



2024 half-year report

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Management report

01 Foreword by the Executive Board

In the first half of 2024, Gasunie continued steadily building on its energy transition projects. There were milestones to celebrate at Porthos, and the integration plan for the extension of the WarmtelinQ waste heat pipeline to Leiden was finalised. These were all significant steps on the way to realising a climate-neutral society in 2050.

At the same time, in recent months it became abundantly clear just how important the role of natural gas and natural gas infrastructure is in the current energy system. Norway has taken over Russia's position as the main source country of natural gas imports and so markets react nervously to even minor disruptions in the supply of Norwegian gas. This year we expanded our transmission system in Germany, with the effect that the country can now import LNG on its own for the first time and distribute it without problem to domestic customers. In the Netherlands, June saw us welcome the 100th tanker delivering LNG at the port of Eemshaven.

Safety is not open to negotiation at Gasunie: All people who work for Gasunie must be able to return home safe and sound at the end of their day. Unfortunately, our 'accident KPI' (total reportable incident rate) is still above the threshold value, meaning the number of accidents occurring on the job is unacceptably high. We have a programme in place with firm actions aimed directly at improving our safety performance.

The energy transition has had setbacks and been volatile in certain aspects. Congestion on the Dutch power grid has increased to such an extent that in the provinces of Utrecht, Flevoland and Gelderland charging stations can be switched off at peak times, the roll-out of fully electric heat pumps has been put on hold, and market parties are being asked to install gas-fired systems to supply additional flexible power when needed. In the hydrogen supply chain that is starting to take shape, we have recently seen that market parties are also clearly checking out the blue hydrogen options, because the business cases for green hydrogen projects are not yet sufficiently attractive.

Gasunie wants the energy transition to proceed as smoothly as possible. It is important to take the broad energy system into consideration, especially now that electrification is facing delays or hitches in many places. For example, half of all Dutch households could be made more sustainable if the Netherlands were to use the 2bcm of biomethane it envisions producing in 2030 in hybrid heat pumps. And the use of carbon-neutral hydrogen can balance the energy system and this way accelerate the energy transition.

We will continue to need natural gas in the coming decades, to supplement green energy and to serve as a fallback. Until the volumes of hydrogen and biomethane have grown sufficiently, we will need natural gas to power hard-to-electrify industrial processes and generate electricity. At the same time, we want to offer the users of our infrastructure good alternatives as quickly as possible, which is why we have budgeted almost € 8 billion in investments in transmission and storage of hydrogen, CO₂, heat and biomethane by 2030.

Like all network operators, for its energy transition projects Gasunie is faced with permit processes that can take five to seven years. Take, for example, the Delta Rhine Corridor project, a new and essential pipeline between Rotterdam and the Ruhr, where it became clear in June that the required permits would be delayed. We call on the new Dutch government to take what was done in the case of the power grid further and implement an accelerated procedure for the expansion of all energy infrastructure.

We have no time to lose. Bringing about a clean energy supply requires unwavering decisiveness and the will to work it out together. Gasunie is taking the lead in connecting parties, making plans and, literally, rolling up our sleeves. We are doing this because new energy opens up a wealth of opportunities. With new energy, together we can bring about a clean future for generations to come.

Willemien Terpstra, Janneke Hermes, Bart Jan Hoevers and Hans Coenen



02 Key figures

	First half-year of 2024	First half-year of 2023
Revenue	€ 696 mln	€ 1,103 mln
EBITDA	€ 287 mln	€ 570 mln
Result after taxation	€ 95 mln	€ 266 mln
Capital invested	€ 10,028 mln	€ 10,040 mln
Transported volume	449 TWh	517 TWh
TRIR	2.6	3.4
Uncontrolled events	-	-
Transport disruptions	1	-
Emissions scope 1 and 2 in kilotonnes CO ₂ e (location based)	368	426

Gasunie recorded € 171 million less in net profit and € 407 million less in revenue in the first half of 2024 compared to the first half of 2023. Most of the decline can be attributed to the regulatory system Gasunie is facing in the Netherlands and Germany.

In 2022, with the Russian invasion of Ukraine, Gasunie's network operators sold much more capacity than expected at sometimes much higher prices. As a result, actual revenue that year was substantially higher than the revenue cap set by the regulators. This additional revenue is being returned to the market in the form of lower tariffs in 2024 and subsequent years. Additionally, Gasunie sold and auctioned less capacity in recent months than in the same period last year. The impact of the fall in net profit was tempered by the lower energy costs for gas transmission.

The sale of 50% of EemsEnergyTerminal to Vopak on 1 October 2023 has also impacted the presentation of Gasunie's half-year figures. With this sale EemsEnergyTerminal has gone from being a group company to a joint venture, with the result that we no longer include the terminal's revenue and costs in our consolidated revenue and costs. Only the net profit is included now, under 'results from participating interests'.

Lower transport volumes and a different way of using energy at EemsEnergyTerminal resulted in lower emissions in the first half of 2024 than the same period of 2023.

03 General

Appointments

On 1 March [Willemien Terpstra](#) started in her role as CEO and Chair of the Executive Board of Gasunie, succeeding Han Fennema, who stepped down in November after nearly ten years at the helm. Terpstra (1970) previously filled numerous senior management positions at various business units at LyondellBasell and was most recently responsible for sustainability measures, energy savings and the decarbonisation of the chemical company's operations worldwide.

On the recommendation of the Supervisory Board, the Dutch Minister of Finance appointed [Diederik Samsom](#) to Gasunie's Supervisory Board with effect from 1 July and he was later elected Chair by the other members of the Supervisory Board. Samsom (1971) boasts extensive governance and political experience in the energy and climate policy domain. As chef de cabinet to EU commissioner Frans Timmermans (2019-2024), he had a hand in drafting the European Green Deal. As a member of the House of Representatives of the Netherlands (2003-2016), he was closely involved in Dutch energy and climate policy.

The Dutch Minister of Finance also appointed [Guido Dubbeld](#) to Gasunie's Supervisory Board, again on the recommendation of the Supervisory Board, with effect from 4 March. Dubbeld (1971) started his career as a risk manager in the financial sector, after which he filled various positions at Eneco Groep N.V. over his 20 years with the energy company. He served as CFO and a member of the management board of Eneco between 2011 and 2021.

Ned.nl

Together with TenneT and in collaboration with our partners the Dutch Association for Sustainable Energy (NVDE) and the National Climate Platform (NKP), in March we launched the National Energy Dashboard ([ned.nl](#)), which provides free access to current energy data (generation, use and emissions) and insights. Data plays a key role in helping individuals and organisations make intelligent decisions on energy-related matters. For example, energy suppliers can use the data to give their customers insight into their carbon emissions. The data can also be used as support for decisions on realising a future-proof energy supply. Dutch TV broadcaster RTL 4 and online weather information service Weeronline are already actively using the data as input for their weekly 'energy weather' report. Ned.nl builds further on the services provided by the existing websites Energieopwek, CO₂ Monitor and Het Energieweerbericht.

Stakeholder dialogues

To share knowledge with our stakeholders, in June we organised the [Gasunie Stakeholder Dialogues](#). In these live webinars, experts from various companies and organisations discuss topical matters relating to the energy transition, in this round about zero-emission construction and Gasunie's view on the energy transition. After the webinars, we published the answers to all viewer questions on our website.

04 Energy transition

Gasunie is clearing the way for the transition society is making to a carbon-neutral energy system. We are installing the infrastructure for hydrogen, CO₂, heat and biomethane.

Hydrogen

Gasunie is the [envisioned TSO](#) for the future hydrogen network in the North Sea. This was announced in June by the then outgoing Minister of Climate and Energy Policy Rob Jetten in a letter to the Dutch House of Representatives. This hydrogen network will help achieve the climate goals and secure energy independence, and it will improve the Netherlands' competitive position. With the further growth of offshore wind from 2030, onshore as well as offshore hydrogen production is becoming essential. From 2030 onwards, it will become increasingly challenging to transmit all the wind power generated offshore to land in the form of electricity. That is where hydrogen comes in as a great alternative, given that it can be transported cost-efficiently over pipelines and the fact that this hydrogen is then relatively easy to store. It is now up to the new Dutch government to make a decision on the construction and financing of an offshore hydrogen network.

In May, four companies in the North Sea Canal area that want to produce or use hydrogen took an important next step to connect to Gasunie's future hydrogen network. Vattenfall, Sunoco, HyCC and Tata Steel signed a Connection Study Agreement (CSA) with Gasunie subsidiary Hynetwork in preparation for the connections. This interest comes at a time when the contours of the hydrogen network in the North Sea Canal area, as part of the Dutch national hydrogen network, are starting to take shape.

In June, Minister Rob Jetten updated the Dutch House of Representatives on the schedule for the Delta Rhine Corridor (DRC) project. The Minister has decided that the development of this pipeline network must proceed at the same pace for all forms of energy, which means a significant delay in the timeline for the completion of the hydrogen and CO₂ connection. We are disappointed with this development. From the start, we have emphasised the importance of having the hydrogen and CO₂ connection completed as soon as possible, given that the sustainability agendas of many of our customers depend on this and that this is also necessary to remain on track to achieve the climate targets we have jointly committed ourselves to. We are now analysing the consequences of this decision and considering how this will impact the network development plan. As it now stands, the DRC connection will not be ready before 2032. We will see if there are faster alternatives and hope to have clarity on the matter by the autumn.

CO₂

After a period of preparations, it can clearly be seen that the actual construction of the infrastructure for the Porthos CO₂ transmission and storage project has started. In April a [borehole](#) was drilled under the seawall at the Maasvlakte industrial park, ready to receive 600 metres of casing pipeline through which a core pipeline for the transport of CO₂ will be pushed in 2025. The CO₂ will come from industrial parties in the port area to the compressor station at the Maasvlakte industrial area, from where it will be transported by pipeline to the offshore platform, approximately 20km off the coast. There it will be stored, permanently, 3 to 4km below the seabed of the North Sea. Work on the CO₂ pipeline will also be carried out at other locations around the Port of Rotterdam in the near future. Through this underground pipeline system the captured CO₂ will be transported from the companies to the compressor station. Porthos is set to be commissioned in 2026. The compressor station and the onshore transport system provide space for future CCS projects.

In June CO₂next, the open-access terminal project for temporary storage and handling of liquid CO₂ in the Maasvlakte area in Rotterdam, entered the [FEED phase](#). Shell and TotalEnergies have joined this collaboration, which was fronted by Gasunie and Vopak up to this point. Following the final investment decision and assuming that the relevant permits will be obtained, the CO₂next terminal can start receiving liquid CO₂ supplied by ship in 2028. CO₂next will be connected to depleted gas fields in the North Sea through the yet-to-be-completed Aramis pipeline.

Heat

On 12 June, the Zuid-Holland Provincial Executive gave the WarmtelinQ heat supply pipeline running between Rijswijk and Leiden the green light. After an intensive planning process, the provincial zoning amendment plan and the EIA report were drawn up. This decision is a key milestone for the project and it is now expected that we can start transmitting heat through the pipeline in 2027.

05 Security of supply

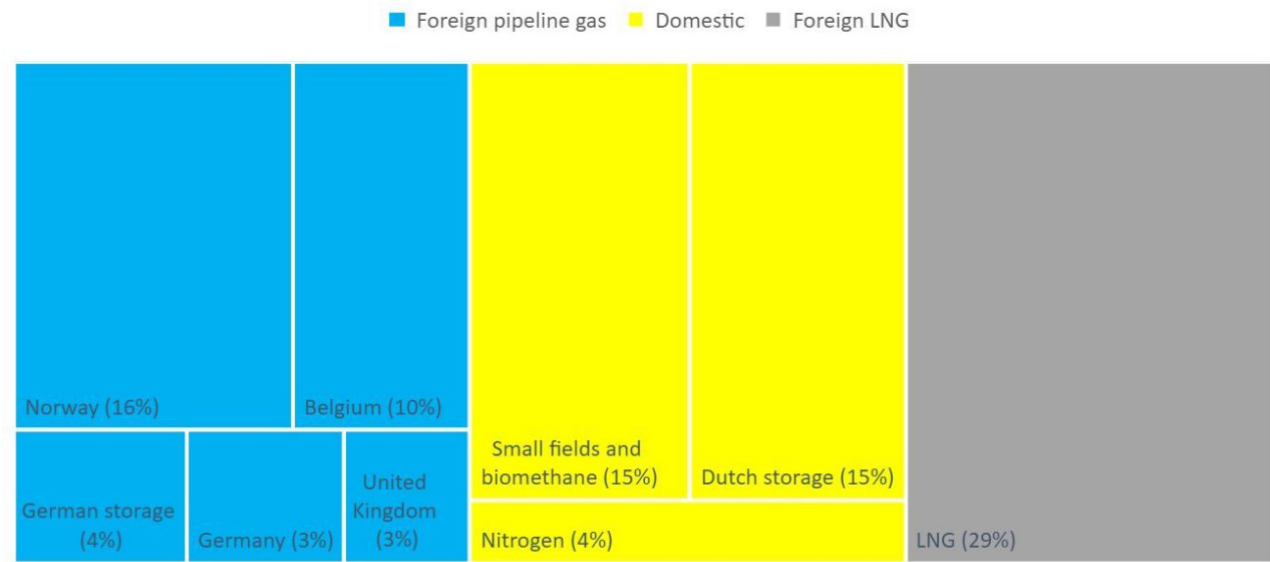
Transmission, storage and treatment of natural gas are currently Gasunie’s core functions. In the Netherlands the economic value of the energy we transport is enormous. Accordingly, our stakeholders attach great importance to our core services and the support products and services we offer being available at all times, without interruption.

Transmission security

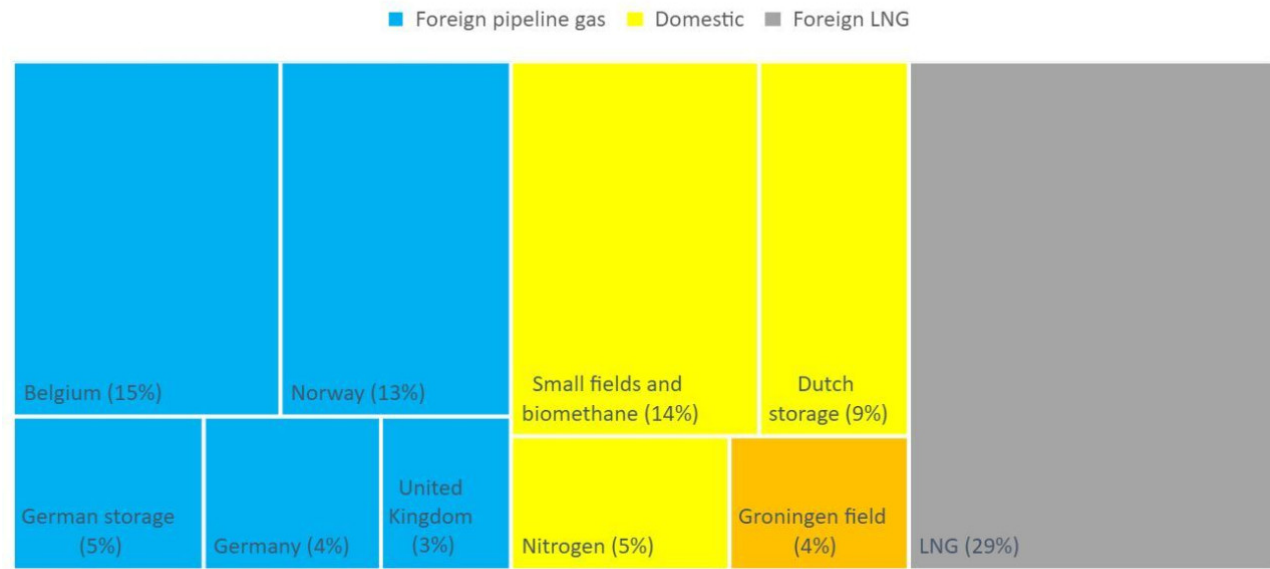
In the first half of 2024, we provided a high level of transmission security for our customers in the Netherlands. There was one transmission interruption, at an interconnection point with the Belgian grid operator Fluxys, which fortunately did not cause any problems, thanks to timely communication with Fluxys. There were no transmission interruptions in Germany (the same as in the first half of 2023). We have set ourselves a standard of no more than six transmission interruptions in any one year and we have remained below this figure so far in 2024.

GTS (in the Netherlands) transmitted 322 TWh of natural gas in the first half of 2024, which is 14% less than the 377 TWh transmitted in the first half of 2023. This is also the lowest volume GTS has ever transmitted over the first six months of a year. Gas production from the Groningen field has now ceased.

The origin of gas in the GTS system,
January through June 2024

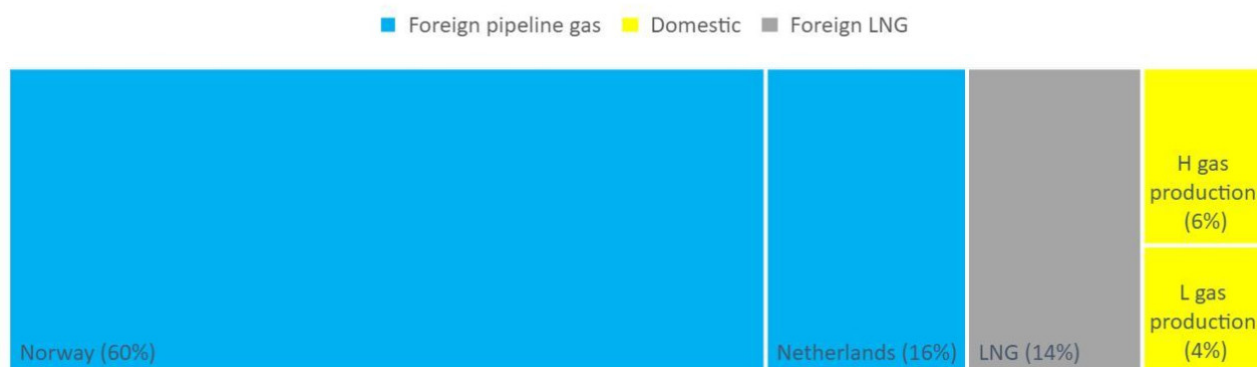


The origin of gas in the GTS system
January through June 2023



Over the first six months of the year, GUD transmitted 127 TWh of natural gas, down 8% on the 139 TWh transmitted over the first half of 2023. Thanks to the new LNG import facilities in Stade and Brunsbüttel, GUD recently transported domestic regasified LNG through its pipelines for the first time.

The origin of gas in the GUD system January through June 2024*



The origin of gas in the GUD system January through June 2023*



* The total volume that GUD transports on an annual basis is greater than the entry volumes shown in these visuals. GUD's gas transmission network is linked to those of other German TSOs. The entry volumes shown are GUD's share in the volumes stated in the 'nominations' (i.e. shipper's requests) at the entry points.

In the first half of 2024, GUD also received imports from Denmark (0.3 TWh) as well as domestic biomethane (0.04 TWh); these shares are not reflected in the visual above due to their small size (in the first half of 2023, the entry volumes from these two sources was zero).

Uncontrolled events

Uncontrolled events are incidents involving gas leaks (of natural gas, biomethane, hydrogen, nitrogen, air) of over 14,000m³ from a Gasunie-operated pressure holder with a rated pressure of 8 bar or higher. From 2022, we tightened the requirement for the maximum number of uncontrolled events, from 3 annually to no more than 2 per year. No uncontrolled events occurred in the first half of 2024 (2023: 0).

Quality conversion

In the first half of 2024, GTS blended 122 TWh of high-calorific gas (H-gas) with nitrogen to produce low-calorific Groningen-quality gas (pseudo G-gas). This is 20% less than in the first half-year of 2023 (152 TWh) and is due to decreased demand for pseudo-G gas. The amount of nitrogen used for conversion decreased from 1.6 bcm to 1.3 bcm.

EemsEnergyTerminal

The EemsEnergyTerminal at the port of Eemshaven has been operational since September 2022 and has since serviced more than 100 LNG carriers. The rapid development of EemsEnergyTerminal is considered to be one of the most important and successful projects in Europe to reduce dependence on Russian gas.

The terminal was initially contracted for a period of five years, though Gasunie and Vopak are now investigating whether, for the sake of energy security and the energy transition, the terminal should remain in operation longer. The results of this investigation may result in an 'open season', where the required capacity is offered to the market in a transparent manner.

At present, the Netherlands depends on gas imports to meet roughly 75% of its gas demand. As LNG imports are expected to continue to be needed over the coming years, the LNG terminal is set to play a key role in the transition to renewable energy.

As part of the study, Gasunie and Vopak are conducting a [market consultation](#) to check the level of interest in the market for expanding the scope of the port of Eemshaven and developing it into an energy hub, specifically with regard to the possibilities for hydrogen and for CO₂ transport and export.

Groningen gas field closure

In March, Gasunie Transport Services (GTS) made [recommendations](#) on the security of supply of natural gas in the Netherlands after the closure of the Groningen field. Supply of gas from Russia to north-western Europe has ceased almost entirely. This is being compensated for by importing as much gas as possible from Norway and as much LNG as possible through Gate terminal and EemsEnergyTerminal. With the closure of the Groningen field, the storage facilities will become the principal source of seasonal flexibility. GTS recommends that additional statutory measures be implemented concerning:

- establishing a statutory standard filling level for seasonal storage facilities that market parties would be required to adhere to; and
- the government designating a party to act as back up in the event that the market parties do not meet their obligation on time.

InfraVision

How will the energy transition change our energy supply? And what adjustments and innovations are needed to meet the energy demand in the Netherlands on the way to 2050? We are transitioning from an energy system with 20% electrons and 80% molecules to one with between 40 and 50% electrons and 60 to 50% molecules. The [InfraVision](#) report published in April details Gasunie's vision on the development of the infrastructure for molecules up to 2050. Our infrastructure can handle many sustainable future scenarios, and we can adapt it to the changing needs of society. Our infrastructure contributes to ensuring a sustainable and prosperous Netherlands. And with our connections to storage, import terminals and the surrounding countries, we remain a vital hub for energy in north-western Europe.

ETL-180

In March Gasunie Deutschland commissioned the [ETL-180](#), a 55km-long pipeline connecting the FSRU terminal at Brunsbüttel with Gasunie's existing network of transmission pipelines in the Hamburg area. This has made an important contribution to security of supply in Germany and in Europe in general. The ETL-180 pipeline was completed in just under a year.

Conversions at major industrial users

To facilitate the closure of the Groningen field, in 2019 the Dutch government decided that large industrial companies with annual consumption of more than 100 million m³ of low-calorific gas would be required to switch to another form of gas. Since April, the RoCa (Uniper) and Diemen (Vattenfall) power stations have been running on high-calorific gas, for which purpose GTS has constructed new pipelines, converted sections of pipeline, and made adjustments to gas receiving and gas metering and regulating stations. GTS plans to switch over a third power station this year.

Satellite-based pipeline monitoring

Over the past six months, GTS has been conducting a pilot to see whether and how satellite-based monitoring can contribute to pipeline safety in the area of pipeline management. Together with Orbital Eye, the partner for this pilot, the advantages and disadvantages of this method compared to the standard aerial inspections using helicopters were investigated in three different regions.

TTF

Between January and the end of May 2024, market parties traded a total of 27,841 TWh of gas on the TTF, an increase of 46% above the 19,123 TWh traded during the same period in 2023. The rising trend from 2023, which started after the crisis year 2022, has continued to strengthen, with trading through the gas exchange increasing in particular. Monthly OTC trading volumes were also higher than in the same months of 2023. Gasunie's TTF natural gas exchange continued to be Europe's largest hub by far. In May 2024, 163 market parties were active on TTF, the same number as in May 2023.

06 Emissions

In our daily operations we see a lot of openings for us to reduce our carbon footprint and that of our value chain partners. One example is how we have for years been working hard to reduce the methane emissions released during the management and maintenance of our infrastructure.

Our emissions in the first half of 2024 *

In kilotonnes CO ₂ e	First half-year of 2024	First half-year of 2023
<i>Scope 1</i>		
Lease cars and service vehicles	1.1	1.2
Gas usage in buildings	1.0	0.6
Methane	61.8	71.4
Gas usage in installations	116.5	130.1
Refrigerants	0.1	-
Total scope 1	180.5	203.3
<i>Scope 2</i>		
Heat usage in installations	0.4	93.8
Electricity usage in buildings	-	-
Electricity usage in installations	-	-
Electricity usage of leased cars	-	-
Total scope 2	0.4	93.8
<i>Scope 3**</i>		
Business travel by car, air and rail	0.3	0.2
Commuting	0.4	0.3
N ₂ procurement	1.3	18.4
Total scope 3	2.0	18.9
Total Scope 1 + 2 + 3 including greening (market based)	182.9	316.0
Greening by Guarantees of Origin	186.8	128.7
Total Scope 1 + 2 + 3 excluding greening (location based)	369.7	444.7
Total Scope 1 + 2 excluding greening (location based)	367.7	425.8

* These are preliminary, unanalysed volumes.

** For the purpose of this half-year report, under Scope 3 activities we again include the same (limited) activities we have included in recent years: emissions from business travel and commuting and from the production of the nitrogen that we purchase.

Heat usage in installations

In the first half of 2023, EemsEnergyTerminal used the heat connection with the nearby power plant, resulting in emissions of 93.8 kilotons CO₂ equivalents (scope 2). By commissioning gas-fired boilers and replacing generators with shore power, the heat connection to the nearby power plant was only used incidentally in the first half of 2024. As a result, emissions from heat utilisation plants were reduced to 0.4 kilotons of CO₂ equivalents. The emissions from these gas-fired boilers are included under gas consumption installations (scope 1). The reduction due to shore power instead of generators is included in our scope 2 and fully greened.

N₂ procurement

Quality conversion from imported high-calorific gas to pseudo G-gas takes place using self-produced nitrogen (Scope 2) and nitrogen procured from third parties (Scope 3). The producers from which GTS sources its nitrogen have greened their emissions through the purchase of GOs, reducing emissions of purchased N₂ from 18.4 kilotons of CO₂ equivalents in the first half of 2023 to 1.3 kilotons of CO₂ equivalents in the first half of 2024.

07 Circularity

The demand for products is increasing worldwide, while many raw materials used to make these products are becoming scarcer and/or more expensive. It is, therefore, becoming increasingly important to make smart, efficient use of products and raw materials.

North Sea Network

In June, the Dutch Minister of Economic Affairs and Climate Policy appointed Gasunie as operator of the future [hydrogen network](#) in the North Sea. In this role, we will look at how the existing gas infrastructure in the North Sea can be repurposed. Given that natural gas will continue to be extracted from the North Sea in the coming decades as well, some natural gas flows may have to be diverted to enable the reuse of pipelines. Pipelines that could possibly be considered for repurposing (in whole or in part) are the NGT pipeline and the NOGAT pipeline. Gasunie will receive a grant from the Climate Fund to [study](#) the possibilities of repurposing the pipelines. Aside from this, we are also investigating whether and how we can eventually reuse the BBL transport pipeline.

Framework agreements

Safety, circularity, biodiversity and positive relationships with local communities are key elements in the [ten-year framework agreements](#) Gasunie signed with six contractors in April. These framework agreements cover topics like the maintenance and management of existing natural gas pipelines and the construction of new pipelines for hydrogen, biomethane and CO₂, and much more. The agreements encompass a maximum investment volume of € 4 billion for all six contractors, spread over a period of 10 years. Through these framework agreements, among other measures, Gasunie is targeting the use of zero-emission construction sites by 2030.

Head office

This year, Gasunie's head office will undergo a complete overhaul to prepare the building for the future. Our goal is to reuse as much of the existing materials as possible. For this purpose, a list of 'harvested materials', i.e. materials 'released' during refurbishment that could possibly be reused as custom furniture or as building materials, is being drawn up. So, in this project, we are trying to achieve the highest possible level of circularity while also possibly being able to still see recognisable parts of our building's 'DNA' in the refurbished spaces. We make construction decisions not only based on costs, but also on the basis of emissions impact over the entire lifespan of materials and resources. Lastly, we would like to use social enterprises during construction, where possible, and focus on social return in terms of employment participation.

08 Employee safety and wellbeing

Gasunie is committed to creating a work environment geared towards increasing focus, performance, a sense of purpose and job satisfaction. We recognise the importance of being a good employer and make every effort to make Gasunie an attractive place to work.

Workforce

At the end of June 2024 there were 3,020 employees (FTEs) working at Gasunie, 487 (19%) more than at the end of June 2023. This increase can mainly be attributed to the large number of energy transition projects we are working on.

Sickness absence

Gasunie's progressive sickness absence rate is 4.35% in the Netherlands and 3.20% in Germany; this was, respectively, 4.20% and 4.30% in the same period last year. Our Gasunie target is a sickness absence rate that does not exceed 4.0%.

TRIR

We monitor the number of incidents at Gasunie based on our Total Recordable Incident Rate (TRIR), the total number of incidents resulting in lost-time injuries, medical treatment, alternative work, or fatalities per 1 million hours worked. At the end of June 2024 the TRIR was 2.6. Our aim is a TRIR below (and in any case no higher than) 2.5.

Safety Days

At Gasunie, every employee attends one of the mandatory Safe@Gasunie Safety Days each year. The theme of the Safety Days held in March was 'Every link counts', and the central topics were the potential major hazards presented by the work done by Gasunie and recognising how controlling risks affects the entire value and supply chain. In other words, we asked our staff to consider how their work influences that of others. Taking a number of the Safe Working Principles and the concept of the Safety Buffer, we investigated how, exactly, each employee influences making Gasunie safer (together).

Terms of employment

In January, negotiations with the unions delivered a new collective agreement for the Dutch part of Gasunie. The new collective agreement, which applies retroactively from 1 January 2024 and is effective up to 31 December 2025, includes a wage increase of 3.03% as of 1 January 2024 for staff employed with Gasunie on that date, a one-off net payment to staff of € 500 in 2024 and 2025, and five weeks of additional maternity leave, with Gasunie supplementing the leave benefit to bring it up to 90% of the salary.

World-class Workplace

In January, Gasunie was declared a World-class Workplace, the Netherlands' largest independent quality label for good employment practices. The label is presented by Effectory, the same organisation that conducts our employee surveys. Only those who outperform the benchmarks for employee enthusiasm and good employment practices (based on their own employees' assessment) are awarded the label. Gasunie scores above average in the following areas: an inspiring vision of the future, a social and inclusive working environment, salary, and training & development opportunities. We are always on the lookout for ways to further improve our employment practices.

EVP

In March, Gasunie started formulating its Employer Value Proposition (EVP), i.e. 'the promise' we make to current and future employees. Our EVP concerns what makes working at Gasunie interesting, what we stand for, and what we have to offer employees. Employees from various levels are involved in this project.

09 Relationship with local communities

Gasunie is committed to protecting the economic and social interests of local communities by minimising our negative impacts and creating positive impacts. With our energy transition projects and our investments in security of supply, we are engaging with local residents more than ever before.

In the first half of 2024, we put a lot of energy into informing local residents about the route planning for our future hydrogen networks. In the Netherlands we held information meetings, [organised by](#) Hynetwork, for land owners and land users in the provinces of Zeeland, Drenthe, Overijssel and Groningen. In Groningen, Hynetwork held a meeting for village interest groups and other stakeholder groups, and in Zeeland an information point was opened. The Netherlands Enterprise Agency (RVO) also organised drop-in meetings for various sub-projects (south-western region of the Netherlands, North Sea Canal Area, Drenthe and Overijssel, Groningen), where we talked with local residents and interested parties (project procedure and participation).

Numerous information meetings for local residents were also organised in north-western Germany. The focus of [our public information campaign](#) was on our Achim site, which is set to eventually develop into a major hub for both the new LNG flows from northern German ports and for the Kernnetz, the German hydrogen backbone that we aim to build together with the other German TSOs.

Social return/employment participation

Gasunie is a major employer in the Groningen region and has the ambition of increasing employment opportunities for those who otherwise face poor job prospects. Gasunie believes that this group also has the right to have interesting jobs and wants to actively help them get these. Accordingly, in March we signed an [agreement](#) on this matter with the City of Groningen and the regional labour market organisation Arbeidsmarktregio Groningen. Gasunie has been integrating social return requirements, specifically requirements regarding employment participation, into its supplier and contractor contracts for two years now. This has already led to successful action, including in projects like WarmtelinQ, and at the head office, in cleaning contracts, for catering and for removal services.

‘Kitchen table talks’

We are currently conducting studies for the EIA for the future HyStock hydrogen storage facility in Zuidwending. We want to organise a catch-up session before the summer to discuss these studies (and the provisional results) and to review the preliminary sketches (first presented in October 2023) showing how the facilities will be integrated in the landscape. Over the past two months, one-on-one discussions have been held with residents living in the immediate vicinity of the energy buffer who have a direct view of the cavern locations. These ‘kitchen table talks’ centred on the preconditions and further details of the landscape integration of the plates installed above the caverns. The landscape agency will take the points raised into account and assess them during the further detailing of the landscape integration plans. Landscape integration is included as an appendix to the EIA.



Condensed consolidated interim financial statements

10 Condensed consolidated interim financial statements

Condensed consolidated statement of financial position as at 30 June 2024

(before appropriation of result)

<i>In millions of euros</i>	<i>Notes</i>	30 June 2024	31 Dec. 2023
Assets			
Fixed assets			
- tangible fixed assets	4	9,345.9	9,237.2
- intangible fixed assets		112.2	90.2
- investments in joint ventures	5	562.0	488.3
- investments in associates		0.6	0.6
- other participating interests	7	7.0	7.0
- deferred tax assets		208.0	222.1
- derivative financial instruments	7	0.9	6.1
Total fixed assets		10,236.6	10,051.5
Total current assets		944.6	967.0
Total assets		11,181.2	11,018.5

<i>In millions of euros</i>	<i>Notes</i>	30 June 2024	31 Dec. 2023
Liabilities			
Equity attributable to the N.V. Nederlandse Gasunie	1	6,413.0	6,580.0
Non-controlling interest		17.5	16.0
Total equity		6,430.5	6,596.0
Non-current liabilities			
- interest-bearing loans	6, 7	3,399.6	2,900.5
- lease liabilities		95.1	93.6
- contract liabilities		90.0	86.9
- deferred tax liabilities		198.0	209.5
- other non-current liabilities and provisions		183.2	185.7
- derivative financial instruments	7	11.2	22.7
Total non-current liabilities		3,977.1	3,498.9
Current liabilities			
- current financing liabilities	6	175.0	175.0
- lease liabilities		9.5	8.0
- derivative financial instruments	7	8.0	3.4
- trade payables, corporate income tax, other payables and contract liabilities		581.1	737.2
Total current liabilities		773.6	923.6
Total liabilities		11,181.2	11,018.5

Condensed consolidated statement of profit and loss for the first half of 2024

<i>In millions of euros</i>	<i>Notes</i>	First half-year of 2024	First half-year of 2023
Continuing operations			
Revenues	2, 3	681.8	1,102.1
Other revenue		14.0	0.7
Total revenues		695.8	1,102.8
Capitalised expenses		68.8	47.6
Personnel expenses and other operating expenses	2	-477.7	-580.3
Depreciation expenses	4	-161.2	-210.4
Total expenses		-570.1	-743.1
Operating result		125.7	359.7
Finance income and expenses		-24.1	-30.5
Share in result of joint ventures	5	22.3	19.4
Result before taxation		123.9	348.6
Income taxes		-28.4	-82.5
Result after taxation		95.5	266.1
Allocation of the result after taxation			
- Result attributable to the N.V. Nederlandse Gasunie		94.0	266.1
- Result attributable to non-controlling interest		1.5	-
Result after taxation		95.5	266.1

Consolidated statement of other comprehensive income for the first half of 2024

<i>In millions of euros</i>	<i>Notes</i>	First half-year of 2024	First half-year of 2023
Result after taxation according to condensed consolidated statement of profit and loss		95.5	266.1
Sum of actuarial gains and losses on employee benefits,		3.4	-2.3
of which corporate income tax		-1.0	0.7
Total of results taken to equity which we will not reclassify to profit and loss		2.4	-1.6
Changes in the cash flow hedge reserve concerning joint ventures and associates	5	2.6	1.4
Total of results taken to equity which we will reclassify subsequently to profit and loss		2.6	1.4
Other comprehensive income		5.0	-0.2
Total comprehensive income for the year		100.5	265.9
Allocation of the total comprehensive income for the year			
- Comprehensive income attributable to the N.V. Nederlandse Gasunie		99.0	265.9
- Comprehensive income attributable to non-controlling interest		1.5	-
Total comprehensive income for the year		100.5	265.9

Condensed consolidated statement of changes in equity for the first half of 2024

<i>In millions of euros</i>	Share capital	Fair value reserve	Cash flow hedge reserve	Other reserves	Unappropriated result	Total	Non-controlling interest	Total equity
First half-year of 2024								
Balance as at 1 January 2024	0.2	-172.7	-6.7	6,277.1	482.3	6,580.0	16.0	6,596.0
Total of comprehensive income for the financial year	-	-	2.6	2.4	94.0	99.0	1.5	100.5
Dividend paid for 2023	-	-	-	-	-266.0	-266.0	-	-266.0
Added to other reserves	-	-	-	216.3	-216.3	-	-	-
Balance as at 30 June 2024	0.2	-172.7	-4.1	6,495.8	94.0	6,413.0	17.5	6,430.5
First half-year of 2023								
Balance as at 1 January 2023	0.2	-172.7	-5.6	5,927.7	554.9	6,304.4	-	6,304.4
Total of comprehensive income for the financial year	-	-	1.4	-1.6	266.1	265.9	-	265.9
Dividend paid for 2022	-	-	-	-	-200.0	-200.0	-	-200.0
Added to other reserves	-	-	-	354.9	-354.9	-	-	-
Balance as at 30 June 2023	0.2	-172.7	-4.2	6,281.0	266.1	6,370.2	-	6,370.2

Condensed consolidated cash flow statement for the first half of 2024

<i>In millions of euros</i>	<i>Notes</i>	First half-year of 2024	First half-year of 2023
Cash flow from business operations		270.8	669.3
Net amount of interest paid and received, corporate income tax and dividends received	6	18.8	-129.4
Cash flow from operating activities		289.6	539.9
Cash flow from investing activities	4, 5	-294.0	-416.7
<i>Cash flow from financing activities</i>			
Uptake of long-term loans	6	498.2	-
Lease payments		-4.6	-33.9
Uptake of short-term financing	6	-	215.0
Repayment of short-term financing	6	-	-215.0
Dividend paid	1	-266.0	-200.0
Cash flow from financing activities		227.6	-233.9
Net cash flow for the financial year		223.2	-110.7
Cash and cash equivalents at previous year-end		294.7	435.9
Effects of exchange rate changes on cash and cash equivalents		-0.1	-0.2
Cash and cash equivalents at year-end	7	517.8	325.0

Notes to the condensed consolidated interim financial statements for 2024

General

Preparation of the interim financial statements

These condensed consolidated interim financial statements (hereinafter called the 'interim financial statements') were prepared by the Executive Board on 18 July 2024.

Reporting entity

N.V. Nederlandse Gasunie (hereinafter also 'Gasunie', 'the company' and 'we') is a European energy infrastructure company. We are domiciled in Groningen, the Netherlands.

Our primary activity is to provide regulated transmission services in the Netherlands and Germany. We are also involved in joint arrangements for transport pipelines that connect the Gasunie transmission network with markets outside the Netherlands. Gasunie also provides other energy infrastructure services, like for gas storage, LNG imports, and the certification of biomethane and hydrogen. Alongside this, we are making extensive use of our infrastructure and knowledge for the further development and integration of alternative energy sources and carriers, such as hydrogen, heat and biomethane, and for transport and storage of CO₂.

Gasunie is a public limited company and has its registered and actual offices at Concoursaan 17 in Groningen, the Netherlands, and is registered with the Dutch Chamber of Commerce under number 02029700. N.V. Nederlandse Gasunie is the ultimate parent of the group. All shares in N.V. Nederlandse Gasunie issued as at the balance sheet date are held by the Dutch State.

Reporting period

These interim financial statements cover the first six months of the 2024 financial year, with 30 June 2024 being the balance sheet date.

Presentation and functional currency

We present the financial statements in euros, which is also our functional currency. Unless stated otherwise, all amounts are in millions of euros.

Going concern

These interim financial statements have been prepared on a going concern basis. We believe that there is no uncertainty about using the going concern assumption.

Seasonal influence

Gasunie's revenue and costs are not spread out evenly over the year, due to seasonal influences. Our core activity is the transmission of natural gas through the gas transmission network. Our revenue consists largely of the sale of the available transmission capacity and transmission-related services. Over the winter months, our customers book considerably more capacity than over the summer period. As a result, our revenue is higher in the winter months than in the other months of the year. While a substantial part of the costs of network operations is fixed, another part is variable and depends on actual volumes of gas transmitted. Larger gas transmission volumes in the winter months lead to higher costs over those months compared to the other months of the year.

Management judgements and estimates

In preparing the interim financial statements, we have used estimates and assessments that could affect the assets and liabilities presented as at the balance sheet date and the result for the first six months of the financial year. The actual results may differ from these estimates. We review the estimates and underlying assumptions on a regular basis. We recognise revisions to estimates in the period in which the estimate is revised and in future periods affected by the review.

The effect of our judgements and estimates is significant for the:

- measurement and determination of the service life of fixed assets;
- measurement of other equity interests;
- measurement of deferred tax assets;
- measurement of pension obligations;
- measurement and determination of the provision for abandonment costs and redevelopment;
- measurement of derivative financial instruments; and
- classification of investments in joint operations and joint ventures.

In certain cases, the judgements and estimates specified above are also affected by developments in the area of the energy transition, tightened environmental and climate targets and/or geopolitical developments. We take these developments into account in our judgements and estimates.

Basis for preparation

Statement of compliance

The interim financial statements capture the company's periodic interim information and were prepared in compliance with IAS 34 'Interim Financial Reporting', as adopted by the European Union. Since these interim financial statements do not contain all notes that are normally included in the financial statements for a full year, they must be read in conjunction with N.V. Nederlandse Gasunie's 2023 consolidated financial statements.

The interim financial statements have not been audited or reviewed by our external auditor.

Accounting policies for the consolidation, measurement of assets and liabilities and the determination of the results

The company prepares its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union. In this context, IFRS comprises the International Accounting Standards (IAS) published by the International Accounting Standards Board and the interpretations of IFRS and IAS published by the IFRS Interpretations Committee (IFRIC) and Standing Interpretations Committee (SIC) respectively.

The accounting policies used in preparing the 2024 interim financial statements are the same as those used to prepare the 2023 consolidated financial statements, except for the new and amended standards detailed in the next section. Additionally, for comparison purposes we have adjusted the comparative figures for the first half of 2023, either to provide consistency with the 2023 consolidated financial statements or to give better insight. This concerns:

- separately explaining other revenue in the condensed consolidated statement of profit and loss and explaining the financial information per segment in [Note 2 'Financial information by operating segment'](#) and revenue recognition in [Note 3 'Revenue recognition' excluding other revenue](#);
- the revised classification of the assets per segment in [Note 2 'Financial information by operating segment'](#); and
- the revised classification of the regulated revenue in [Note 3 'Revenue recognition'](#).

The company's equity, net result, and cash flows were not affected by these changes.

New and amended standards for financial reporting

The following amendments to standards came into effect at the start of the 2024 financial year:

- Amendments to IAS 1 Presentation of Financial Statements:
 - Classification of Liabilities as Current or Non-current
 - Classification of Liabilities as Current or Non-current – Deferral of Effective Date
 - Non-current Liabilities with Covenants
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements.

Furthermore, the standards or amendments to standards as listed below are expected to become effective in the future.

EU endorsement has not yet been given for these standards:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)
- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures.

Our analysis revealed that the standards already adopted have no material impact on our equity, cash flow and/or result, and that the same will apply to the standards still to be endorsed. We do expect that certain main statements and disclosures will change, particularly those associated with IFRS 18, but that the impact of this will be relatively limited. For that reason, the consequences of amendments referred to above have not been described in detail in these interim financial statements.

Further notes to the condensed consolidated financial statements

1. Significant matters and significant transactions in the first half of 2024

Development of revenue and result

In the first half of 2024, our consolidated net revenue (excluding other revenue) fell by 38.2% compared to the first half of 2023, largely due to the lower permitted revenue in 2024 in our regulated segment.

Under the regulatory systems that apply in the Netherlands and in Germany, if the regulated revenue in any year exceeds the permitted revenue, we must return this surplus revenue to the market in the following years. In 2022, actual revenue in the Netherlands and Germany was substantially higher than the revenue cap set by the regulator, largely due to the unexpectedly high capacity sales that year as a result of Russia's invasion of Ukraine.

Under the applicable IFRS standards, we were not allowed to recognise future settlements as a liability in the balance sheet in 2022 nor deduct them from our 2022 revenue or result and, as a result, our revenue in 2022 increased significantly. We only recognise any settlement of regulated revenue in the year in which the settlement actually takes place. Settlement of the surplus revenue for the 2022 financial year will take place starting from the 2024 financial year, with the effect that the permitted revenue in 2024 will be substantially lower.

The impact of the lower permitted revenue in the first half of 2024 on the net result has been tempered in part by lower operating expenses, with network and energy costs in particular being substantially lower.

We provide further details on the development of our revenue and result in [Note 2 'Financial information by operating segment'](#) and [Note 3 'Revenue recognition'](#).

Recognising EemsEnergyTerminal

The revised recognition of EemsEnergyTerminal starting from 1 October 2023 has consequences for the comparability of the figures for the condensed consolidated statement of profit and loss for the first half of 2024 with those of the first half of 2023. Up to 1 October 2023, we fully consolidated the net revenue and costs of EemsEnergyTerminal. On 1 October 2023, we sold 50% of our shares in EemsEnergyTerminal to Vopak and, from that date, we have been recognising EemsEnergyTerminal as a joint venture, meaning that we now only recognise our net share in EemsEnergyTerminal's result. This share is included under the share in result of joint ventures.

This change means that while the net revenue and costs in the first half of 2023 include the underlying financial information of EemsEnergyTerminal, they do not in the first half of 2024. We provide further details on the development of our revenue and result in [Note 2 'Financial information by operating segment'](#) and [Note 3 'Revenue recognition'](#).

Dividend payment and transactions with related parties

In the first half of 2024, Gasunie paid out € 266.0 million (first half of 2023: € 200.0 million) in dividend to its sole shareholder, the Dutch State. This was the appropriation of the result for the 2023 financial year following a resolution by the General Meeting of 26 March 2024.

The nature of other transactions with related parties in the first half of 2024 is the same as reported in the 2023 consolidated financial statements. Transactions with related parties in the first half of 2024 were on an arm's length basis.

2. Financial information by operating segment

Segmentation

We segment the financial information in line with the Group's activities. The operating segments reflect the Group's management structure and the business units. We differentiate between the following segments:

- **Gasunie Transport Services**

This segment covers network operations in the Netherlands and is responsible for managing natural gas transmission, developing the natural gas network and related plants, and helping to facilitate a well functioning market.

- **Gasunie Deutschland**

This segment covers network operations in Germany and is responsible for managing natural gas transmission, developing the natural gas network and related plants, and helping to facilitate a well functioning market.

- **Participations**

This segment focuses on developing energy transition projects, utilising existing participating interests to the full and facilitating new gas flows to north-western Europe for the sake of security of supply. This segment also includes a number of joint arrangements for transport pipelines that connect Gasunie's transmission network with markets outside the Netherlands.

The accounting policies for measurement of assets and liabilities and the determination of the results of the operating segments used to prepare the 2024 interim financial statements are the same as the accounting policies used in preparing the 2023 consolidated financial statements.

The assets, revenue and results of a segment comprise items directly related to the segments and items that we can reasonably attribute to them. Because the financing of Gasunie mainly takes place at group level, liabilities are not segmented and so we do not report on these separately. Transactions between companies which belong to the segments are on arm's length basis. Transactions between the segments have been eliminated in the financial information by operating segment.

Information on revenue and results by operating segment

Each operating segment's revenue and result are as follows:

<i>In millions of euros</i>	Net revenue		Result	
	First half-year of 2024	First half-year of 2023	First half-year of 2024	First half-year of 2023
Operating segments				
- Gasunie Transport Services	493.0	717.1	94.4	236.5
- Gasunie Deutschland	108.0	194.9	14.7	96.4
- Participations	139.2	262.9	16.6	26.7
Inter-segment adjustments	-58.4	-72.8	-	-
Operating segments total	681.8	1,102.1	125.7	359.6
Unallocated financial income and expenses and result from participating interests			-1.8	-11.0
Result before taxation			123.9	304.8
Income taxes			-28.4	-82.5
Revenue and result after taxation	681.8	1,102.1	95.5	266.1
<i>Allocation of the result after taxation</i>				
- Result attributable to the N.V. Nederlandse Gasunie			94.0	266.1
- Result attributable to non-controlling interest			1.5	-
Result after taxation			95.5	266.1

The significant decline in revenue of the Gasunie Transport Services (GTS) segment can mainly be explained by lower permitted revenue in 2024 and, to a lesser extent, by lower sales of capacity. Under the current regulatory agreements, GTS has had to correct its tariffs in 2024, among other things, to offset the surplus revenue from the year 2022, as explained in [Note 1 'Significant matters and significant transactions in the first half of 2024'](#). The impact of the lower permitted revenue in the first half of 2024 on the net result has been tempered in part by lower operating expenses. Although personnel expenses were higher than last year, network and energy costs were substantially lower, partly due to lower energy prices and lower costs relating to our obligation to provide peak capacity.

Revenue from the Gasunie Deutschland segment also dropped due to lower permitted revenue, caused by regulated settlements from previous years, and lower capacity sales. This, in combination with a slight increase in operating expenses, produced a lower net result.

The revenue of the Participations segment decreased in the first half of 2024. However, this can be explained almost entirely by the change as of 1 October 2023 in how EemsEnergyTerminal is recognised in the accounts, as explained in [Note 1 'Significant matters and significant transactions in the first half of 2024'](#). Adjusted for the effect of EemsEnergyTerminal no longer being consolidated in the accounts, revenue for the Participations segment is slightly lower than in the first half of 2023. This, in combination with a slight increase in operating expenses, produced a lower net result.

Inter-segment services represented a total value of € 58.4 million in the first half of 2024 (first half of 2023: € 72.8 million). During the first half of 2024, inter-segment services provided by the Gasunie Transport Services segment came in at a value of € 19.7 million (first half of 2023: € 32.6 million), for the Gasunie Deutschland segment this was € 0.3 million (first half of 2023: € 0.3 million), and the Participations segment provided inter-segment services to the value of € 38.4 million (first half of 2023: € 40.0 million).

Information on assets by operating segment

Each operating segment's assets are as follows:

<i>In millions of euros</i>	Assets	
	30 June 2024	31 Dec. 2023
Operating segments		
- Gasunie Transport Services	6,551.3	6,540.1
- Gasunie Deutschland	1,905.7	1,846.4
- Participations	1,570.7	1,436.7
Operating segments total	10,027.7	9,823.2
Unallocated assets	1,153.5	1,195.3
Total assets	11,181.2	11,018.5

The main investments are described in [Note 4 'Tangible fixed assets'](#). Unallocated assets comprise deferred tax assets, the derivative financial instruments and current assets.

3. Revenue recognition

Consolidated net revenue (excluding other revenue) fell by 38.2% compared to the first half of 2023 (first half of 2023: increase of 23.0%). In addition to [Note 2 'Financial information by operating segment'](#), we provide further details and analysis of our revenue and revenue development below.

Information about operating activities

We categorise our revenue according to the way in which economic factors influence the nature, amount, timing and uncertainty of the cash flows. A distinction can be made between two categories in the case of Gasunie. The first revenue stream is revenue from regulated transmission and related services, as generated by the Gasunie Transport Services and Gasunie Deutschland business units. The Dutch and German regulatory authorities set the permitted revenue (revenue cap) for this revenue stream for the long term.

The second revenue stream is generated through non-regulated services and/or those fully or partially exempt from regulation. Income from these services is determined by the market forces of supply and demand. Revenue from the non-regulated services and/or those fully or partially exempt from regulation is almost completely generated by the Participations business unit.

Revenue for each operating activity is as follows:

<i>In millions of euros</i>	Net revenue	
	First half-year of 2024	First half-year of 2023
Regulated services	582.2	894.6
Non-regulated and/or exempt services	99.6	207.5
Total net revenue	681.8	1,102.1

The decline in non-regulated and/or fully or partially exempt revenue can mainly be explained by the change as of 1 October 2023 in how EemsEnergyTerminal is recognised in the accounts, as explained in [Note 1 'Significant matters and significant transactions in the first half of 2024'](#) and [Note 2 'Financial information by operating segment'](#). These notes also explain the decrease in regulated services revenue.

Information on products and services

Looking at revenue, we can divide this into revenue from gas transmission and transport and related services and revenue from other activities. Gas transmission and related services covers revenue from regulated gas transmission and from non-regulated or fully or partially exempt gas transmission and transport. Revenue from other activities includes revenue from gas storage and from the provision of other services to third parties.

The breakdown is as follows:

<i>In millions of euros</i>	Net revenue	
	First half-year of 2024	First half-year of 2023
Gas transport and related services	622.0	927.9
Other services	59.8	174.2
Total net revenue	681.8	1,102.1

The decline in non-regulated and/or fully or partially exempt revenue can mainly be explained by the change as of 1 October 2023 in how EemsEnergyTerminal is recognised in the accounts, as explained in [Note 1 'Significant matters and significant transactions in the first half of 2024'](#) and [Note 2 'Financial information by operating segment'](#). These notes also explain the decrease in revenue from gas transmission and transport and related services.

Geographical information

We determine revenue per geographical area based on the area where the activities take place (in or outside the Netherlands). The geographical distribution of the revenue is as follows:

<i>In millions of euros</i>	Net revenue	
	First half-year of 2024	First half-year of 2023
Netherlands	514.9	837.4
Outside the Netherlands	166.9	264.7
Total net revenue	681.8	1,102.1

4. Tangible fixed assets

Investments

Investments in tangible fixed assets in the first half of 2024, not including additions on account of right-of-use assets, represented a total value of € 258.3 million (first half of 2023: € 269.6 million). The investments mainly concern the construction of the GTS nitrogen plant in Zuidbroek, the construction of the connector pipelines for the LNG terminals in Stade and Brunsbüttel (both in Germany), the construction of the WarmtelinQ heat supply pipeline, and the initial investments in the hydrogen network in the Netherlands.

Gasunie entered into conditional investment obligations to the tune of € 223.6 million as of 30 June 2024 (year-end 2023: € 248.0 million). The commitments in the Netherlands mainly relate to initial investments in the hydrogen network, investments for the construction of the WarmtelinQ heat supply pipeline, and commitments we have entered into as a shareholder for our joint venture Porthos.

In Germany, the commitments mainly concern regular replacement and expansion investments, the construction of the connector pipeline for the LNG terminals in Stade and Brunsbüttel, and the initial investments in the German hydrogen network.

Depreciation costs

Depreciation costs fell from € 210.4 million in the first half of 2023 to € 161.2 million in the first half of 2024. This can be explained almost entirely by the change as of 1 October 2023 in how EemsEnergyTerminal is recognised in the accounts, as explained in [Note 1 'Significant matters and significant transactions in the first half of 2024'](#). Adjusted for the effect of EemsEnergyTerminal no longer being consolidated in the accounts, depreciation costs increased slightly in the first half of 2024 compared to the same period in 2023.

Impairment of fixed assets

At the end of each reporting period, we determine whether there are any events or indications for impairment of fixed assets and we investigate whether there are reasons to reverse previously recognised impairments.

We have identified the following cash generating units:

- gas transmission network in the Netherlands
- gas transmission network in Germany
- BBL Company gas transport network
- EnergyStock underground gas storage facility
- other tangible and financial fixed assets.

Our assessment has not revealed any indication of impairment (or, where applicable, a reversal of a previously recognised impairment) of the fixed assets as at 30 June 2024.

5. Investments in joint ventures

The movements in joint ventures over the first half of 2024 were as follows:

<i>In millions of euros</i>	First half-year of 2024	2023
Balance as at 1 January	483.9	371.9
Reclassification EemsEnergyTerminal from group companies to joint venture	-	27.8
Investments	38.6	101.5
Disposal of German LNG	-	-14.9
Changes in equity	2.6	-1.1
Result from joint ventures	22.3	38.0
Dividend received	-13.8	-39.3
Closing balance as at 30 June and 31 December respectively	533.6	483.9
Loans to joint ventures	28.4	4.4
Total investments in joint ventures as at 30 June and 31 December respectively	562.0	488.3

The investments in the first half of 2024 mainly concerned investments in Gate terminal and Porthos.

The direct movements in equity referred to the remeasurement of our interest in Gate terminal as a consequence of the change in fair value of the effective part of one of Gate terminal's cash flow hedges. Gasunie has recognised this change in equity in other comprehensive income.

The loans to joint ventures concern our shareholder loans to EemsEnergyTerminal and VertiCer.

6. Interest-bearing loans

On 30 June 2024, the nominal amount of € 3,590.0 million (year-end 2023: € 3,090.0 million) in long-term loans comprised € 3,050.0 million (year-end 2023: € 2,550.0 million) in bond loans and € 540.0 million (year-end 2023: € 540.0 million) in private loans. The transaction costs and discount still to be amortised amounted to € 15.4 million (year-end 2023: € 14.5 million).

Movements in interest-bearing loans are as follows:

<i>In millions of euros</i>	First half-year of 2024	2023
Principal amount as at 1 January	3,090.0	3,015.0
Total repayments as at 1 January	-	-
Remaining principal amount as at 1 January	3,090.0	3,015.0
Costs and discounts on loans to be amortised	-14.5	-14.5
Balance as at 1 January	3,075.5	3,000.5
Movements in the first half-year and the financial year respectively		
Repayments	-	-225.0
Loans and bonds issued	500.0	300.0
Amortisation of costs and discounts on loans	0.9	1.6
Addition of costs and discounts	-1.8	-1.6
Total movements in the first half-year and the financial year respectively	499.1	75.0
Principal amount as at 30 June and 31 December respectively	3,590.0	3,090.0
Total repayment as at 30 June and 31 December respectively	-	-
Remaining principal amount as at 30 June and 31 December respectively	3,590.0	3,090.0
Costs and discounts on loans to be amortised	-15.4	-14.5
Balance as at 30 June and 31 December respectively	3,574.6	3,075.5
Included under current liabilities	-175.0	-175.0
Total	3,399.6	2,900.5

In April 2024 we issued our new green bond for an amount of € 500.0 million and with an agreed term of 20 years. This bond will be repaid in a lump sum at the end of the term. The bond has been placed under Gasunie's Green Financing Framework and, as a result, we must fully allocate the proceeds from this bond to our 'green' spending. Our Framework complies with the International Capital Markets Association (ICMA) Green Bond Principles and the European Green Bond Standard (EU GBS), which means that this bond also has the EU GBS label. The effective coupon rate is 3.88% and is fixed for the entire term. After deducting € 1.8 million in discount and transaction costs, € 498.2 million was received. This amount is also included in the condensed consolidated cash flow statement.

N.V. Nederlandse Gasunie provided no security to its credit providers for the interest-bearing loans or other facilities. The existing loan conditions remained unchanged compared to year-end 2023.

The repayment schedule is as follows:

<i>In millions of euros</i>	First half-year	Second half-year	Total
Repayment in			
2024		175.0	175.0
2025	-	125.0	125.0
2026	650.0	-	650.0
2027	-	-	-
2028	-	300.0	300.0
na 2028			2,340.0
Total repayment obligations			3,590.0

The company has a non-committed overdraft facility of € 25.0 million (year-end 2023: € 45.0 million), a committed credit facility of € 1,050.0 million (year-end 2023: € 600.0 million), a € 750.0 million Euro Commercial Paper (ECP) programme (year-end 2023: € 750.0 million) and a € 7.5 billion Euro Medium Term Note (EMTN) programme (year-end 2023: € 7.5 billion). The committed credit facility runs until April 2027. Over the past six months, no funds have been drawn on the committed credit facility or under the ECP programme (first half of 2023: the same). We may also occasionally raise other short-term loans on the money market, though we did not do so in the first half of 2024 (first half of 2023: withdrawal and redemption of € 215.0 million).

Under the EMTN programme, € 3,050.0 million was issued in bond loans as at 30 June 2024 (year-end 2023: € 2,550.0 million). The base prospectus of the EMTN programme is valid until 31 October 2024 and is expected to be updated in the second half of 2024.

The long and short-term credit ratings by S&P did not change over the first half of 2024. On 5 July 2024, Moody's downgraded its long-term credit rating for Gasunie from A1 to A2 with a stable outlook. The short-term credit rating remains unchanged. Moody's anticipates that we will no longer be able to stay within its tolerance level for an A1 rating for the long term, specifically in terms of the ratio between operating result and net debt. This is mainly due to the expected increase in long-term debts, related to the forecast investments in the energy transition. The operating result is also temporarily lower, partly as a result of the settlement of the surplus revenue from the 2022 financial year, resulting in lower permitted revenue in the regulated segment, as explained in [Note 1 'Significant matters and significant transactions in the first half of 2024'](#) and [Note 2 'Financial information by operating segment'](#).

7. Financial instruments

The following financial instruments are recognised in these interim financial statements:

- other equity interests
- derivative financial instruments
- interest-bearing loans
- other primary financial instruments.

Gasunie uses the following hierarchy of measurement methods to determine the fair value of financial instruments:

Level 1:	Based on quoted prices on active markets for the same instrument.
Level 2:	Based on prices on active markets for comparable instruments, or based on other valuation methods, with all required key data being derived directly or indirectly from publicly available market information.
Level 3:	Based on measurement methods, with all the required key data not being derived from publicly available market information.

Other equity interests

The other equity interests are as follows:

Company name	Registered office	Interest	
		30 June 2024	31 Dec. 2023
Energie Data Services Nederland (EDSN) B.V.	Arnhem	12.5%	12.5%
Nord Stream AG	Zug, Zwitserland	9.0%	9.0%
PRISMA European Capacity Platform GmbH	Leipzig, Duitsland	12.8%	12.8%
SCW Systems B.V.	Schoorl	4.2%	4.7%

The fair value of the other equity interests was € 7.0 million as at 30 June 2024 (year-end 2023: € 7.0 million). This is a level 3 fair value measurement (year-end 2023: level 3). The assumption for the interests in PRISMA, EDSN and SCW Systems is that, partly on account of their relatively small size, the carrying amount is an estimate of the fair value. For Nord Stream, we maintain our fair value measurement of € zero as at 30 June 2024 (year-end 2023: € zero). In the first half of 2024, regarding the valuation of our interest in Nord Stream, no facts or circumstances have come to our attention which provided significantly different information about the assumptions and estimates as at year-end 2023.

The decrease in our interest in SCW Systems is related to the fact that not all shareholders participate pro rata in additional capital contributions.

Derivative financial instruments

The derivative financial instruments are forward exchange contracts and gas price swaps.

The forward exchange contracts were concluded by N.V. Nederlandse Gasunie to facilitate currency risk management by our joint venture EemsEnergyTerminal. EemsEnergyTerminal is chartering two FSRUs, for which the lease is denominated in US dollars. N.V. Nederlandse Gasunie has concluded a contract with EemsEnergyTerminal under which changes in the value of the forward exchange contracts that have not yet been settled and the actual settlement of the settled forward exchange transactions are fully settled with EemsEnergyTerminal. This contract itself also qualifies as a financial instrument under IFRS 9. As a result, on balance this has no effect on the net result of N.V. Nederlandse Gasunie.

We determine the fair value of the forward exchange contracts based on the present value of projected future cash flows. For this purpose, we make use of forward exchange rates with a comparable term and a zero-coupon discount rate that matches the currency and the term of the transactions, taking into account Gasunie's credit risk and that of the relevant counterparties. This is a level 2 fair value measurement (year-end 2023: level 2). As at 30 June 2024, the fair value of the forward exchange contracts was, on balance, zero (year-end 2023: on balance zero). Without netting, the fair value of the forward exchange contracts as at 30 June 2024 was € 0.3 million. At year-end 2023, the fair value was € 6.9 million.

Gasunie has entered into investment obligations in a joint venture, the amount of which may vary depending on gas price developments. To limit the cash flow risk on these expected capital expenditures, we use gas price swaps, this way effectively fixing the future variable investment obligation – in terms of our share in this investment obligation – over the term of the investment obligation (until 31 December 2027).

We determine the fair value of the gas price swap based on the present value of quoted commodity prices for gas price swaps. For this purpose, we made use of the closing prices for gas forward products with a comparable term and a zero-coupon discount rate that matches the term of the transactions, taking into account Gasunie's credit risk and that of the relevant counterparties. This is a level 2 fair value measurement (year-end 2023: level 2). As at 30 June 2024, the fair value of the gas price swap was € 17.2 million negative (year-end 2023: € 19.3 million negative).

Interest-bearing loans

The interest-bearing loans comprise bond loans with a listing on the Amsterdam stock exchange, and private loans.

The fair value of listed bonds is the same as the year-end exit price. This is a level 1 fair value measurement (year-end 2023: level 1). The fair value of the private loans has been determined by calculating the present value of the expected future cash flows at a discount rate equal to the applicable risk-free market interest for the remaining term, plus credit and liquidity surcharges. Account has been taken of the company's risk profile. This is a level 2 fair value measurement (year-end 2023: level 2).

The carrying amount and the fair value of the interest-bearing loans as at 30 June 2024 were:

<i>In millions of euros</i>	30 June 2024			31 Dec. 2023		
	Carrying amount	Fair value	Difference	Carrying amount	Fair value	Difference
Bonds	3,034.6	2,812.9	-221.7	2,535.5	2,364.5	-171.0
Private loans	540.0	500.0	-40.0	540.0	511.5	-28.5
Total interest-bearing loans	3,574.6	3,312.9	-261.7	3,075.5	2,876.0	-199.5

The change in fair value of the loans in the first half of 2024 is mainly the result of changes in market interest, on average shorter remaining repayment terms of the loans and the effect of interest additions or payments. In the period after the balance sheet date our long-term credit rating was downgraded, as explained in [note 6 'Interest-bearing loans'](#). This downgrade had no significant consequences for the fair value of the interest-bearing loans in the period from the balance sheet date to the date when the financial statements were prepared.

Other primary financial instruments

Other primary financial instruments comprise trade and other receivables, cash and cash equivalents (presented under current assets in these interim financial statements), current financing liabilities (excluding current repayment obligations on long-term loans), trade and other payables. Given the short term of these instruments, their carrying amount approximates their fair value.

The balance of cash and cash equivalents as part of current assets was € 517.8 million as at 30 June 2024 (year-end 2023: € 294.7 million).

8. Events after the balance sheet date

No significant events occurred after the balance sheet date that have to be recognised or explained in the interim financial statements.

11 Signature

The Executive Board,

Mevr. W.R. Terpstra*, Chair

Mevr. J. Hermes*

Dhr. B.J. Hoevers

Dhr. J.A.F. Coenen

Groningen, 18 July 2024

* Director under the Articles of Association



Disclaimer

12 Disclaimer

Where this report refers to 'we' or 'us', this means the activities of N.V. Nederlandse Gasunie, unless otherwise explicitly specified. Activities of the two segments of Gasunie always refer to Gasunie Deutschland (GUD) and Gasunie Transport Services (GTS).

In the event of inconsistencies or differences of interpretation between the Dutch report and the English report, the Dutch report shall prevail.