enovos Luxembourg S.A. concluded several forward contracts on the wholesale market for the purchase and sale of electricity and gas as part of its usual operations. Enovos Luxembourg S.A. has thus contracted purchase commitments for physical delivery of electricity and gas amounting to EUR 2.48 billion, as of 31 December 2024 (2023: EUR 4.59 billion). The amount of the aforementioned forward purchase contracts includes only forward contracts signed with counterparties. Furthermore, Enovos Luxembourg S.A. contracted sale commitments for the physical delivery of electricity and gas on the wholesale market amounting to EUR 0.98 billion as of 31 December 2024 (2023: EUR 1.9 billion).

In addition, Enovos Luxembourg S.A. holds a long-term electricity-sourcing contract at a fixed price until 2025 amounting to EUR 6.4 million (2023: EUR 12.8 million) and a natural gas purchase commitment indexed at market price until 2025 for a volume of 3.65 TWh. The cross-border gas-transportation capacity commitments account for EUR 5.5 million and run until 2025 (2023: EUR 9.1 million).

Furthermore, Enovos Luxembourg S.A. has a lignite-based power-sourcing contract running until 2037 with a total volume outstanding of 5.7 TWh, with costs linked to CO₂ prices and fixed and variable operating costs.

On a regular basis, management performs an assessment of the impact of the above-described long-term power and gas contracts on the overall power and gas procurement costs. This assessment done with the support of external advisers is based on different scenarios depending on the assumed evolution of key parameters i.e. power and CO₂.

These contracts are accounted for under the portfolio approach and therefore no provision has been recorded.

Enovos Luxembourg S.A. further entered into a variety of financially settled derivative contracts (mainly futures and swaps in gas, electricity and allowances) in order to hedge

the procurements for customer business and assets.

As of 31 December 2024, the unrealised loss of these transactions amounts to EUR 37.6 million (2023: unrealised gain of EUR 143.53 million).

Financial commitments

Enovos Luxembourg S.A. has provided a guarantee of EUR 3,216,669 (2023: EUR 3,414,184) to ensure commitments arising from a loan agreement between SW Saarbrücken Netz AG and Encevo Deutschland GmbH.

Within the framework of the sales process of photovoltaic installations held by Aveleos S.A., Enovos Luxembourg S.A. provided parent company guarantees amounting to EUR 20,946,075 (2023: EUR 20,946,075) to hold the buyer harmless from contingent liabilities. A provision of EUR 8,600,000 was posted in 2017 to cover the remaining risks on part of these guarantees.

Enovos Solar Investment I S.r.l. Unipersonale has outstanding operating lease obligations for a total amount of EUR 4,201,208 (2023: EUR 4,961,315) maturing in 2029. All leasing obligations are guaranteed by a comfort letter issued by Enovos Luxembourg S.A..

In 2018 Encevo entered into two interest rate swaps (IRS) for an amount of EUR 18 million and EUR 17 million, respectively, to hedge the interest rate exposure on the two floating rate tranches of the Green Schuldschein that was issued the same year. As of 31 December 2024, the fair market value of both IRS amounted to EUR 1,071,476 (2023: EUR 1,944,369).

Bank and parent company commitments

Enovos Luxembourg S.A., a controlled subsidiary of the group, as the sister company and former parent company of Enovos Energie Deutschland GmbH ("EED"), has entered into an adherence agreement with one of the suppliers of EED to guarantee the financial commitments stemming from future energy deliveries for a total amount of EUR 142.8 million (2023: EUR 183.4 million).

By order of Enovos Luxembourg S.A., the Company's core banks have issued a number of bank guarantees to its suppliers, in the context of its regular business, totalling EUR 10,164,664 (2023: EUR 14,239,574). This amount includes three bank guarantees for the account of its subsidiary Enovos Energie S.A. for a total amount of EUR 3,156,467 (2023: EUR 3,670,828).

Encevo S.A. provided Enovos Luxembourg S.A. with a total amount of EUR 155,300,000 in parent company guarantees and letters of comfort, mainly as collateral under existing EFET and ISDA agreements (2023: EUR 285,000,000).

Encevo S.A. provided several parent company guarantees by order and for account of its subsidiaries Paul Wagner et Fils S.A., Global Facilities S.A. and Windpark Saarwellingen GmbH & Co. KG amounting to EUR 22,401,984 (2023: EUR 1,250,052).

Total additional bank guarantees of EUR 166,634 were ordered by Encevo S.A. for the account of Teseos Luxembourg S.A. and Creos Deutschland GmbH (2023: EUR 166,634). Furthermore, the Encevo S.A. took over a total of EUR 9,250,000 bank guarantees for Hoffmann Frères Energie & Bois S.à r.l (2023: 9,750,000).

In the context of the financing of the group's new administrative building in Esch-sur-Alzette, Real Estate Enovos Esch S.A. has granted to the lending bank a mortgage on its property in Domaine Schlassgoard for a maximum amount of 50% of the outstanding debt or EUR 7,087,500 at the end of 2024 (2023: EUR 7,425,000).

LuxEnergie S.A., together with Société de l'Aéroport de Luxembourg S.A., has provided joint and several guarantees in the context of the financing of their joint-venture Airport-Energy S.A., for an initial amount of EUR 15,800,000. The remaining balance as of 31 December 2024 amounts to EUR 4,272,147 (2023: EUR 4,828,039).

Encevo Deutschland GmbH and Enovos Renewables GmbH have granted various shareholder loans to consolidated and non-consolidated participations for which the undrawn portions amount to EUR 3,274,500 in total (2023: EUR 2,500,000).

Paul Wagner & Fils S.A. and its three subsidiaries have provided various guarantees to its customers for a total amount of EUR 12,807,860 (2023: EUR 12,628,170).

Creos Luxembourg S.A. has issued bank guarantees in the context of its regular business for a total amount of EUR 3,252,492 (2023: EUR 3,252,492).



Other off-balance guarantees

Under the shareholder agreement to which Encevo S.A. is a signatory, and as mentioned in the Company's by-laws, the Luxembourg State (the State), and/or Société Nationale de Crédit et d'Investissement (the "SNCI"), a Luxembourg public law banking institution, and/or the Banque et Caisse d'Epargne de l'Etat (the "BCEE"), an "établissement public autonome" under Luxembourg law, shall obtain at any time upon one or more successive requests from the State individually or the State and the SNCI jointly, or the State and the BCEE jointly, or the State, the SNCI and the BCEE jointly, if applicable each time for a portion (and regardless of the level of participation of Encevo S.A. in the subsidiaries) a direct participation and if so requested even a qualified (e.g. two thirds) majority in the share capital of Creos Luxembourg S.A. and the shareholders shall take the necessary actions, resolutions and approvals to be taken to such effect (including by Encevo S.A.) and in particular to cause the resolutions of the shareholders and/or the subsidiaries to be taken in order to allow the State and/or the SNCI and/or the BCEE to obtain the participation(s) as set forth here above in one or more successive operations. All transactions necessary in that respect must respect the arm's length principle. The State and/or the SNCI and/or the BCEE, as applicable, agree not to transfer for commercial reasons, during a period of ten (10) years, starting from the date of the acquisition of the relevant shares in Creos Luxembourg S.A., all or part of the shares it/they has/have acquired in the share capital of Creos Luxembourg S.A., subject to certain exceptions, including transfers between the State and SNCI, or between the State and the BCEE, transfers to their affiliates or municipalities or public bodies or transfers pursuant to legal or regulatory constraints or a court order.

Subject to the same exceptions, if at any time after the above 10-year period, the State and/or the SNCI and/or the BCEE (or the affiliates, municipalities or public bodies referred to in the preceding sentence), as applicable, propose to make a transfer of all or part of such shares, Encevo S.A. has a pre-emption right over such shares.

Transfer of shares in Encevo S.A. by the shareholders will be subject to pre-emption rights (with certain exceptions in case of transfer to affiliates) which are largely reflected in the Articles of Association of Encevo S.A.. The same pre-emption rights apply in the event of a change of control of a shareholder.

For the electricity and gas trades, Enovos Luxembourg S.A. has received from counterparties parental support letters totalling EUR 130,000,000 (2023: EUR 130,000,000).

The Board of Directors is of the opinion that all necessary provisions have been made to cover potential losses out of the off-balance sheet liabilities and commitments.

Note 42 – Subsequent events

In January 2025, the EUR 350,000,000 RCF facility was extended by one more year to expire on 18 January 2030. (please refer to note 19).

On 14 February 2025, Encevo S.A. gave a parental guarantee of EUR 100 million to Bayerische Landesbank in relation to the European Union Allowances (EUA) swap from stock exchange to OTC.

There are no further subsequent events affecting the 2024 consolidated accounts.







05

Extract of the annual
accounts of Encevo S.A.

Extract of the annual accounts of Encevo S.A.

The main activities of Encevo S.A. (the “Company”), as the parent company of the Encevo Group, are the holding of financial interests in affiliated companies, defining the Group Strategy, and providing the latter with financing and corporate services. The balance sheet and profit and loss account are therefore largely influenced by the financing needs of the Group’s subsidiaries and by the dividend income from the subsidiaries. The Company also acts as a service provider to support the activities of its affiliated undertakings. It incurs the costs associated with providing these services and realises its income from the invoicing of part of the latter to its subsidiaries. Some of these costs, when deemed as purely benefiting the corporate vision, are not invoiced, and are thus fully absorbed by the Company.

As the Company centralises the financing for the main subsidiaries, management follows external net financial debt as one of the key performance indicators. Adequate treasury tools are implemented, and management ensures strict cash flow follow-up, including daily reporting of consolidated cash in the Company’s cash pool system which comprises 39 subsidiaries (2023: 33 subsidiaries), in order to support the development of the Group and to always ensure sufficient liquidity. The six new subsidiaries included in the cash pool during 2024 are five renewable energy entities located in the Netherlands and Global Facilities Luxembourg.

2024 developments

In the context of its development, the Encevo Group, through its parent company Encevo S.A, restructured the entity Hoffmann Frères Energie & Bois S.à r.l. which it acquired in 2023. Grid operations were sold to and integrated into Creos Luxembourg S.A. as of 1 January 2024; the wood business was carved out and sold as

Hoffmann Frères Bois S.à r.l. by Hoffmann Frères Energie & Bois S.à r.l. on 29 July 2024. Finally, the entity Hoffmann Frères Energie & Bois S.à r.l. (with its supplier activity under the brand Electris) was sold to Enovos Luxembourg S.A. on 18 September 2024.

Furthermore, Encevo S.A. continued to manage and expand its portfolio of start-up companies: it continued and finalised the divestment of its shares in Energiency S.A. with the final tranche of divestment undertaken on 20 December 2024. It complemented its portfolio by acquiring a 7.83% stake in AmpereCloud GmbH (entity offering software and hardware solutions to efficiently operate renewable energy portfolios) on 9 July 2024, a 5.91% stake in Renewabl Ltd (a data-driven platform for streamlined and verified clean energy procurement across the UK and Europe) on 19 July 2024 and a 6.25% stake in Gridio 2.0 OÜ (a company providing the missing link between households, energy devices and energy providers) on 17 December 2024.

Financing activities

Encevo S.A. has access to a credit facility totalling EUR 750,000,000 including a revolving credit facility (RCF) of EUR 350,000,000 which has been extended one final time to expire on 18 January 2030 and a EUR 400,000,000 swingline facility which has been extended for six months and set to expire on 18 July 2025 with the option of renewal for another six months. The aggregated amount drawn on the credit line and on the RCF is EUR 0 as of 31 December 2024 (2023: EUR 0).

No new long-term financing has been provided by the Company since December 2021. In 2024, the Schuldschein bearing a tenor of 10 years was reimbursed at maturity (EUR 20,000,000). Non-convertible loans including accrued interests amount to EUR 529,292,674 at year-end 2024 (2023: EUR 549,437,678).

Loans granted to affiliated undertakings and participations increased by around EUR 4 million, from EUR 597,473,059 in 2023 to EUR 601,754,466 in 2024. On the one hand, the main cash-outs consist of a new loan granted to Creos Deutschland GmbH (EUR 15,000,000) coupled with the financing needs from renewable activities mainly from Solar EGP NL East b.v. (EUR 8,380,000), Windpark Saarwellingen GmbH & Co. KG (EUR 7,500,000), Neustromland Energieprojekt 2 GmbH Co. KG (EUR 4,270,000), Solar EGP NL West b.v. (EUR 2,850,000), EGP Solar Oudenbosch b.v. (EUR 2,800,000), Solarix 1 S.A. (EUR 2,200,000) and Enovos Renewables GmbH (EUR 1,820,000). On the other hand, the main cash-ins consist of the reimbursement of the shareholder loans of Hoffmann Frères Energie & Bois S.à r.l. (EUR 13,000,000), Enovos Energie S.A. (EUR 7,200,000), Creos Luxembourg S.A. (EUR 6,250,000), Creos Deutschland GmbH (EUR 4,638,889), Solarkraftwerk Südeifel (EUR 4,478,500), Solarpark Hasborn-Rosenberg GmbH (EUR 4,000,000) and Encevo Deutschland GmbH (EUR 1,074,250).

As of 31 December 2024, the total net cash managed on behalf of the subsidiaries with which the Company entered into a cash pooling agreement is EUR 531,616,907 (2023: EUR 568,272,802).

The decrease is mainly due to lower deposits from Enovos Luxembourg S.A..

As of 31 December 2024, cash and cash equivalents of the Company decreased to EUR 127,131,302 (2023: EUR 214,810,053).

Amounts owed to credit institutions of EUR 544,250 (2023: EUR 502,031) are related to the utilisation and non-utilisation fees of the credit facility.

As of 31 December 2024, the net financial debt increased to EUR 402,705,623 (2023: EUR 335,129,657).

Personnel

The number of employees increased from 102 FTE at year-end 2023 to 106 FTE at year-end 2024. This increase is attributed to the strengthening of corporate functions in line with the group's expansion.

Financial results

In 2024, the net turnover amounted to EUR 27,116,183 (2023: EUR 23,308,902) and was mainly generated by the service level agreements with affiliated companies. Shared services (such as financing) are provided by Encevo S.A. to various group subsidiaries and re-invoiced through a transparent and systematic allocation process.

The net turnover increase of around EUR 4 million is due to the increasing costs of services provided, linked in particular to the reinforcement of the Group IT department enhancing and expanding the capacity of Encevo's information security efforts and business continuity activities in a context of evolving cybersecurity challenges and response to potential disruptions across the group, as well as to the resuming of the OneFinance project (SAP S/4 Hana migration).

Income from participating interest increased from EUR 43,391,684 in 2023 to EUR 62,672,143 in 2024 mainly due to the dividend paid in April 2024 by Encevo Deutschland GmbH, amounting to EUR 18,992,607, whereas no dividend was received from the latter in 2023. Furthermore, EUR 1,500,000 dividend was paid by Teseos Luxembourg S.A. to Encevo S.A. in 2024 (2023: EUR 0).

Interest payables and similar expenses increased to EUR 36,917,283 in 2024 (2023: EUR 33,776,473). The increase is primarily related to the interest earned on the deposits made by the entities in the internal cash pooling accounts due to higher interest rates for the three first quarters of the year (compared to same period in the previous year). Similarly, other interest receivable and similar income increased to EUR 27,322,214 in 2024 (2023: EUR 24,847,982) mainly due to the remuneration from bank deposits and to the shareholder loans granted to the group companies which slightly increased to cover the growing needs of the affiliated undertakings.

Risk management

Encevo S.A. centralises risk management reporting across its core Group companies, ensuring the continuous monitoring of key risks identified within the Encevo Group. The Group Risk Committee, comprising all members of the Executive Committee, reports to the Group Audit Committee, reinforcing strong governance and oversight.

The ongoing geopolitical tensions following the outbreak of the Russia-Ukraine war in 2022 continued to create significant challenges in 2024, particularly impacting energy markets. At company level, Encevo S.A. directly oversees financial liquidity risk, credit risk of its subsidiaries supported by Group financing, and interest rate risk. Managing these risks will remain a key priority. To address increased liquidity risk caused by high and volatile energy prices, the Group Finance & Tax department started taking proactive measures in January 2023 by significantly increasing its short-term credit facilities. This strategic move ensures sufficient liquidity for the Group's key entities, safeguarding financial stability.

Outlook

In January 2025, the EUR 350,000,000 RCF facility was extended by one more year to expire on 18 January 2030.

The unpredictable geopolitical context remains a continued source of uncertainty regarding the overall economic outlook and energy market prices, counterparty credit risk as well as physical supply risk. In this context, the Company will continue to develop its risk management capabilities and invest in operational excellence and digitalization.

Other information

The energy transition presents both a complex challenge and essential shift for energy companies driven by several factors such as decarbonisation, digitalisation, decentralisation and a focus on customer needs. Encevo S.A. is proactively tackling these challenges through innovative projects and strategic partnerships. While the overall strategic initiatives are coordinated within Encevo S.A., specific research and development activities are mainly performed directly within the affiliated undertakings, such as Creos Luxembourg S.A. or Enovos Luxembourg S.A..

The Company does not hold own shares.

The Company does not operate any branches.



Encevo S.A. Board of Directors

There were no changes in the shareholding structure of Encevo S.A. in 2024.

Regarding board members, the following changes occurred in 2024:

As of 28 June 2024, Mr Michel Scholer and Mr Yinghao Han were appointed as new board members following the resignations of Mr Luc Decker and Mr Jinqiang Sun.

The board members are:

Marco Hoffmann, Chairman

Yinghao Han, 1st Vice-Chairman

Jeff Feller, 2nd Vice-Chairman²²

Min Shen, 3rd Vice-Chairman

Danielle Castagna, Director

Christian Tock, Director

Stefan Grützmacher, Director

Aloyse Kohll, Director

Mike Kirsch, Director

Romain Lanners, Director

Uwe Leprich, Director

Olaf Münichsdorfer, Director

Georges Reuter, Director

Geneviève Schlink, Director

Michel Scholer, Director

Monika Scholz, Director

Auditor

The mandate of the external independent statutory auditor, KPMG S.à r.l., initially appointed for a two-year term at the annual general meeting of shareholders held on 10 May 2023, ends with the financial year 2024. The Board of Directors will submit a proposal to extend KPMG's mandate until 2028 to the annual general meeting of shareholders to be held on 13 May 2025.

Proposed appropriation of net profit

The profit available of EUR 310,956,233 for appropriation includes the profit of EUR 42,094,678 for the year and the profit of EUR 268,861,555 brought forward.

The Board of Directors proposes to the Annual Shareholder's Meeting to be held on 13 May 2025 the following appropriation of net profit:

Dividend of 92.87 euro per share*	84,477,245
Allocation to the legal reserve	0
Allocation to the blocked reserve	0
Allocation to other reserves	0
Amount carried forward	226,478,988
	310,956,233

* Number of shares 909,629

The Board of Directors

Esch-sur-Alzette, 28 March 2025

²² Mr Jeff Feller resigned on 28 June 2024 and was re-appointed through co-optation at the request of another shareholder.

Encevo S.A.

Balance sheet as of 31 December 2024

Denominated in EUR

ASSETS	2024	2023
	€	€
C. Fixed assets	1,887,508,828	1,891,546,035
I. Intangible assets	6,876,245	6,373,444
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1,257,915	1,826,755
a) acquired for valuable consideration	1,257,915	1,826,755
4. Payments on account and intangible assets under development	5,618,330	4,546,689
II. Tangible assets	506,528	212,705
3. Other fixtures and fittings, tools and equipment	475,694	201,017
4. Payments on account and tangible assets in the course of construction	30,834	11,688
III. Financial assets	1,880,126,055	1,884,959,886
1. Shares in affiliated undertakings	1,270,271,097	1,280,636,535
2. Loans to affiliated undertakings	601,104,466	597,473,059
5. Investments held as fixed assets	8,100,492	6,350,292
6. Other loans	650,000	500,000
D. Current assets	157,295,210	261,785,440
II. Debtors	30,163,908	46,975,387
2. Amounts owed by affiliated undertakings	29,337,409	45,938,348
a) becoming due and payable within one year	29,337,409	45,938,348
4. Other debtors	826,500	1,037,040
a) becoming due and payable within one year	826,500	1,037,040
IV. Cash at bank and in hand	127,131,302	214,810,053
E. Prepayments	4,201,932	6,144,212
TOTAL ASSETS	2,049,005,971	2,159,475,687

The notes in the annex form an integral part of the annual accounts.

Encevo S.A.

Balance sheet as of 31 December 2024

Denominated in EUR

CAPITAL, RESERVES AND LIABILITIES	2024	2023
	€	€
A. Capital and reserves	959,921,710	990,488,197
I. Subscribed capital	90,962,900	90,962,900
II. Share premium account	387,028,449	387,028,449
IV. Reserves	170,974,128	170,974,128
1. Legal reserve	9,096,290	9,096,290
4. Other reserves, including the fair value reserve	161,877,838	161,877,838
a) other available reserves	161,438,164	161,438,164
b) other non available reserves	439,674	439,674
V. Profit or loss brought forward	268,861,555	321,097,437
VI. Profit or loss for the financial year	42,094,678	20,425,283
B. Provisions	10,052,081	8,954,554
1. Provisions for pensions and similar obligations	8,181,080	7,005,338
3. Other provisions	1,871,001	1,949,215
C. Creditors	1,078,977,219	1,160,032,936
1. Debenture loans	529,292,674	549,437,678
b) Non convertible loans	529,292,674	549,437,678
i) becoming due and payable within one year	172,292,674	22,437,678
ii) becoming due and payable after more than one year	357,000,000	527,000,000
2. Amounts owed to credit institutions	544,250	502,031
a) becoming due and payable within one year	544,250	502,031
4. Trade creditors	1,838,166	2,091,480
a) becoming due and payable within one year	1,838,166	2,091,480
6. Amounts owed to affiliated undertakings	541,412,129	602,865,083
a) becoming due and payable within one year	535,412,129	602,865,083
b) becoming due and payable after more than one year	6,000,000	0
8. Other creditors	5,889,999	5,136,664
a) Tax authorities	1,871,587	1,369,864
b) Social security authorities	664,689	685,596
c) Other creditors	3,353,723	3,081,205
i) becoming due and payable within one year	3,353,723	3,081,205
D. Deferred income	54,960	0
TOTAL CAPITAL, RESERVES AND LIABILITIES	2,049,005,971	2,159,475,687

The notes in the annex form an integral part of the annual accounts.

Encevo S.A.

Profit & Loss account for the year ended 31 December 2024

Denominated in EUR

PROFIT AND LOSS ACCOUNT	2024	2023
	€	€
1. Net turnover	27,116,183	23,308,902
3. Work performed by the undertaking for its own purposes and capitalised	104,114	297,589
4. Other operating income	890,076	1,770,167
5. Raw materials and consumables and other external expenses	(14,423,270)	(13,485,332)
a) Raw materials and consumables	(1,477,976)	(530,221)
b) Other external expenses	(12,945,294)	(12,955,111)
6. Staff costs	(20,533,834)	(17,914,205)
a) Wages and salaries	(16,623,996)	(15,665,852)
b) Social security costs	(1,528,547)	(1,584,029)
i) relating to pensions	(1,057,501)	(996,390)
ii) other social security costs	(471,046)	(587,639)
c) Other staff costs	(2,381,291)	(664,325)
7. Value adjustments	(1,039,310)	(1,087,266)
a) in respect of formation expenses and of tangible and intangible fixed assets	(1,039,310)	(1,087,266)
8. Other operating expenses	(2,772,677)	(2,199,887)
9. Income from participating interests	62,672,143	43,391,684
a) derived from affiliated undertakings	62,000,087	43,192,361
b) other income from participating interest	672,056	199,324
11. Other interest receivable and similar income	27,322,214	24,847,982
a) derived from affiliated undertakings	20,036,635	18,353,262
b) other interest and similar income	7,285,579	6,494,721
13. Value adjustments in respect of financial assets and of investments	(78,904)	0
14. Interest payable and similar expenses	(36,917,283)	(33,776,473)
a) concerning affiliated undertakings	(19,187,679)	(16,854,945)
b) other interest and similar expenses	(17,729,604)	(16,921,528)
15. Tax on profit or loss	1,700	(4,647,878)
16. Profit or loss after taxation	42,341,153	20,505,283
17. Other taxes not shown under items 1 to 16	(246,475)	(80,000)
18. Profit or loss for the financial year	42,094,678	20,425,283

The notes in the annex form an integral part of the annual accounts.





KPMG Audit S.à r.l.
39, Avenue John F. Kennedy
L-1855 Luxembourg

Tel.: +352 22 51 51 1
Fax: +352 22 51 71
E-mail: info@kpmg.lu
Internet: www.kpmg.lu

To the Shareholders of
ENCEVO S.A.
2, Domaine du Schlassgoard
L-4327 Esch-sur-Alzette
Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the audit of the consolidated accounts

Opinion

We have audited the consolidated accounts of ENCEVO S.A. and its subsidiaries (the "Group"), which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated profit and loss account for the year then ended, and notes to the consolidated accounts, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated accounts give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of the consolidated results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the consolidated accounts.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "réviseur d'entreprises agréé" for the audit of the consolidated accounts » section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information obtained at the date of the report of the réviseur d'entreprises agréé is information included in the Consolidated Management Report but does not include the consolidated accounts and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the consolidated accounts does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the consolidated accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the consolidated accounts

The Board of Directors is responsible for the preparation and fair presentation of the consolidated accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the consolidated accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated accounts, the Board of Directors is responsible for assessing 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 the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the consolidated accounts

The objectives of our audit are to obtain reasonable assurance about whether the consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated accounts.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated accounts, whether due to fraud or error, 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' 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 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 report of the "réviseur d'entreprises agréé" to the related disclosures in the consolidated accounts 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 report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated accounts, including the disclosures, and whether the consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.

Report on other legal and regulatory requirements

The Consolidated Management Report is consistent with the consolidated accounts and has been prepared in accordance with applicable legal requirements.

Luxembourg, 28 March 2025

KPMG Audit S.à r.l.
Cabinet de révision agréé

Yves Thorn





06

Further information

Demonstrating ongoing continuous improvement through the key CSR label in Luxembourg: ESR – Entreprise Socialement Responsable awarded by the INDR

The Encevo Group's CSR management systems adopt a formal and structured approach to identifying and prioritising the most critical sustainability issues.

The organisation regularly challenges its status quo through expert reviews and advice, and reports on progress on the ESR/INDR and Ecovadis platforms.

The organisation and governance structures are designed to ensure the achievement of these objectives, which are closely linked to the Sustainable Development Goals. In 2024, Encevo presented and validated its CSR strategy and roadmap at the highest levels of governance, including the Group Strategy Committee.

The ESR – ENTREPRISE RESPONSABLE label recognises Encevo's contribution to sustainable development and confirms the creation of shared value. By awarding this label, the Institut National pour le Développement durable et la Responsabilité sociale des entreprises (INDR) highlights best practices and provides tangible benefits. With over 300 ESR-certified companies employing nearly 65,000 people in Luxembourg, the network now represents one of the largest communities of responsible businesses in Europe.



Bénéficiaire du label
ESR – INDR

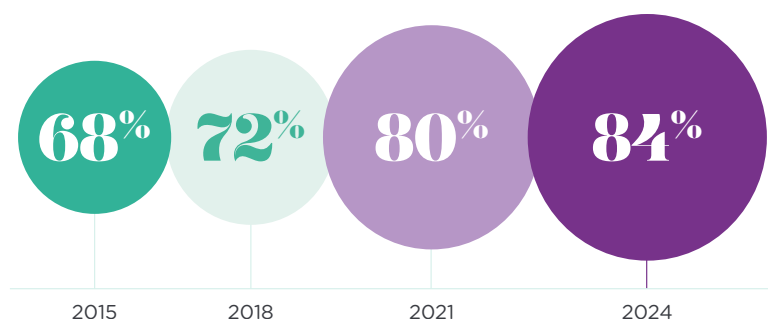
The Encevo Group successfully achieved the recertification of the ESR label, reaffirming its commitment to best practices. The certification process includes a thorough evaluation of all CSR-related dimensions, including:

- CSR strategy
- CSR governance
- Social impact
- Environmental impact



The process concludes with a two-day on-site verification audit, focusing on a targeted sample of 30 key questions.

Since obtaining this important certification, the Encevo Group has consistently demonstrated ongoing progress in improving its CSR maturity score:



The group achieved the certification for the following fully consolidated entities in Luxembourg:

- Encevo S.A.
- Creos Luxembourg S.A.
- Enovos Luxembourg S.A. (including Leo S.A.)
- LuxEnergie S.A.
- Paul Wagner & Fils S.A.
- Minusines S.A.
- diego S.A. (as of 2025 electris Luxembourg S.A.)
- Power Panels S.A.
- Global Facilities S.A.
- Grethen S.à.r.l.

The certification is an integral part of the progress verification process, emphasising key areas for improvement in CSR initiatives.



Case study - Driving the energy transition through the creation of a digital twin

An in-depth look at a typical innovation project within the Encevo Group

As an integrated utility company, the Encevo Group needs a digital twin to optimise the management of its energy grids and enhance operational efficiency. By integrating real-time data from production, distribution and consumption, the digital twin enables precise monitoring and predictive maintenance, ensuring a reliable energy supply. This innovative approach is particularly important for Creos Luxembourg to support the group's strategic goals in sustainability and in the energy transition.

The Encevo Group is leveraging the digital twin technology to optimise the operation and the planning of its low-, medium- and high-voltage grids, ensuring efficient and reliable energy distribution. As the energy transition accelerates with the integration of renewable energy sources, electric vehicles and heat pumps, the pressure on electrical grids - especially low-voltage grids - increases. To address this, the group is driving digital transformation by converging modern

information and communication technology with operational systems, placing data at the core of its smart grid strategy.

The digital twin acts as a dynamic, virtual representation of the Encevo Group's physical grid, enabling real-time monitoring, predictive analytics and enhanced decision-making. By aggregating data from diverse sources, such as geographic information systems, enterprise resource planning systems and smart meters, the digital twin scales to manage millions of grid elements and billions of measurement points per year. This approach ensures accurate grid calculations, improves data quality and enhances operational efficiency.



Creos Luxembourg S.A. /
DataThings S.A. - Video

FEDIL Innovation Award 2024 in the Data/AI category



Photo (from left to right):
Georges Rassel (President of FEDIL),
Laurence Zenner (CEO of Creos),
Robert Graglia (Creos),
Yves Reckinger (Creos),
Thomas Hartmann (DataThings),
Grégory Nain (DataThings),
Lex Delles (Minister of the Economy,
SME, Energy and Tourism)



Source and further information:
KOPR – Smart Grid AI Twin

Looking ahead, the Encevo Group will expand the use of its digital twin from low-voltage grids to medium- and high-voltage grids. Future developments include transitioning from monitoring and decision-support

functionalities to more interactive capabilities, such as actively controlling smart meter relays. This development will enable precise live monitoring, advanced simulations for grid interventions and context-aware predictions, ensuring that the group remains at the forefront of digitalisation in the energy sector and is fully prepared for the challenges of tomorrow's energy landscape.

The following infographic summarises the innovation project:

Luxembourg Smart Grid AI Twin

330K⁺ Points of delivery and readings in less than 1 min

Over 330 thousand points of delivery and production (smart meters) managed
Less than 1 minute to import and profile daily readings from 330,000 smart meters

45B⁺ Meter readings

More than 45 billion meter readings every year monitored, analysed and profiled

1.3M⁺ Machine learning profiles

Exceeding 1.3 million machine learning profiles trained for accurate predictions

1M⁺ Grid assets and updates in under 10 sec

More than 1 million assets (transformer substations, circuit breakers, switches, cables, ...) reflected
Under 10 seconds to import and update more than 1 million grid elements



Human rights

The Encevo Group adhered to the Human Rights Pact in July 2022. In line with the group's commitments, additional information on human rights compliance is provided below.

The Encevo Group is dedicated to respecting and promoting globally recognised human rights throughout its value chain.

This commitment is rooted in the principles of the UN Global Compact, the International Labour Organization's eight fundamental conventions, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. In line with these standards, the group has implemented various policies and mechanisms to identify, prevent and mitigate potential human rights risks.

The Encevo Group's Human Rights Policy outlines the principles, norms and practices it upholds, emphasising its commitment to the importance of human rights. The Encevo Code of Conduct for Business Ethics provides clear guidance for employees to act with integrity in all business activities. Additionally, the Supplier Code of Conduct sets out the organisation's sustainability standards and expectations for its suppliers. As detailed under Business Conduct (ESRS G1-1) (page 136), a whistleblowing mechanism is in place to enable individuals to anonymously report any violations of business ethics or human rights. This secure reporting system is accessible to employees, consultants, contractors, suppliers and other stakeholders via a private postal box or a dedicated e-mail address.

The group offers training and awareness programmes for employees through e-learning modules and intranet communications. Its due diligence approach is designed to identify and assess risks related to human rights abuses, environmental issues and business ethics across the value chain. Additionally, the Human Rights Action Plan 2024 outlines Encevo's roadmap for fostering a robust commitment to human rights.

Encevo S.A. joined the National Business and Human Rights Pact in 2022 alongside 50 other Luxembourg companies. This voluntary commitment enables business leaders to implement the UN Guiding Principles on Business and Human Rights, paving the way for compliance with future regulatory requirements under the CSRD and the Corporate Sustainability Due Diligence Directive (as of Annual Report 2028). By signing the pact, the Encevo Group, including all fully consolidated subsidiaries, commits to:

- Raising awareness among employees and stakeholders about human rights in business
- Appointing a dedicated human rights officer within the organisation
- Training relevant staff on business and human rights
- Developing governance tools to identify and mitigate human rights risks
- Establishing mechanisms to address reported human rights violations
- Publishing a standardised annual report detailing implemented measures

The Encevo Human Rights Policy is publicly available online:



Encevo Human Rights Policy

Progress in 2024

After some initial due diligence work with a first set of entities, a group-wide approach was established by scaling processes and methods to include smaller fully consolidated entities. Sensitisation training and initial due diligence workshops were conducted during the summer of 2024. The group identified the relevant risks to human rights in the specific value chains of the business. These were described, rated, prioritised and a first set of mitigation actions were defined.

Furthermore, the organisation continued to incorporate human rights topics into the central CSR management tool, ensuring a more systematic application and follow-up for the qualitative and quantitative topics and KPIs (please refer to incidents, complaints and severe human rights impacts ESRs S1-17 on page 128 for results).

All fully consolidated entities have nominated a single point of contact for human rights related questions to ensure that these important topics are adequately addressed.

Verification and improvements

The human rights report, submitted to the supervising agency in Luxembourg, was reviewed and verified by an independent external human rights expert who provided the following top three recommendations for continuous improvement:

- **Risk analysis**
The Encevo Group should enhance its risk analysis for both its operations and supply chain, implementing measures based on identified risks.
- **Due diligence strategy**
The group needs to develop a strategy to tackle challenges in conducting due diligence in high-risk countries. This will help to proactively manage potential issues, ensure compliance with global standards and mitigate risks in complex environments.
- **Stakeholder engagement**
In conducting human rights due diligence, the Encevo Group should consistently engage with affected stakeholders in a meaningful way.

These recommendations are being integrated into the Human Rights Roadmap for 2025 and beyond.



Community empowerment

The Encevo Group significantly impacts people's lives, employment and economic conditions in Luxembourg and the Greater Region. Across its various locations, the group invests, pays taxes and levies, collaborates with local businesses and partners and creates job opportunities. Recognising that every corporate decision carries indirect economic implications, the group operates responsibly at international, national, regional and local levels, while actively engaging as a member of the communities it serves. Additionally, the group companies are committed to building and maintaining a reputation as reliable and trustworthy partners.

This alphabetical, non-exhaustive list highlights some of the ways the group supports and empowers its local communities:

Association of Parents of Mentally Handicapped Children (APEMH) and Parc Merveilleux de Bettembourg

As a partner of the APEMH Foundation since 2019, Enovos Luxembourg continued its support in 2024 by sponsoring the golden-headed tamarin-lion enclosure, the white-fronted lemur enclosure, and benches in the Parc Merveilleux.

Bauhärepräis 2024

The Bauhärepräis 2024, organised by the Ordre des Architectes et des Ingénieurs-Conseils (OAI), is awarded every four years to acknowledge private and public project owners who have successfully demonstrated excellence in architecture, engineering and urban planning. The Technical and Energy Equipment category was supported by Encevo.



Breast cancer awareness month - Pink October

Creos Luxembourg participated in the breast cancer awareness month through the "Live Your Breast Life" campaign. Employees engaged in Pink Fridays, the "Broschkriibslaf" and awareness workshops to promote early detection and prevention. Funds raised were donated to Europa Donna Luxembourg.

Cluster for Logistics Luxembourg (C4L)

Enovos Luxembourg supported the Lean & Green programme within the enoprimes framework, promoting energy efficiency in transport, logistics and warehouses in line with the European Energy Efficiency Directive.

Comité Olympique et Sportif Luxembourgeois (COSL)

For many years, Enovos Luxembourg has been a strong partner of COSL, supporting sports in Luxembourg. On 9 May 2024, Enovos participated in the "COSL Spillfest", organising activities for children.

Da Vinci Association

Creos Luxembourg continued its support for the "Wëssensatelier", an initiative of the Da Vinci Association, introducing children aged 8 to 12 to science through creative and engaging activities.

Dribble d'Or 2024 by Mental!

Enovos Luxembourg sponsored "Dribble d'Or", an event organised by the Mental! magazine with the objective of promoting diversity and women's integration in sports. Enovos presented an award to the best female football player in Luxembourg's first Women's League.

Fondation Enovos and its partnerships

The foundation embodies Enovos' commitment to responsibility towards current and future generations across three key areas:

- **Innovation and research**

The foundation promotes and supports innovation and research in the field of renewable energy and sustainable development, including the organisation of the Prix d'Excellence, which rewards the best final theses of engineering students, and LetzPower! in partnership with the University of Luxembourg.

- **Environmental aspect**

The foundation also focuses on sustainable development and environmental protection, supporting renewable energy, energy efficiency and eco-technologies through the nova naturstrom fund.

- **Social aspect**

The foundation is committed to a more united world and works with associations to support social projects. The following initiatives were funded in 2024: Special Olympics Luxembourg (ALPAPS), Refugee Youth Support & Empowerment (RYSE Luxembourg), UP Foundation (sustainable construction for children), Centre Hospitalier de Luxembourg (Child Psychiatry Service support), Fondatioun Kriibskrank Kanner, Nyki S.à.r.l. ("Learn'box" tutoring), Päerd's Atelier and Serve the City (support for the homeless).



Europa Donna Luxembourg and Fondatioun Kriibskrank Kanner

Instead of offering traditional year-end gifts, Creos Luxembourg opted to make donations to Europa Donna Luxembourg and the Fondatioun Kriibskrank Kanner to support those affected by serious illnesses.

EnergieSüdwest donations

EnergieSüdwest has supported close to 98 local clubs, associations and charity campaigns dedicated to environmental and social causes in their communities.

Festival des Migrations, des Cultures et de la Citoyenneté

As a show of solidarity with immigrant communities, Enovos Luxembourg partnered with the 41st edition of the festival, organised by CLAE on 24 and 25 February 2024, at Luxexpo The Box.

Fondation de l'Architecture (formerly LUCA)

Enovos Luxembourg renewed its partnership agreement to support the foundation's annual activities and joined its Partners' Circle.

Fonds Solidarité Ukraine

Encevo S.A. supported the Fonds Solidarité Ukraine under the aegis of Fondation de Luxembourg. Four organisations have benefited from this support: CARE Luxembourg, SOS Village d'Enfants Monde, Médecins Sans Frontières and Handicap International. The aid was divided between frontline and second line projects.

Frontline projects: providing medical assistance, treating casualties in conflict zones, setting up medical centres and mobile clinics, clearing explosive remnants of war and offering rehabilitation services for those affected.

Second-line projects: supporting refugees in Ukraine, particularly women, children and the elderly, by providing essential aid, including food, clothing and necessary equipment.

Green electricity and energy efficiency initiatives by Enovos Luxembourg

- Green electricity campaign**
 A campaign launched in April highlighted Enovos' achievements in renewable energy through visuals on bus shelters, social media, print and digital media.
- Energy efficiency campaign**
 The end-of-year "Merry (after) Christmas" campaign promoted energy savings with the message, "Good moments also come when we switch off".
- enoprimes**
 A new image campaign focusing on energy sobriety targeted residential customers, businesses and municipalities.



Groupement d'Stater Muséeën (ICOM)

Enovos Luxembourg supported the 23rd edition of "Luxembourg Museum Days" and "Night of Museums", celebrating culture and heritage and bringing people together through shared stories.

INFOGreen by Picto Communication Partner

Enovos Luxembourg renewed its partnership with INFOGreen, Luxembourg's first daily news platform dedicated to sustainable development, and supported the in4green 4X3 event on 22 November 2024, focusing on mobility and construction.

Journée Portes Ouvertes de Luxembourg by brain&more

As a key player in the energy transition, Enovos Luxembourg partnered with the Municipality of Bertrange to showcase Luxembourg's first Green Power Purchase Agreement at the event, featuring a new ground-mounted solar power plant.

Kanner-Jugendtelefon

Minusines employees baked Christmas cookies and sold them to customers and partners to raise funds for the Kanner-Jugendtelefon, which offers anonymous and confidential support to children, adolescents and their parents dealing with various concerns.

Kinderhospiz Saar

Encevo Deutschland organised a charity event for Santa Claus and provided donations to the Kinderhospiz association.

Kinderschutzbund St. Ingbert

Encevo Deutschland sponsored the organising team of the Soli-Lauf St. Ingbert. Through this contribution, Encevo Deutschland is supporting two important regional initiatives: the St. Ingbert Children's Protection Association (Kinderschutzbund St. Ingbert e.V.) and the Saarpfalz Hospice Association (Hospizverein Saarpfalz e.V.).

Luxembourg Air Rescue (LAR)

Creos Luxembourg sponsored an advertisement in the December issue of LAR-News.

Luxembourg Pride Week 2024 by Rosa Lëtzebuerg (6 - 14 July 2024)

Enovos Luxembourg was co-head partner of Luxembourg Pride Week, supporting the Street Fest and Equality March to promote LGBTQIA+ rights and combat discrimination.

Luxembourg Sustainability Forum 2024 by IMS (22 October 2024)

Enovos Luxembourg partnered with IMS for the 13th edition of Luxembourg's leading sustainability event, focusing on AI's impact on sustainable development. Experts discussed societal challenges and 10 innovative solutions were presented.

Mental health and inclusion initiatives

- **Trisomie21 Luxembourg Asbl**
Enovos Luxembourg supported the “Lots Of Socks Day” campaign for children with Down’s syndrome.
- **Minusines** donated proceeds from a Christmas cookie sales campaign to Fondation EPI, supporting youth social integration and preventing exclusion.

Natur&ëmwelt

Creos Luxembourg continued funding the annual pocket guide to raise awareness of biodiversity conservation.

Relais pour la Vie 2024 by Fondation Cancer

Enovos Luxembourg, a long-time partner since 2009, supported the solidarity run on 23 and 24 March, funding kilometres pedalled on indoor bikes, participating with two teams and raising funds through Trophies of Hope.

Skoda Tour de Luxembourg

Creos Luxembourg continued its long-standing sponsorship of the Skoda Tour de Luxembourg by supporting the white jersey - awarded to the best young cyclist - to encourage emerging talent.

Sport initiatives by the City of Luxembourg

- **“Sport pour Tous” and “Sport-Wochen”**
Enovos Luxembourg financed clothing for specialist trainers and instructors in youth sports programmes organised throughout the year and during the summer break.
- **Kinnekswiss outdoor activities**
Enovos Luxembourg supported outdoor sporting activities in the municipal park from July to September.

Trifolion Echternach

Paul Wagner & Fils S.A. supported the Trifolion Echternach association, which since 2008 has served as a leading cultural, conference and social event venue in Luxembourg and the cross-border region, hosting around 200 events a year. Furthermore, Paul Wagner & Fils S.A. supported various sports clubs in Luxembourg.

The Hands of Innovation 2024 by Chambre des Métiers

As a silver partner, Enovos Luxembourg was a jury member and presented an award at the ceremony recognising craft businesses for their innovation and entrepreneurial spirit.

UNICEF Partnerships

Enovos Luxembourg, a long-standing UNICEF Luxembourg partner, contributed to the campaign “Start eppes Aussergewéinleches”, providing better opportunities for children in need.

0.721

2022

0.895

2023

0.889

2024

The total donation support remained stable at approximately EUR 0.889 million in 2024, reflecting a slight decrease of 0.7% compared to 2023.

The Encevo Annual Report is published in English.
We would like to thank all those involved in the
preparation and publication of this Annual Report.

Publication team

Under the leadership of the
Corporate Communication Department
of Encevo S.A.

Design: Takaneo & Corporate Communication

Production: Corporate Communication

Portrait photos: Nicolas de Caritat

Stock photos: Encevo, Adobe Stock, Freepik,
Unsplash, Pexels, Abyan Athif, Clay Banks,
Craig Melville, Dave Hoefler, Eugene Golovesov,
Eberhard Grossgasteiger, Lucas Campioni,
Mike Castro Demaria, Patrick Hendry, Sandy
Ravaloniaina, Danny Feng, Siora Photography.

Printers: Reka





Encevo S.A.

2, Domaine du Schlassgoard,
L-4327 Esch-sur-Alzette

Postal address: B.P 558
L-2015 Luxembourg

T. +352 2737-9000
encevo.eu