

Strong performance in challenging conditions and improved resilience – people make the difference



Johannes Teysen and Antje Kanngiesser.

Dear reader,

Did 2022 mark a turning point in the European energy industry? It's still too early to say for sure. However, it was certainly a watershed year – for society, for our company and for our employees.

When the Corona pandemic subsided, we believed we were on the way to a “new normal”. However, on 24 February 2022, our image of a peaceful Europe was shattered. The belligerent attack on Ukraine had been preceded in 2021 by manipulations of the European gas supply and soaring energy prices caused severe liquidity problems for energy companies.

The rapid rise in gas prices in summer 2021 sent alarm bells ringing for our company. The twin setbacks of the French nuclear power plant outages and Russia's targeted curtailment of gas supplies at the end of December 2021 caused electricity and gas prices to surge to historically high levels and led to unprecedented volatility. Throughout the company, we switched to crisis mode. Our key people gathered around the table several times a day to ensure a targeted information flow, direct communication, quick and

courageous decision-making, and speedy implementation. Our employees, our management, our Board and our shareholders worked together hand-in-hand with heart and humour. We are one Alpiq!

Since then, we have strengthened our company by taking a broad variety of measures in financing and risk management. These measures released funds of up to CHF 6 billion. We appreciated the foresight of the Swiss Federal Council and Parliament in introducing an emergency rescue package to meet the potential liquidity needs of the major power generators in 2022. The very existence of this package sent a strong and calming signal to investors and trading counterparties alike. We will continue to make every effort not to make use of it, but we will pay our fair share of the regulated costs for this governmental support.

Good results, strong balance sheet and improved resilience

Our balance sheet is strong and shows a low financial net debt. We succeeded in replacing matured bonds and short-term liabilities with new bonds at reasonable costs. Relying on our own capabilities, we closed the strenuous year with access to unused liquidity and financing of around CHF 2 billion.

Our operating performance is strong. Alpiq employees across all divisions and business lines delivered an outstanding performance, resulting in an adjusted EBITDA of CHF 473 million, which is an increase of CHF 161 million against the previous year. This is an operating result we can build on.

Our reported IFRS earnings are still significantly influenced by extraordinary effects. Our investors understand that IFRS calls for regular evaluations of all financial hedges even if deliveries and their underlying profitability is secured by the supporting generation fleet. Thus, our 2022 report continues to include the impact of last year's sudden price hikes, which led to a temporary shift in results. At the end of the past financial year, the negative net effect on the IFRS result is CHF -250 million. As soon as the quantities hedged at lower prices are actually delivered, this effect will dissipate, which is why we refer to a temporary shift in results. In addition, the performance of the decommissioning and waste disposal fund (STENFO) was exceptionally negative due to the weak financial markets in 2022. This had a negative impact on our underlying IFRS EBIT of CHF -276 million. We would like to remind investors that the accumulated earnings of the STENFO funds are still above the minimal required target rate. Despite these two substantial extraordinary effects, we managed to post a positive IFRS result for the past year of CHF 111 million.

Absolute focus on security of supply

While the first half of 2022 was primarily about securing liquidity for our electricity production, our focus in the summer was on supporting our customers and the Federal Government, because the liquidity crisis had turned into an energy crisis. In markets that were no longer liquid, large amounts of energy had to be secured. We worked tirelessly for months on end to achieve this goal. At Alpiq, we focus on the outcome!

We decided to offer the Federal Government as much energy as we could make available for the tendered winter reserve, priced on a cost and risk basis in order to keep costs low for our fellow citizens. This decision was rewarded by the Federal Council and the public at large. All our tenders were accepted, and we are contributing 218 GWh – more than half of the contracted hydropower reserve of Switzerland. In this way, we were able to make a significant contribution to ensuring the security of Switzerland's electricity supply while limiting the economic costs to society.

The energy crisis has led to a lot of activity and debate in Europe as well as in Switzerland. The current market design of the European energy market is under question and lively discussions are taking place about the introduction of new regulations at a national and European level. Some measures can be implemented quickly. However, stable long-term framework conditions are a prerequisite for large-scale investments in system-relevant infrastructure.

Alpiq lives up to its purpose – and delivers

At Alpiq, we share the common purpose that with our sustainable energy business we contribute to a better climate and an improved security of supply. In 2022, the latter was physically at stake for the first time in decades. It was extremely important that our nuclear and hydro facilities in Switzerland delivered very high availabilities and offered the necessary flexibility and power throughout the past year. Thanks to a joint effort, we were able to maximise the production from our assets in Switzerland, which allowed us to compensate almost fully for the record low access to the contracted French nuclear deliveries due to the extended outages in France.

We already have a powerful fleet of highly flexible hydro power assets in Switzerland to integrate all energy sources into the energy system. We commissioned the latest and most powerful of these in mid-2022: our 900 MW pump-storage powerplant **Nant de Drance** in the Valais. This highly flexible, efficient and powerful installation enables us to make a significant contribution to the security of supply and the grid stability. After 14 years of construction and a total spend of CHF 2.3 billion, we celebrated the official inauguration in September 2022. Another important piece of the mosaic is the **Grande Dixence** power plant complex. Thanks to the special effort and an excellent workforce, the replacement of the **Péroua – Condémines** penstock that feeds the **Fionnay/Nendaz plant** was finished seven months ahead of schedule. As a result, we were already able to ensure the availability of an additional 450 MW of installed hydro power capacity this winter.

As a company, we embrace our purpose by driving the rapid expansion of renewable energy sources. We are already well equipped to achieve this thanks to our highly flexible and efficient power plants. To rise to the challenges of the new energy world, however, we need to increase renewable power generation from photovoltaics, wind and hydro. Additional storage capacities and strong efforts to save energy play a key role in enabling a sustainable energy supply.

We make our contribution to climate protection and the security of supply

At the same time, we must invest in a world of renewable energies to ensure the long-term security of supply. And we will invest. Together with our partners, we have drawn up robust expansion projects worth CHF 1 billion in Switzerland alone in the areas of hydropower, alpine photovoltaics, and wind energy. Policymakers, recognising the urgency of the situation, are paving the way for investment in the future. We are confident that by working together in a spirit of partnership we will find responsible and effective solutions. It is incumbent on all stakeholders to work together. A secure, affordable, and reliable energy supply forms the backbone of a functioning economy.

While the market environment remains volatile and uncertain this year, Alpiq has strengthened its resilience significantly. The crisis has taught us something important: people make the difference. It is the attitude and values of our employees, as well as their expertise, that create corporate value. We will only be able to face the ever faster pace of change and the ever greater impact on our company with resilience. And this is where every employee counts. We learn and grow together, and we share the steering wheel. As a company, we follow a clear course: to make our contribution to climate protection and the security of supply. And each individual stays on that course. To provide a comprehensive overview on our practice, we currently undertake a review of our Sustainability Report which will be published in June 2023.

We expect a good operating performance in 2023. However, sharply fluctuating valuations of remaining hedges and the performance of STENFO may also have a significant impact on this year's underlying result. Despite our strong operational results and in view of the continuing high market volatility, the Board of Directors of Alpiq will submit a proposal to the annual General Meeting that no dividend will be distributed for the 2022 financial year.

Johannes Teysen
Chairman of the Board of Directors

Antje Kanngiesser
CEO

22 February 2023

Key Financial Figures

Results of operations (before exceptional items)

CHF million	2022	2021 (adjusted) ¹	% change
Net revenue	14,861	7,705	93
Earnings before interest, tax, depreciation and amortisation (EBITDA)	473	312	52

- 1 The previous year figures have been adjusted to reflect the reduced number of categories of exceptional items (see note 2.1 of the notes to the consolidated financial statements). As a result, the Alpiq Group's EBITDA before exceptional items for 2021 increased by CHF 10 million from CHF 302 million to CHF 312 million.

Results under IFRS

CHF million	2022	2021	% change
Net revenue	14,631	7,177	104
Earnings before interest, tax, depreciation and amortisation (EBITDA)	346	-77	> 100
Earnings before interest and tax (EBIT)	249	-203	> 100
Net income / (loss)	111	-271	> 100

CHF million	31 Dec 2022	31 Dec 2021	% change
Total assets	14,701	13,557	8
Total equity	3,529	3,558	-1
As % of total assets	24.0	26.2	
Net debt ¹	107	675	-84
Net debt / EBITDA before exceptional items	0.2	2.2	

- 1 See note 3.1 of the notes to the consolidated financial statements

	2022	2021	% change
Own production (GWh) ¹	17,450	15,008	16
Number of employees at the reporting date ²	1,180	1,266	-7
Of which in Switzerland	647	701	-8
Of which in surrounding European countries	533	565	-6

- 1 Net share attributable to Alpiq from total power plant production (after deducting pumped energy)
2 Full-time equivalents

Milestones

Plana del Vent power plant successfully back in operation

18 January 2022

In Spain, Alpiq successfully recommissions the Plana del Vent gas-fired combined cycle power station in mid-January 2022 after around two years. This was preceded by extensive repair and maintenance work on a defective power train. The steam turbine was replaced during the complex inspection, which was particularly challenging given the Covid 19 pandemic and the lack of spare parts compounded by shortages of skilled workers.

Alpiq made efficient use of the repair time for further overhaul work on the plant. Thanks to its total capacity of 800 MW, Plana del Vent is able to supply enough electricity to cover the annual consumption of two million households.



Plana del Vent gas-fired combined cycle power plant in Spain.

Shareholders give Alpiq room for manoeuvre

19 January 2022

The energy markets are thrown out of balance for several weeks.

The outage of numerous French nuclear power plants as well as cold temperatures cause prices to soar on an unprecedented scale. The extreme prices increase the liquidity and credit risks for all market participants, primarily impacting large electricity producers that had taken the precaution of hedging their power production in advance. These hedges require high security deposits in case the terms of the agreement are not met. The company receives these back in full once the contract has been fulfilled.

To maintain the company's room for manoeuvre, the shareholders provide Alpiq with temporary liquidity of up to CHF 300 million.

The operating business is not affected by this. Alpiq has a stable operating business with high profitability.



Alpiq headquarters in Lausanne.

Gondosolar - Project for the construction of a photovoltaic installation in the Valais Alps

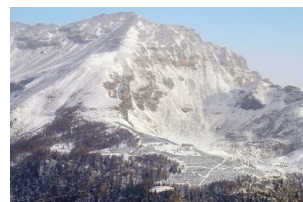
7 February 2022

Three partners, assisted by Alpiq, are planning a large photovoltaic installation above the Valais village of Gondo. Thanks to its prime position at over 2,000 metres above sea level, Gondosolar will produce around 23.3 million kilowatt-hours (kWh) of electricity a year – the majority of which in the winter half-year. The municipality of Gondo-Zwischbergen, Energie Electricque du Simplon SA (EES; Alpiq's share: 81.97 %) and the project initiator, Renato Jordan, who owns the plot of land at the Alpjerung location, are backing this project. The project envisages the installation of 4,500 bifacial solar elements on an area of around 100,000 square metres. Each solar element consists of 8 PV modules. The investment amounts to around CHF 42 million.

With a total installed capacity of 18 MW, Gondosolar will produce around 23.3 million kWh of electricity. Due to the altitude, the planned project will produce around twice as much electricity per square metre as a comparable facility in the Swiss Plateau. In addition, Gondosolar will produce significantly more winter electricity per area than a PV installation in the lowlands. Gondosolar will thus make an important contribution to the expansion targets for power production from solar energy set by both the federal government and the canton of Valais. The installation is expected to be commissioned in 2025.

The location above Gondo, a village on the Italian border, is ideal for the use of solar energy. It does not affect protected areas and is not considered critical by experts in terms of natural hazards. The impact on the environment, biodiversity and landscape is relatively low. The planned ground-mounted PV installation is not visible from populated areas. The electricity will be transported via an underground cable and the nearby medium-voltage grid to the existing Gabi substation.

In December 2022, Prafleuri, a second major Alpine photovoltaic project in which Alpiq is involved will be launched in the canton of Valais. Further projects are in the pipeline.



Visualisation of the Gondosolar photovoltaic installation.

Electricity prices soar again following start of Russia's attack on Ukraine

24 February 2022

On 24 February, Russia invades Ukraine. War begins. Major Ukrainian cities are under fire from missiles. Millions of people are suddenly on the run. Europe's solidarity with Ukraine is unprecedented.

The Russian invasion of Ukraine also shakes the energy markets to their very core. Uncertainty pushes prices into new dimensions. It becomes apparent how dependent Europe is on Russian commodities, especially gas. Sanctions are imposed on Russia. The war exacerbates the existing energy crisis further. Some energy companies flounder and need government support.

Extreme prices and the high volatility on the European energy markets greatly increase liquidity needs for the entire industry. Energy producers, in particular, must temporarily make high security deposits for the production they sell. However, the company receives these back in full once the contract has been fulfilled.

Alpiq welcomes Act on Subsidiary Financial Assistance to Rescue Systemically Critical Companies to ensure security of supply

4 May 2022

Alpiq supports the federal government's efforts to secure Switzerland's power supply. The federal government presents a bill intended as a preventive subsidiary measure. It wants to compel systemically important energy companies to submit to a federal bailout scheme. Since the market conditions are extremely tense and the high volatility on the energy markets leads to systemic risks, this type of commitment can be purposeful and stabilising. It can relieve speculation and tension on the market as the companies concerned have sufficient liquidity. However, it is not possible to rule out all contingencies of a pan-European upheaval.

This measure is intended to ensure security of supply for the general population as well as businesses in the current extreme market environment impacted by geopolitical forces. In its response to the broad review, Alpiq draws attention to several critical points. Many of the suggestions are incorporated into the legislation during the subsequent legislative process. On 30 September 2022, the National Council and Council of States approved the urgent Federal Act on Subsidiary Financial Assistance to Rescue Systemically Critical Companies in the Electricity Industry and adopted this at 1 October 2022. The rescue package is limited until the end of 2026.



Electricity prices continue to rise.



The Parliament in Bern.

Photo: Parlamentsdienste 3003
Bern / Goran Basic

Nant de Drance is an essential cog in the security of supply

1 July 2022

Fourteen years after the start of construction work, the Nant de Drance pumped storage power plant goes into operation on 1 July 2022. Thanks to its six extremely flexible machines and a capacity of 900 MW, Nant de Drance power plant is set to play a key role in the stabilisation of the Swiss and European electricity grid. The plant is built 600 metres into a mountain in a cavern between the Emosson and Vieux Emosson reservoirs in the Finhaut municipality of Valais. The highly flexible machines with a capacity of 150 MW each make it possible to switch from pumping at full power to turbinning at full power in less than five minutes, i.e. from -900 MW to +900 MW. The machines are at the cutting edge of technology with the speed of the machines varying in both pump and turbine mode, allowing for optimum operating efficiency.

The Vieux Emosson reservoir holds 25 million cubic metres of water, which represents a storage capacity of 20 million kWh. Its output, storage capacity and flexibility allow Nant de Drance to play a crucial role in stabilising the electricity grid. In face of the growth of new renewable energies such as wind and photovoltaic whose production is intermittent, a great deal of flexibility is required to maintain continual equilibrium in the electricity grid between production and consumption. Nant de Drance works like a gigantic battery which allows excess electricity to be stored in the short term or to feed this energy back into the electricity grid when demand exceeds production.

Political debates surrounding price caps gain ground

August 2022

Hopes for a quick end to the war in Ukraine are shattered. Russia's President, Vladimir Putin, uses natural gas as a political lever. After limited amounts of natural gas continued to flow from Russia to Europe via the Nord Stream 1 pipeline in spring, these deliveries are first halted temporarily in July – under the pretext of maintenance – and then later stopped completely. At the same time, the prolonged period of dry weather in combination with an unusually long heatwave mean that water levels in the rivers of Western Europe are very low. This not only restricts river traffic and thus the transport capacities for raw materials such as fuels, but also the cooling of nuclear power plants via river water is only possible to a limited extent. This again leads to higher prices across the board, not only for gas and electricity, but also for fuels.

Europe's population and economy struggle with record energy prices. An energy shortage in the coming winter is also looming. Alternative procurement strategies are initiated and LNG terminals are planned for the delivery of liquid gas. Energy-saving measures and campaigns are launched to save energy for the coming winter. In the summer months, political efforts to intervene in the market in a regulatory manner also increase.

At the end of August, prices reach their highest point to date. Numerous energy-intensive industrial companies can no longer maintain their production at the high energy prices.



Assembling a pump turbine.

Photo: Nant de Drance / Sébastien Moret



Electricity prices climb to unprecedented heights.

Nant de Drance: Visit to power plant leaves lasting impressions

9 September 2022

The Nant de Drance pumped storage power plant in Valais with a capacity of 900 MW is inaugurated on 9 September 2022. The day will go down as a key date in the history of Nant de Drance. It marks the end of a 14-year construction site with up to 650 workers, technicians and engineers from across Europe. Federal Councillor Simonetta Sommaruga and the President of the Cantonal Council of Valais, Roberto Schmidt, take part in the official inauguration, which is dedicated to today's youth, future generations and the future of energy.

The Nant de Drance pumped storage power plant project officially started on 8 September 2008. Fourteen years later, the opening ceremony for this monumental construction takes place. The power plant has been in operation since 1 July 2022 and is proving to be extremely reliable. The flexibility and availability of its machines are its distinguishing features, enabling it to respond to fluctuations in the electricity grid very quickly and to adapt to the market requirements. Shareholders Alpiq (39 %), SBB (36 %), IWB (15 %) and FMV (10 %) have access to the power plant's production and pump capacities in proportion to their stake in the company, manage energy in line with market needs and thus contribute to the stabilisation of the Swiss and European electricity grid.

The inauguration celebrations are dedicated to the youth and future generations, in keeping with Nant de Drance's central role for the future of energy. Children from Valais perform musical interludes for most of the official ceremony. Schoolchildren from the neighbouring primary schools visit the power plant on 8 September 2022. More than 2,000 people explore the plant at open day events on 10 and 11 September 2022. Lastly, more than 700 Alpiq employees meet up at the large staff party in Sion on 12 and 13 September 2022, including a tour of Nant de Drance and the Emosson reservoir. Visiting the power plant is a unique experience for all those who take part.



The visit to the power plant cavern is a unique experience.

Federal government sends important signal for energy industry

5 September 2022

On 5 September 2022, at the request of Axpo, the Federal Council initiates the bailout scheme for systemically important Swiss energy companies by emergency decree. This automatically places Alpiq under the scheme with immediate effect. Alpiq welcomes the Swiss government's decisive action, which sends an important confidence-building signal to the markets. The upheaval on the energy markets, which has persisted for many months, has prompted various countries to take measures to protect the security of supply against systemic risks.

With the entry into force of the Federal Act on Subsidiary Financial Assistance to Rescue Systemically Critical Companies in the Electricity Industry, Alpiq is automatically subject to the law and will comply with the associated obligations. However, Alpiq is not drawing on any federal assistance and is confident that it will not have to do so even if market conditions remain challenging. Comprehensive operational measures in the energy business, as well as additional financing in the credit and capital markets, have strengthened the company's financial room for manoeuvre, which Alpiq is doing everything in its power to maintain.



The Federal Palace of Switzerland in Bern.

Photo: Parlamentsdienste 3003
Bern / Béatrice Devènes

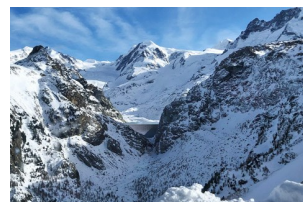
Autumn session: Federal government sets the course for accelerated expansion of renewable energies

30 September 2022

The Swiss Parliament's autumn session is dominated by the energy crisis. By adopting the urgent Federal Act on Subsidiary Financial Assistance in the autumn session, the National Council and Council of States create the legal basis for a CHF 10 billion rescue fund for the systemically critical electricity companies, namely the three companies Axpo, Alpiq and BKW. This act takes effect at 1 October 2022 and is limited until the end of 2026.

During consultation on the indirect counterproposal to the Glacier Initiative, Parliament launches a solar campaign and resolves on additional, urgent legislation to raise the Grimsel dam wall. By means of a simplified procedure, the solar campaign aims to pave the way for the expansion of alpine ground-mounted installations in the region of 2 TWh by the end of 2025. Alpiq is pursuing projects in Alpine regions that are affected by the legislation, for example Gondosolar and Prafleuri.

The Council of States was the first to start deliberations on the Federal Act on a Secure Electricity Supply from Renewable Energy Sources. It wants to rapidly expand domestic renewable energy sources and has therefore stepped up the expansion targets for 2035 and 2050 and has decided that hydropower storage power plants, pumped storage power plants, photovoltaic installations and wind power plants as well as electrolyzers and methanisation installations are in the national interest if they make a central contribution to achieving the expansion targets. National interests take priority over conflicting interests of cantonal, regional and local significance. In the future, investors should be able to choose between an investment contribution or a floating market premium. As a sign of support for the expansion of hydropower, the 15 "Round Table" projects were added as an appendix to the legislation. Alpiq is directly involved in key projects (Gornerli, Oberaletsch and potential projects to raise dam walls).



Visualisation of the Gornerli reservoir near Zermatt.

#prixalpiq 2022 goes to the “Regionale Wasserversorgung Südrampe” project in Valais

7 October 2022

In Martigny, the #prixalpiq for sustainable water management projects is awarded for the second time. The #prixalpiq 2022 is awarded to the “Regionale Wasserversorgung Südrampe” (Regional Water Supply of the Southern Ramp) project, supported by the municipalities of Visp, Naters, Brig-Glis and Lalden. The innovative intercommunal system of governance secures the regional supply of drinking water. The jury also awarded a “Winner of hearts” prize to the project “La Conquête de l’Eau” (The Conquest of Water) by the municipality of Ayent, a film about the value and importance of water resources and its preservation. The winning project receives CHF 40,000 and the “Winner of hearts” project receives CHF 10,000.

Alpiq, in partnership with the Association of Concession-Granting Municipalities of Valais (ACC), presents the winners with prizes worth a total of CHF 50,000 in a ceremony. “As has been made clear once again in the last few months, climate change is having a very real impact on our environment, especially when it comes to water management”, says Antje Kanngiesser, CEO of Alpiq.

The winning project “Regionale Wasserversorgung Südrampe” secures the supply of drinking water in the Brig-Naters-Visp agglomeration and meets the water needs of the municipalities and industry. The first stage of the project is completed in record time thanks to the intercommunal collaboration, which began in 2021. Since spring 2022, more than a million cubic metres of water have been injected into the water supply of the municipalities in the agglomeration. The next stage of the project is to extend this water supply system by constructing new pipes to guarantee access to drinking water until 2040. In addition, a turbine installation will use the waterfall to generate electricity.

The film project “La Conquête de l’Eau” wins the “Winner of hearts” prize. Produced by Artemis Films Production S.A. and sponsored by the municipality of Ayent, the film tells the story of the relentless struggle of our ancestors to find water in the Valais mountains. Faced with the current challenges of climate change, and particularly with periods of severe drought, the issue of water and its sustainable management now plays a major role in our society.



The winners of the second edition of the #prixalpiq award.

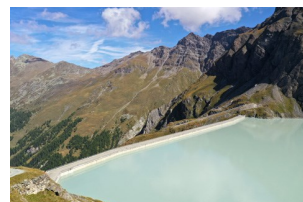
Alpiq provides more than half of the hydropower reserve for winter 2022/2023

25 October 2022

The Swiss Federal Electricity Commission (ElCom) publishes the results of the auction for the hydropower reserve for winter 2022/2023. Alpiq participated in the auction held by national grid operator Swissgrid and submitted responsible bids. The result speaks for itself: Alpiq wins the contract for the entire bid, i.e. 218 GWh from seven different power plants. Alpiq is thus providing more than 50 % of the entire hydropower reserve and is making a substantial contribution to strengthening the security of supply in Switzerland, in order to bridge any critical moments in the winter months.

The hydropower reserve aims to ensure that the electricity supply in Switzerland can be guaranteed during a period of a few weeks towards the end of winter – even with higher domestic consumption, reduced availability in domestic power plants and fewer import opportunities. The hydropower reserve is a backup to bridge an unanticipated critical situation and, in doing so, contributes to strengthening the country's security of supply.

A total of 149 bids totalling 672 GWh were submitted by various providers during the tender for the hydropower reserve. ElCom decided to award the contract to provide a hydropower reserve to bids with a total of 400 GWh. The quantities procured are thus within the pre-determined benchmarks, which propose 500 GWh with tolerance of +/-166 GWh.



The Grande-Dixence reservoir holds 400 million cubic metres of water.

About us



The inauguration of the Nant de Drance pumped storage power plant on 8 September 2022 was dedicated to today's youth and future generations. Children from the neighbouring primary schools explored the monumental construction just before the official ceremony and decorated a wall in the machine cavern with colourful handprints.

Photo: Nant de Drance / Sébastien Moret

Alpiq is a leading Swiss energy company that is active in various countries and markets throughout Europe. Our energy business contributes to a better climate and improves the security of supply in Switzerland and for our customers on the European markets. We pursue a sustainable, financially sound and risk-adjusted business model.

Our core business is the production of electricity from flexible CO₂-free hydropower and nuclear power in Switzerland as well as from wind power and photovoltaics in several European countries. In addition, we operate modern and flexible gas-fired combined-cycle power plants in Italy, Spain and Hungary. By producing green hydrogen, we are pioneers in contributing to CO₂-free heavy-duty traffic and are continuously expanding our competence.

Our core business also comprises energy trading. We sell production from our own plants as well as third-party plants on our modern and efficient trading platform. We trade with electricity, gas and other energy products in many European countries. A sustainable and cost-effective energy procurement strategy is an important aspect of any business. Our Sales & Origination team supports industrial and business customers with sustainable energy management as well as a wide range of energy solutions and services.

We have around 1,200 employees and are headquartered in Lausanne.

Power Production in 2022

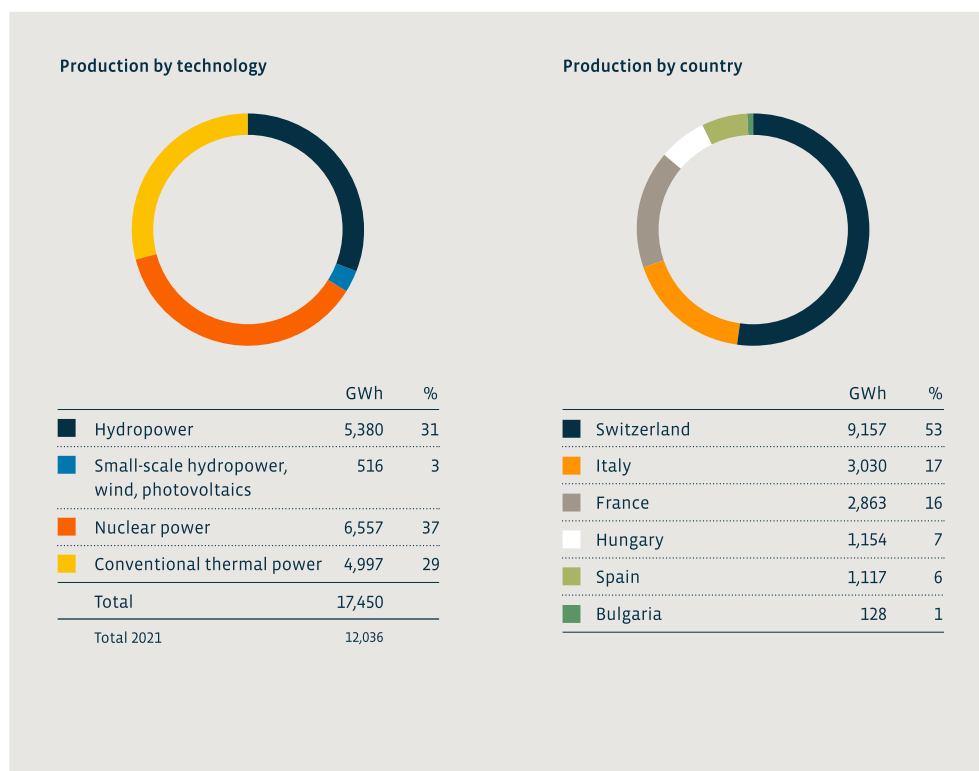
Power Plants	Installed capacity at 31.12.2022 ¹		Production 2022 ²	
	MW	MW	GWh	GWh
Hydropower		3,326		5,380
Switzerland	3,026		3,252	
France ³	300		2,128	
Small-scale hydropower, wind, photovoltaics		329		516
Switzerland	19		52	
Bulgaria	73		128	
France	13		31	
Italy	224		304	
Nuclear power		831		6,557
Switzerland	676		5,853	
France ⁴	155		704	
Conventional thermal power		1,308		4,997
Italy	491		2,726	
Spain	414		1,117	
Hungary	403		1,154	
Total		5,794		17,450

1 Based on Alpiq's net share of total power plant production

2 Net share attributable to Alpiq from total power plant production (after deducting pumped energy)

3 Including base versus peak exchange contract

4 Long term supply contract



Organisational structure

By the end of 2022, we organised our business into three business divisions: Switzerland, International and Trading.

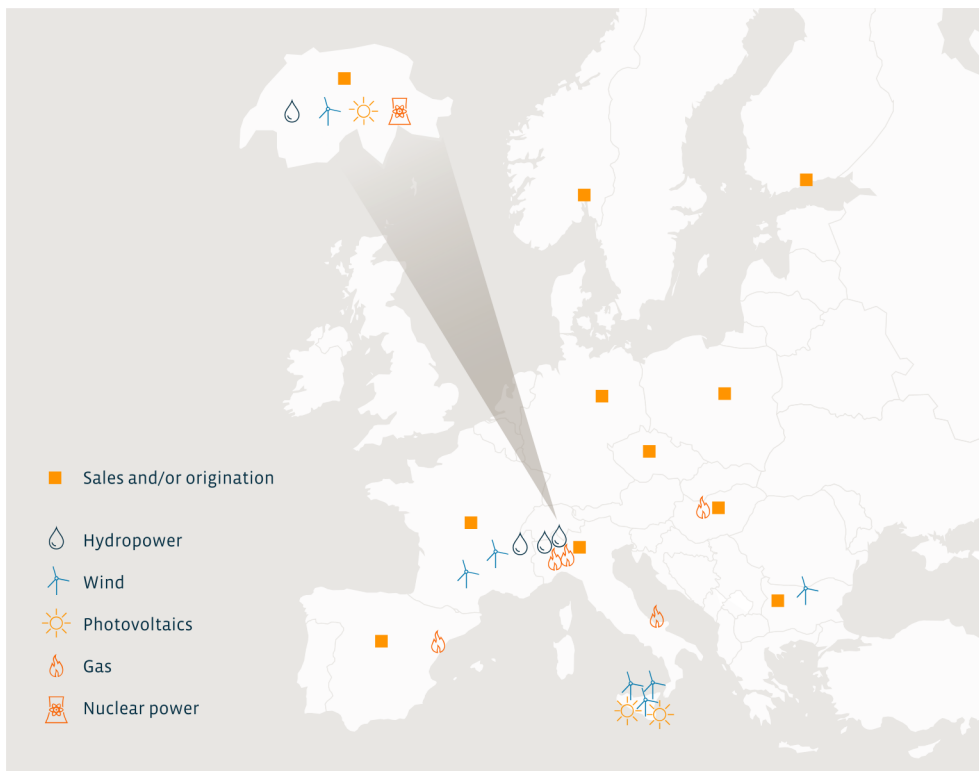
The **Switzerland** business division comprises the production of electricity from Swiss hydropower, nuclear power, wind power and industrial photovoltaic plants, the operation of power plants and the development of several wind farm projects in Switzerland. The power plant portfolio includes run-of-river power plants, storage and pumped storage power plants (including Nant de Drance) as well as interests in the Gösgen and Leibstadt nuclear power plants. In addition to this, the business division manages shares in HYDRO Exploitation SA and Kernkraftwerk-Beteiligungsgesellschaft AG (KBG).

The **International** business division comprises power production of wind power plants, small-scale hydropower plants and industrial photovoltaic plants, the operation of power plants and the development of several wind farm projects located outside of Switzerland. The business division also covers the production of electricity and heat in thermal power plants in Hungary, Italy and Spain. The power plant portfolio is made up of gas-fired combined-cycle power plants and gas-fired turbine power plants. Power is sold on the European electricity trading market via the Trading business division or via third parties. The power plants are used by the respective grid operators to balance the grids. In addition, International includes direct marketing and energy management for industrial and business customers to help these meet their cost efficiency and sustainability goals, always with a view to increasing customer benefits and creating value.

The **Trading** business division comprises the optimisation of Alpiq's own power plants as well as the optimisation of decentralised generation units and the production of electricity from third parties' renewable energies. It also covers trading activities with standardised and structured products for electricity and gas as well as emission allowances and certificates. The business division was renamed Trading in the second half of 2022 following the transfer of the support functions D&C Technology and Operations to the Group Centre.

Active throughout Europe

We are represented by branches in various European countries, both in trading and sales as well as with energy services. We operate our own power plants in Switzerland, Italy, France, Spain, Hungary and Bulgaria.



Financial Calendar

23 February 2023: Annual media conference

26 April 2023: Annual General Meeting of Alpiq Holding Ltd.

24 August 2023: Media Conference Half-Year Results 2023