ALPIQ

2024
Annual Report

Annual report

Alpiq's focus on flexible assets pays off

Antje Kanngiesser and Johannes Teyssen

Dear readers,

For the third year in a row, Alpiq can report a very good result for 2024. The market environment was characterised by a further decline in prices, accompanied by significantly lower (price) volatility compared to the previous year. Against this backdrop, our good result underlines our strong operational performance and shows that our strategic focus on flexible assets in Switzerland and the European markets is paying off, even in a less volatile market environment. In addition to this successful strategic focus, this good result is also down to the strong collaboration shown by all areas of the company along the entire value chain.

As the geopolitical instability around the globe continues, uncertainties prevail. The weak economic growth rate throughout Europe dampened demand and resulted in a lower price level. In the summer months in particular, we saw very low electricity prices due to the high availability of hydropower and the rapid expansion of solar capacities, which regularly led to an oversupply. It is becoming more evident that flexible capacities and efficient energy storage solutions will be vital in integrating the intermittent production of wind and solar into the system. Elsewhere, in the gas markets, the mood of uncertainty increased towards the end of the year due to the expiry of supply contracts.

Turning to our own operations, we can say with conviction that we once again contributed significantly to security of supply in Switzerland and large parts of Europe. The reliability, availability and security of our production and our services were again very high. Our production was higher overall than in the previous year, driven above all by much higher inflows for our hydro assets in Switzerland and the increased dispatch of our flexible thermal assets in Italy. At every level of our company – from our employees to our managers and Board of directors – we are fully committed to fulfilling our purpose by contributing to security of supply and a better climate.

Our journey of sustainable business transformation

For the first time this year, our Sustainability Report was prepared in accordance with the European Sustainability Reporting Standards (ESRS). By including it directly in our Annual Report, we want to underline the fact that sustainability is an integral part of our business and that sustainable business transformation is a matter of course for us. By providing the comprehensive data in the Sustainability Report, we want to give a transparent picture of what we have already achieved, where we stand today, and what journey still lies ahead of us.

Our actions are reflected in our company's purpose: 'together for a better climate and an improved security of supply', which clearly indicates our journey towards ensuring sustainable business activity. A secure, stable and affordable electricity supply forms the backbone of a prospering economy. By ensuring the optimum use of our flexible and powerful assets, we wish to play an important role in strengthening security of supply for the economy and for society, while also caring for the climate.

Our power plants are exposed to the effects of climate change, especially those in the Swiss Alps, which are fed by glaciers. Switzerland's eternal ice is melting, mountains are starting to crumble, weather patterns are changing, and precipitation levels are varying. Our dams not only provide security of supply, but help to protect against potentially devastating floods. We store water for irrigation during dry periods and secure the population's future drinking water. We also care for the multi-use of our water resources, which increasingly need careful management to meet the best interests of the economy, society and nature. At Alpiq, our people strongly engage in evaluating the best models and solutions. We have confirmed our net zero ambition for Scope 1 and Scope 2 emissions by 2040 and we will define additional intermediary targets on the path to achieving these ambitions. Going forward, we will report on the Scope 1, 2, and 3 emissions generated by all our activities.

By adding winter production and flexible assets to the energy system, Alpiq enables the integration of additional intermittent wind and solar production into the system. The impressive and welcome growth of solar since 2019 has caused imbalances in the grid, and we are working on solutions to counteract this. In Hungary, for example, we are currently working on a solution to combine small gas-engines with a 5 MW battery to provide the flexibility needed. Our investments to master these imbalances could conceivably also include existing gas-fired assets, if these contribute to reducing our emissions or enhancing flexibility. For instance, Alpiq can envisage supporting investments that temporarily increase its own CO_2 emissions if these investments could be expected to reduce CO_2 emissions for the overall energy system by allowing the integration of more renewable production.

Our responsibility towards the environment goes beyond emissions. Another important aspect to be considered is biodiversity. Alpiq will identify and assess material impacts, risks, dependencies and opportunities for its operations, taking into account the major pressures on biodiversity. We will adhere to the 'Do no significant harm' principle in line with EU taxonomy requirements. We will improve our understanding of the biodiversity impacts of our existing operations and consider biodiversity through Environmental Impact Assessments (EIA) at the onset of each new asset development, such as the upcoming hydropower and Alpine PV projects in Switzerland. Ultimately, Alpiq aims to go beyond compliance with environmental regulations wherever possible, by committing to contribute to a long-term net positive impact on nature.

Strengthening security of supply in Switzerland...

On 9 June 2024, Swiss voters clearly approved the new Electricity Act, thereby enabling the implementation of the planned expansion projects to increase storage capacities and electricity production during the winter months. At Alpiq, we are focusing on the storage projects set out by the Hydropower Round Table as well as various alpine PV systems. In 2024, we paid particular attention to Gornerli, our project to construct a multi-purpose storage reservoir near Zermatt. The Gornerli dam could have significantly reduced the extent of the flooding in Zermatt and further downstream in the Rhone Valley during the severe storms in June 2024. In autumn, a support group backed prominently by Federal Councillor Albert Rösti was set up to facilitate the swift advancement of the project.

If the various Alpiq projects can be implemented, the investment volume in Switzerland will be over a billion francs. All these investments will help to strengthen security of supply and provide Switzerland with greater capacity for the critical winter months.

... and in our European markets

We are also continuously investing in strengthening the security of supply at our international plants. Our flexible assets in Italy, Spain and Hungary ensure that the rapidly increasing production from intermittent solar and wind power plants can be better integrated into the electricity grid. Ensuring grid stability is a crucial factor in this respect. In an international context, gas-fired power plants also play an important role. In 2024, we implemented a comprehensive upgrade to our Vercelli power plant in Italy that will allow it to be used more efficiently and flexibly. The effect is already noticeable. The power plant was dispatched more than twice as often in 2024 as in the previous year. At the same time, CO_2 intensity – the amount of CO_2 emitted per kWh produced – has fallen by over 10 per cent. The number of starts requested by grid operators is continuously growing – not just for the Vercelli plant – which demonstrates the need for this kind of flexible generation. We are also working hard to make our gas-fired power plants more efficient and flexible. And as shown above, we are pushing hybrid solutions that combine gas turbines with heat and battery storage.

Taking the next steps in developing new storage technologies

For Alpiq, flexible assets and energy storage capacities are crucial to transforming the energy system. They ensure grid stability, store energy and quickly compensate imbalances. We are also expanding into new technologies in this area, for example, by taking on Battery Energy Storage Systems (BESS) projects in Finland and France in 2024. The 30 MW project in Finland is scheduled to go into operation this year, while the 100 MW project in France will follow in 2026. In Switzerland, we are already managing 40 MW flexible BESS assets as a means of ensuring additional grid stability.

In spring 2024, Alpiq acquired a majority stake in Finnish hydrogen pioneer P2X Solutions, a Power-to-X developer with a focus on the production and distribution of green hydrogen and synthetic fuels in order to facilitate specific industrial processes becoming carbon-neutral. The first facility started commercial operation in February 2025. It has an installed electrolysis capacity of 20 MW, making it one of the largest of its kind in Europe.

Organisational development

Alpiq's operational performance is good. We are in a very strong financial position and the implementation of our strategy is in full swing. At the same time, we are working hard to become more efficient and to achieve more as a team.

In 2024, we also conducted a complete brand refresh, including a new corporate website, to better communicate our purpose, our values and our promise of 'a different kind of energy'. Moreover, we continued our visionary leadership programme, rooted in the 'Caring, Daring and Sharing' philosophy of Secure Base Leadership. As part of this effort, we have launched an internal coaching network to further embed our coaching-focused leadership approach across the company. This initiative strengthens our emphasis on 'Daring' by fostering constructive solutions that empower our people to realise their potential, perform and drive the company's growth. By the end of 2024, and at the first attempt, all Alpiq locations had been certified as a 'Great Place To Work'. We are also proud to have been selected by the IMD as an example of visionary leadership in sustainable business transformations.

New long-term financing structure

During 2024, Alpiq set up a new committed credit structure to replace its existing facilities and lines. Together with 15 Swiss and 17 international banks, we concluded two new unsecured, committed Revolving Credit Facilities with a total volume of CHF 3.6 billion. Thanks to our strong financial position and high liquidity, we were able to repay bonds totalling CHF 910 million including CHF 650 million for the complete pay back of the hybrid bond. Despite this outlay, we continue to enjoy a high equity ratio of 58 per cent and we are net cash by CHF –428.4 million. This puts us in a strong position to take the next steps in implementing our strategy and actively drive the transformation of the energy landscape.

Thanks to our strong financial position, we expect to maintain our good position and we are confident of achieving another good result in 2025. Nevertheless, we remain conscious of the fact that geopolitical developments are unpredictable and cause uncertainty on the energy markets. We therefore recognise the need to keep investing in our leadership development and our committed employees in order to set a clear direction and show the path forward. As our certification as a ‘Great Place To Work’ shows, we are ‘one Alpiq’ and we remain convinced that it is our people and our culture that make the difference.

The Board of Directors of Alpiq will propose to the Annual General Meeting on 15 May 2025 that a dividend of CHF 4.90 per share, totalling CHF 162 million, be distributed for the financial year 2024.

Finally, we want to express our appreciation and thanks to our customers, our partners and our employees at all our locations. You truly make Alpiq a great place to work! We look forward to enjoying another inspirational and successful year with you in 2025.

26 February 2025

Johannes Teyssen
Chairman of the Board of Directors

Antje Kanngiesser
CEO Alpiq Group

Key Financial Figures

Results of operations (before non-operating effects)

CHF million	2024	2023	% change
Net revenue	6,365.7	8,396.1	– 24.2
Earnings before interest, tax, depreciation and amortisation (EBITDA)	962.4	1,183.8	– 18.7
As % of net revenue	15.1	14.1	
Earnings before interest and tax (EBIT)	847.9	1,071.5	– 20.9
As % of net revenue	13.3	12.8	
Net income	605.7	819.5	– 26.1
As % of net revenue	9.5	9.8	

Results under IFRS

CHF million	2024	2023	% change
Net revenue	6,643.0	8,958.8	– 25.8
Earnings before interest, tax, depreciation and amortisation (EBITDA)	1,386.9	1,806.0	– 23.2
Earnings before interest and tax (EBIT)	1,272.3	1,693.6	– 24.9
Net income	943.4	1,335.6	– 29.4

CHF million	31 Dec 2024	31 Dec 2023	% change
Total assets	8,543.2	10,474.5	– 18.4
Total equity	4,976.8	4,811.0	3.4
As % of total assets	58.3	45.9	
Net cash	– 428.4	– 346.6	– 23.6
Net cash / adjusted EBITDA	– 0.4	– 0.3	

	2024	2023	% change
Own production (GWh) [1]	17,281	16,840	3
Number of employees at the reporting date [2]	1,350	1,221	11
Of which in Switzerland	725	672	8
Of which in European countries	625	549	14

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

A different kind of energy 2024

Key Moments: Strategy

Alpiq strengthens its position as a provider of flexibility

Alpiq expanded its flexibility portfolio and strengthened its position in this market by acquiring battery projects in Finland in June 2024 and France in November 2024. The 30 MW large-scale battery from Merus Power, a leading Finnish technology company, will have one of the highest capacities in Finland and will go into operation in Valkeakoski in in the second half of 2025. The primary role of the battery energy storage system (BESS) is to stabilise the grid and therefore balance out the fluctuating production of renewable energy. It therefore contributes directly to security of supply and facilitates additional projects for renewable energy.

Alpiq is investing in new battery projects in Finland and France.

Alpiq acquired a battery project from Harmony Energy France in the Oise Departement, north of Paris, France. The 100 MW BESS has a capacity of 200 MWh and is scheduled to be commissioned in autumn 2026. Both investments are in line with Alpiq's strategy to continue focusing on flexibility, and its commitment to integrating renewable energy and strengthening the security of supply.

Alpiq wins new concession for hydropower

As part of the renewal of the water rights concessions of Forces Motrices d'Orsières SA, the communal assemblies of the Valais communes of Orsières and Liddes confirmed the sale of 10% of the company to Alpiq in September 2024. It will take effect from 19 January 2027 and have a term of 80 years. Alpiq's convincing offer adopted a participatory approach. This extends the company's portfolio of hydropower plants in Valais and means for the first time it becomes a partner of a power plant in which it did not previously hold a stake.

Alpiq is supporting the Forces Motrices d'Orsières with its expertise in hydropower.

As a partner, Alpiq will be able to support Forces Motrices d'Orsières and all shareholders with its proven expertise in the fields of hydropower and energy marketing. The facility consists of the Orsières and Niollet power plants, generates around 110 GWh and supplies roughly 24,500 households with electricity.

Alpiq acquires a majority stake in the Finnish hydrogen pioneer P2X Solutions

Alpiq emphasised its commitment to climate protection and strengthening the security of supply by acquiring a majority share of the Finnish hydrogen pioneer P2X Solutions, which is headquartered in Espoo, in April 2024. As a result of this transaction, Alpiq holds 54.9 percent of the shares in P2X Solutions. P2X Solutions will continue to operate in partnership and as an independent company.

P2X Solutions operates the first industrial-scale green hydrogen production facility in Finland.

P2X Solutions is constructing the first industrial-scale green hydrogen production facility in Finland, in the south-western town of Harjavalta. The facility has started commercial operation in February 2025. It has an installed electrolysis capacity of 20 MW, making it one of the largest of its kind in Europe.

This acquisition shows that Alpiq is strengthening its position in the Nordic countries and becoming one of the leading companies in Northern Europe in the production of green hydrogen. P2X Solutions gives Alpiq a platform to produce green hydrogen and Power-to-X, and also to expand beyond Finland.

Alpiq strengthens its business with power purchase agreements

In 2024, Alpiq was once again able to sign additional long-term power purchase agreements (PPA) in several European markets. In Northwest Europe and France, for example, Alpiq used its comprehensive expertise in energy products and services to provide its customers with customised long-term agreements that meet their specific needs.

Alpiq is concluding further long-term power purchase agreements in several European markets.

Alpiq is thus successfully positioning itself in a dynamic market environment as a reliable partner that guarantees its customers a carbon-free electrical power supply while promoting the integration of renewable energy sources into the electricity market by ensuring the purchase of energy.

More flexibility for security of supply in Italy

Flexible power plants are crucial to the success of the energy transition and to ensuring security of supply. Like the Alpiq Vercelli gas-fired power plant, for example. In 2024, the power plant, which is located in the northern Italian region of Piedmont, has undergone a major overhaul. Thanks to this work, which was completely accident-free, Vercelli is fit for the energy future and can continue to provide valuable services for security of supply in Italy.

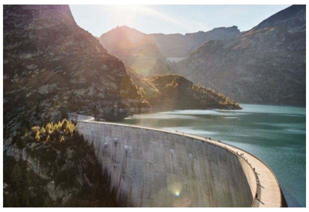
Successful maintenance of the Vercelli gas-fired power plant leads to several operational improvements.

The work consisted in the replacement of the main components and it resulted in a number of improvements: the plant's flexibility has been greatly increased, so that it can be fully operational within just five minutes and can be used to supply the grid several times a day. The plant's output was increased and its efficiency was significantly improved. As a result, gas consumption has been reduced and, more importantly for the climate, emissions have been cut by 40%.

Key Moments: Finance

Alpiq performs very well in a still fragile market

When the 2023 operating result was presented in February 2024, Alpiq could look back on a very successful year 2023 (Annual report 2023 – Key Financial Figures). The past year's measures focusing on the core business, risk management and Alpiq group management brought about the desired progress and improved the operating result at all levels. The direct dependence on electricity prices was also significantly reduced. Alpiq continued to play a key role in strengthening the security of supply in 2023 by providing a hydropower reserve for the critical winter months in Switzerland as well as ancillary services for grid stability.



Alpiq's solid financial position is reflected in its very good business results.

Alpiq's Sustainability Report 2023 showed for the first time a comprehensive carbon balance, including all relevant Scope 3 emissions, i.e. all emissions caused indirectly by business activities. In terms of further development of the strategy, Alpiq set itself the goal of making the company net zero by 2040. This means the company would have a neutral emissions balance.

In the first half of the year 2024, Alpiq further consolidated its focus on the core business and expanded its business in the energy storage and flexibility sectors. Alpiq is in a very solid financial position according to the balance sheet when the half-year results were presented in August 2024 (Interim report 2024 – Key Financial Figures).

Alpiq was able to strengthen its market presence in the geographical core markets and consolidate its position. Alpiq's power plants again featured very high availability in the first half of 2024. With their flexibility the power plants continued to make a significant contribution to security of supply in Switzerland and Europe.

Alpiq repays CHF 650 million hybrid bond

In September 2024, Alpiq has used the existing call option to repay in full its public hybrid bond of CHF 650 million. As Alpiq has been able to secure the Group's long-term financial stability over the last three years, the company can now back the hybrid financing after 11.5 years.

Alpiq is repaying its public hybrid bond in full.

The key factors that contributed to the company's resilience are the focus on activities in the European core markets, the stronger cooperation throughout the entire value chain and a risk management system that has been fundamentally adapted to the new market dynamics. Alpiq CFO Luca Baroni: 'Alpiq has proven its robustness to crises in recent years, was able to build up sufficient financial resources and is now in a very solid operational position. The net financial situation and the equity base are the foundations guiding Alpiq strategically into the future.'

Largest credit market transaction in Alpiq's history

In connection with a review of its credit financing portfolio Alpiq has successfully established two new unsecured committed revolving credit facilities with a total volume of CHF 3.6 billion. The commitments were provided by 15 Swiss and 17 international banks.

Alpiq successfully sets up two new unsecured committed revolving credit facilities.

Thanks to this very successful transaction, which was closed in December 2024, Alpiq has doubled its available committed credit lines. In addition, the company welcomed 10 new banks into its banking pool. The absence of financial covenants and removal of operational restrictions provides Alpiq with necessary flexibility in financing its strategic growth.

Key Moments: People & Culture

Culture and leadership make the difference at Alpiq

At Alpiq, our culture is our competitive advantage: our people make us successful, and our way of working together sets us apart. We believe in Secure Base Leadership (SBL) as a coaching-centric leadership style that strongly builds up on our values. It encourages collaboration and empowerment by cultivating a high-performance culture, one of profound critical thinking and ownership among team members.

Alpiq – a different kind of energy.

That is why we invest in our employees: By the end of 2024, over 300 of our line managers and lateral leaders have completed the SBL training at IMD Lausanne. In 2025, more Alpiq employees will complete this training. SBL elevates communication and teamwork by prioritizing active listening, empathy, and open discourse, forging secure bases for constructive dialogue and daring decisions.

Alpiq wants to take the leadership programme to the next level in 2025 and fully internalise it within the organisation. To this end, six of our employees have been trained as coaches to provide internal training and education. This means that we align all our actions with the goals and values of our company. Because the way we work, collaborate, lead and live our values makes all the difference in a highly volatile, constantly changing and challenging environment.

Beyond the obvious: 'Expedition Two' takes Alpiq employees to Prague

The 'Expedition Two' event in September 2024 brought together a total of around 730 Alpiq employees from all over Europe for two days in Prague. The event's motto was 'Beyond the obvious' and promoted team spirit in line with the company value 'ALP1Q'. It gave Alpiq colleagues from several European locations the opportunity to participate in various programme items in a special setting to get to know each other personally, have discussions and work together on activities to find new solutions to challenges.

Unique experience: Alpiq 'Expedition Two' goes to Prague.

Alpiq is certified as a 'Great Place To Work'

After receiving the well-known 'Great Place To Work' certification, Alpiq officially became a certified employer in Switzerland and the other company locations in Spain, Italy, Germany, France, Czech Republic, Finland and Hungary for the first time in December 2024. This certification is largely based on a positive assessment of the workplace culture by the employees themselves, so Alpiq has demonstrated its commitment to promoting a workplace in which employees feel valued and can develop professionally. The certification also strengthens Alpiq's employer brand and its profile as an attractive employer.

Successful certification as a 'Great Place To Work'.

Andreas Büttiker succeeds Conrad Ammann on the Alpiq Board of Directors

Andreas Büttiker was newly elected to the Board of Directors at the Alpiq Holding Ltd. Annual General Meeting held on 30 April 2024. He replaced Conrad Ammann, who did not stand for re-election after 12 years on the board. The new Vice Chairman of the Board of Directors is François Gabella, who was elected to the Board of Directors in December 2023.

Andreas Büttiker joins the board of Alpiq.

Andreas Büttiker, the 63-year-old economist from Switzerland, has been Chairman of the Board of Directors of EBM (Genossenschaft Elektra Birseck)/ Primeo Energie Group since 2022. Between 1996 and the end of May 2023, he was CEO of the Basel Landschaft public transport company BLT Baselland Transport AG.

Johannes Teyssen, Chairman of the Board of Directors of Alpiq, thanked Conrad Ammann for his many years of service and recognised him as a strong leader who used his great expertise in the energy sector to help shape Alpiq's development with great care and empathy.

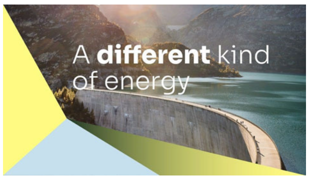
Amédée Murisier becomes head of the Switzerland business division

On 1 March 2024, Amédée Murisier took over as head of Alpiq's Switzerland division and at the same time became a member of the Executive Board. The 41-year-old from Switzerland succeeded Michael Wider, who retired at the end of February 2024. Amédée Murisier has been with Alpiq since 2015 and has been head of the Hydro Power Generation business unit since 2019. He graduated from ETH Zurich as a civil engineer and then worked as an engineer in the Swiss energy sector. He then spent several years working in strategic management consulting in the USA, where he completed an MBA at Columbia University.

Amédée Murisier: the new head of Switzerland at Alpiq.

Alpiq refines its image and brand

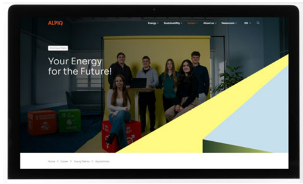
As part of the comprehensive brand refresh, Alpiq worked with the agency Jung von Matt BRAND IDENTITY to develop a new and holistic brand identity in 2024. At its core is a clear and compelling purpose: 'Together for a better climate and an improved security of supply'. And the new brand promise is: 'A different kind of energy'. The new brand identity succinctly expresses everything that Alpiq currently stands for and drives the company's transformation. 'The fresh brand identity not only hones our public profile but also inspires our employees to actively help shape the energy future and develop innovative solutions for the challenges of our age,' explains Alpiq CEO Antje Kanngiesser.



Alpiq receives an extensive brand refresh.

New Alpiq corporate website goes live

As part of the brand refresh project, the new Alpiq corporate website went online in December 2024. It brings Alpiq's new brand presence to life digitally. The website was designed and implemented in collaboration with Jung von Matt TECH and other long-standing partners. The new digital appearance combines modern and functional website design with the brand's core values. The website conveys Alpiq's new brand identity through intuitive user guidance, appealing visualisations and interactions.



Alpiq is launching its new website.

Alpiq Italy celebrates its 25th anniversary

There was cause for celebration in Milan in December 2024 as Alpiq Energia Italia celebrated its anniversary. The company was founded in 1999 and has been successfully operating in the Italian market for 25 years. Over the years, Alpiq has gained considerable market share in the sales and origination business by supplying energy to end customers with a team of around 100 employees. Power generation has always been the cornerstone of Alpiq's presence in Italy. The first power plant in Italy was built and commissioned in 2004. The Group has invested around 800 million euros in Italy since 1999. Today, the company has a diversified and highly flexible power plant portfolio including 14 plants and a capacity of around 770 MW, 220 MW of which is renewable energy and 550 MW is gas-fired power plants. The annual total capacity of this portfolio is around 2,500 GWh.

Alpiq Energia Italia celebrates its company anniversary.

Key Moments: Collaboration & Partnership

Clear approval for the Electricity Act

In June 2024, the Swiss public voted in favour of the Electricity Act with a majority of around 70 percent. The new act provides the instruments required to drive the significant restructuring of the Swiss energy system. It strengthens the expansion of renewable energies and power production in winter. Alpiq welcomes the clearly positive result of the vote, with which Switzerland has decisively spoken out in favour of improved security of electricity supply using renewable and local energies at affordable prices. 'The redesign of our energy system is something that affects us all. A secure electricity supply at affordable prices is the backbone of our economy and our society,' says Alpiq CEO Antje Kanngiesser.

The Swiss public approves the new Electricity Act.

#prixalpiq 2024: circular economy as the foundation of water management

In October 2024, Alpiq and the Association of Concessionary Communes of Valais (ACC) honoured two Valais projects in favour of sustainable water management with the #prixalpiq for the fourth time. The winner of the #prixalpiq 2024 was the commune of Grimisuat with its project ‘Grimisuat irrigation network: storage and sustainable management of water’. The ‘Coup de Cœur’ award went to the Association for Water Management and Development Planning in the Aletsch Region for the project ‘Sustainable water supply planning in the Aletsch region’. A panel discussion was held during the award ceremony at the HES-SO Valais-Wallis in Sion on the topic of ‘Circular economy: utopia or reality?’ to stimulate discussions beyond water management.

#prixalpiq 2024 honours water projects in the Valais.

Gornerli: New support group advocates rapid realisation of the project

At the end of November 2024, the Swiss federal government, the canton of Valais, Grande Dixence SA and representatives of the concession communes set up the Gornerli Support Group in the presence of Federal Councillor Albert Rösti. It aims to ensure the rapid realisation of the Gornerli multi-purpose reservoir, which is the largest project of the Hydropower Round Table and is planned for above Zermatt. At the first support group meeting, all participants confirmed their willingness to coordinate the milestones and next steps in the process and to work closely together. This means this multi-purpose storage project, which has many valuable aspects, will be realised in a targeted manner.

First meeting of the ‘Gornerli Support Group’ with Federal Councillor Albert Rösti (left).

About us

Alpiq is a leading Swiss electricity producer and energy service provider and is active throughout Europe. We offer our customers comprehensive and efficient services in the fields of energy generation, marketing and energy optimisation.

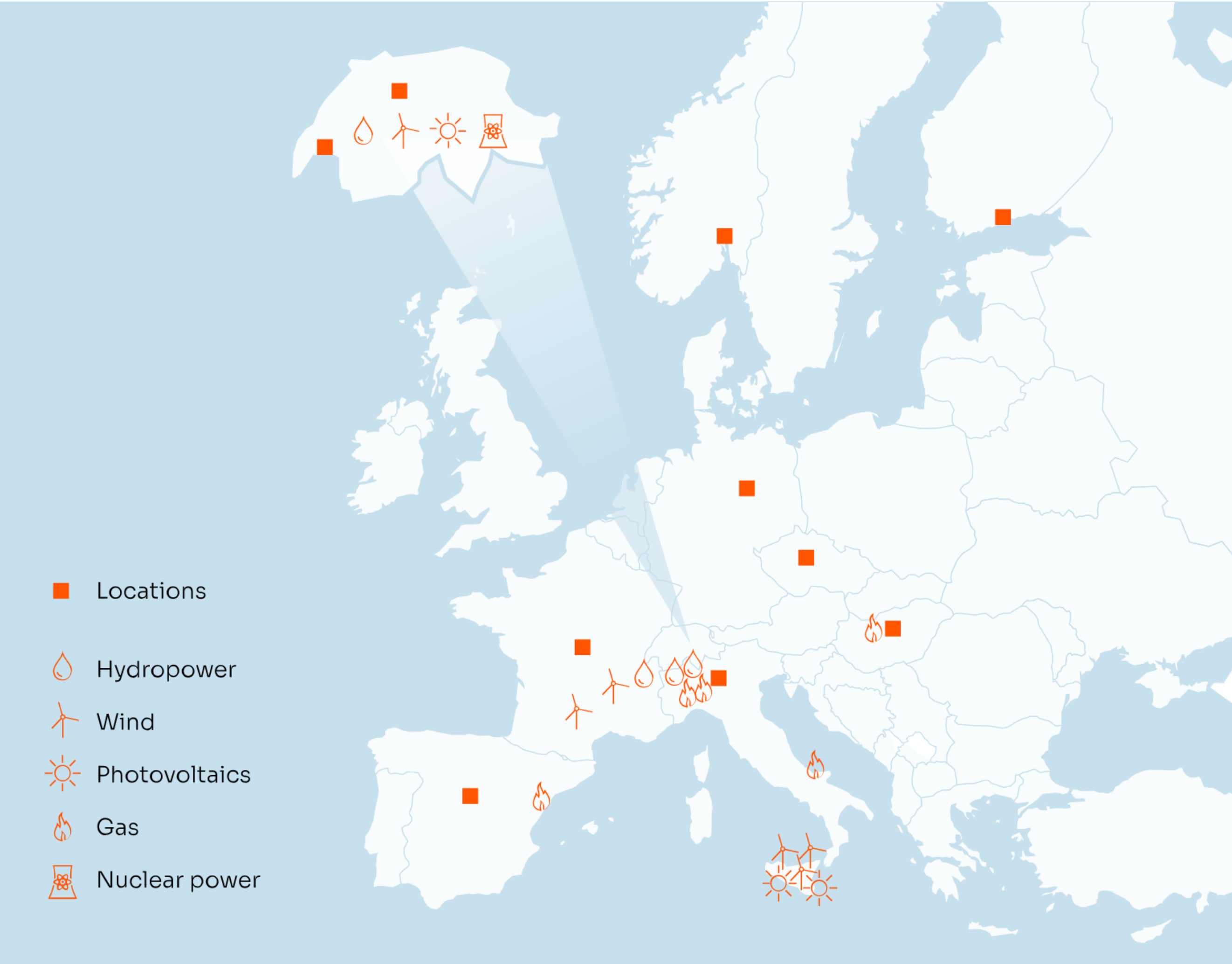
It is our aspiration to follow our purpose in our entrepreneurial thinking and actions: 'together for a better climate and an improved security of supply'. Together with our values and ethical standards, this purpose is firmly anchored in our corporate culture. We pursue a sustainable, financially stable and risk-adjusted business model.

Alpiq has a strong asset base of hydro and thermal plants, nuclear and renewable assets. We have been producing climate-friendly and sustainable electricity from CO_2-free Swiss hydropower for more than a hundred years. This climate-friendly and flexible asset portfolio is operated and optimised in the best possible way. Our core business also comprises energy trading through 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 and a wide range of energy solutions and services.

We have about 1,300 employees. Our headquarters are in Lausanne.

Active throughout Europe

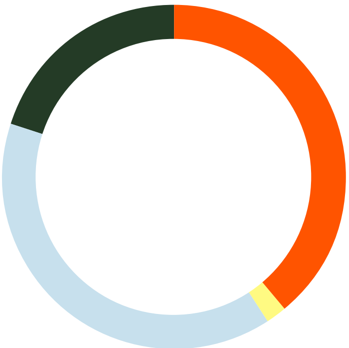
Alpiq has a strong presence in selected European countries and offers comprehensive services for a sustainable and efficient energy supply. You will find an overview of our market activities and group companies here.



Our production stems from CO_2-free technology such as hydropower and nuclear power in Switzerland and wind and photovoltaic power plants in several European countries. In Italy, Spain and Hungary, we operate modern and flexible gas-fired combined-cycle power plants, where the focus is on strengthening the security of supply with electricity, and in Hungary this is also combined with district heating. Our goal is to continuously optimise the efficiency of the plants in order to reduce emissions.

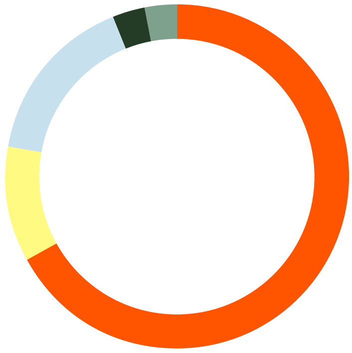
Through the further expansion of flexibility solutions, we enable the integration of renewable energy capacity into the energy system to further the transition towards a decarbonised energy supply. Alpiq is a pioneer in the production of green hydrogen in Switzerland and supports the reduction of carbon in heavy-duty traffic; we are constantly expanding our expertise in this area.

Production by technology



		GWh	%
	Hydropower	6,774	39
	Small-scale hydropower, wind, photovoltaics	427	2
	Nuclear power	6,705	39
	Conventional thermal power	3,375	20
	Total	**17,281**	
	Total 2023	16,840	

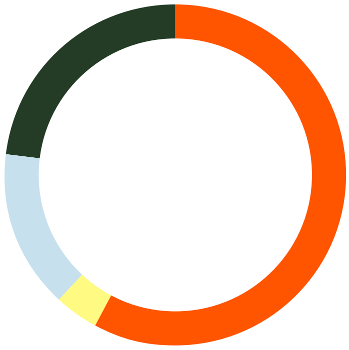
Production by country



		GWh	%
	Switzerland	11,595	67
	France	1,993	11
	Italy	2,763	16
	Spain	487	3
	Hungary	444	3

Overview: Power production 2024

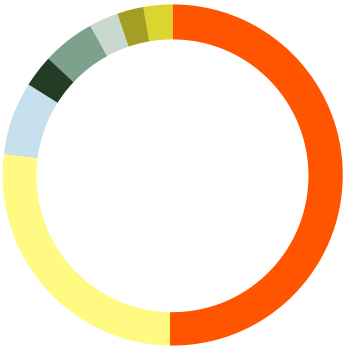
Installed capacity by technology



		MW	%
	Hydropower	3,327	58
	Small-scale hydropower, wind, photovoltaics	255	4
	Nuclear power	831	15
	Conventional thermal power	1,308	23
	Total	**5,721**	
	Total 2023	5,723	

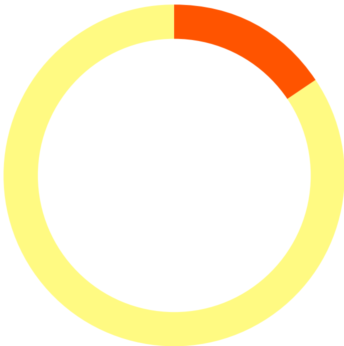
Overview: Installed capacity 2024

Non-reversible storage (seasonal storage)



	Storage (GWh)
GD CLD DIX – Grande Dixence-Cleuson	1140
ESA – Emosson	600
FMG – Forces Motrices de la Gougra	160
SAL – Salanfe	65
OFIMA OFIBLE – Off. Idroelettriche d. Maggia	115
EKW – Engadiner Kraftwerke	65
KHR – Kraftwerke Hinterrhein	55
KWZ – Kraftwerke Zervreila	60
Total non-reversible storage	**2260**

Reversible storage (infra-seasonal storage)



	Storage (GWh)
NDD – Nant de Drance	7.5
FMHL – Forces Motrices Hongrin-Léman	40
Total reversible storage	**47.5**

Overview: Storage capacities / Alpiq share

Overview: Production volumes and installed capacity 2024

	Installed capacity at 31.12.2024 [1]		Production 2024 [2]	
Power Plants (incl. related contracts)	MW	MW	GWh	GWh
Hydropower		**3,327**		**6,774**
Switzerland	3,027		5,692	
France [3]	300		1,082	
Small-scale hydropower, wind, photovoltaics		**255**		**427**
Switzerland	18		70	
France	13		38	
Italy	224		319	
Nuclear power		**831**		**6,705**
Switzerland	676		5,833	
France [4]	155		873	
Conventional thermal power		**1,308**		**3,375**
Italy	491		2,444	
Spain	414		487	
Hungary	403		444	
Total		**5,721**		**17,281**

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

Financial Calendar

- **26 February 2025: Annual Results 2024 / Media Conference**
- **15 May 2025: Annual General Meeting of Alpiq Holding AG**
- **28 August 2025: Half-Year Results 2025**

Corporate Governance

Group and shareholder structure

Alpiq is committed to transparent and responsible business management and pursues sustainable corporate development. Transparency and fairness are ensured by effective management and controlling systems, an open information policy and ethical principles. Except where otherwise stated, all information given is at 31 December 2024. The same applies to references to clauses in regulations and instructions.

At 31 December 2024, the Alpiq Group's management structure comprises the three operational business divisions of Switzerland, International and Trading. The Group Centre consists of the functional division Financial Services as well as the functional entities Corporate IT, Legal & Compliance, Human Resources, Security and Communications & Public Affairs, all of which report directly to the CEO.

At 31 December 2024, the parent company Alpiq Holding Ltd., domiciled in Lausanne, Switzerland, had share capital of CHF 331,103.64, divided into 33,110,364 registered shares with a nominal value of CHF 0.01 each.

According to the share register, the following shareholders are registered at 31 December 2024:

	Stakes in % at 31 Dec 2024	Stakes in % at 31 Dec 2023
EOS HOLDING SA	33.33	33.33
Schweizer Kraftwerksbeteiligungs-AG	33.33	33.33
EBM (Genossenschaft Elektra Birseck) [1]	19.91	19.91
EBL (Genossenschaft Elektra Baselland) [1]	6.44	6.44
Eniwa Holding AG [1]	2.12	2.12
Aziende Industriali di Lugano (AIL) SA [1]	1.79	1.79
IBB Holding AG [1]	1.12	1.12
Regio Energie Solothurn [1]	1.00	1.00
WWZ AG [1]	0.96	0.96

1 Consortium of Swiss minority shareholders

No cross-shareholdings exist.

The three shareholder groups EOS Holding SA, Schweizer Kraftwerksbeteiligungs-AG and the consortium of Swiss minority shareholders each hold one-third of the Alpiq shares.

Board of Directors

The Board of Directors is responsible for the overall management and strategic direction of the Alpiq Group as well as for supervising the Executive Board. The Board of Directors consists of the following seven members:

Johannes Teyssen
Chairman

Nationality:
German

Education:
- Juris Doctor Degree from the Georg August University of Goettingen, Germany
- Studied Law and Economics at the Universities of Freiburg and Goettingen, Germany

Professional background:
2010 – 04/2021: CEO and Chairman of the Management Board of E.ON SE, Essen, Germany
2007 – 2010: Chief Operating Officer and Deputy CEO, E.ON SE, Duesseldorf, Germany
2003 – 2007: CEO, E.ON Energie Ltd. (European Division), Munich, Germany
2001 – 2003: CFO, E.ON Energie Ltd., Munich, Germany
1999 – 2001: CEO and Chairman of the Management Board, Avacon AG, Helmstedt, Germany
1998 – 1999: Member of the Management Board, Braunschweigische Stromversorgungs AG (HASTRA), Hanover, Germany (1999: merged into Avacon)
1994 – 1998: Head of Legal Affairs, later also Wholesale Services, PreussenElektra Ltd., Hanover, Germany
1991 – 1994: Head of Energy and Corporate Law, PreussenElektra Ltd., Hanover, Germany
1989 – 1991: Various positions in Legal Affairs, PreussenElektra Ltd., Hanover, Germany

Other mandates:
Non-executive director: BP plc, London, United Kingdom
Senior Advisor: KKR plc, London, United Kingdom; Viridor plc, Taunton, United Kingdom

First elected to the Board of Directors:
2022

Specific role on the Board of Directors:
- Chairman of the Board of Directors

François Gabella
Deputy Chairman

Nationality:
Swiss

Education:
- Master's Degree in Microtechnics Engineering, École Polytechnique Fédérale de Lausanne (EPFL)
- Master of Business Administration (MBA), IMD Lausanne

Professional background:
2010 – 2018: LEM Holding inc., World Leader in Current Transducers, Chief Executive Officer
2006 – 2010: Hexagon Metrology (Sweden), Member of the Metrology Executive Board and CEO of TESA SA in Switzerland
2002 – 2005: AREVA T&D (France), previously Alstom T&D, Senior Vice President
1999 – 2001: Texas Pacific Group (TPG), CEO of a portfolio company
1993 – 1999: ABB T&D (Asea Brown Boveri), several positions from company President to Senior Vice President

Other mandates:
Director: LEM Holding SA, Meyrin; Sonceboz Group SA, Sonceboz-Sombeval
Vice President of Switzerland Global Enterprise (S-GE), Zurich
Central Committee of Swissmem, Zurich
Committee Member of economiesuisse, Zurich

First elected to the Board of Directors:
2024

Specific role on the Board of Directors:
- Deputy Chairman of the Board of Directors
- Member of the Audit and Risk Committee

Andreas Büttiker
Director

Nationality:
Swiss

Education:
- University of Bern / Rochester (CAS Board of Directors)
- Stanford University, USA (Stanford Executive Program)
- University of Basel (lic.rer.pol., Studies of Economics)

Professional background:
1996 – 2023: CEO of BLT Baselland Transport AG, Oberwil (BL) and Managing Director of the transport network Tarifverbund Nordwestschweiz (1996 – 2014)
1995 – 1996: Alcatel, Zurich, Head of the Corporate Networks business unit
1991 – 1994: MDS Network Engineering AG, Zurich, Managing Director
1990 – 1991: MDS Holding AG, Basel, Assistant to the Chairman of the Board of Directors
1988 – 1990: IBM, Zurich, Sales / Marketing Representative (Organisation Consultant)

Other mandates:
Chairman: EBM (Genossenschaft Elektra Birseck)/Primeo Energie Group, Münchenstein
Director: Swiss Rhine Ports, Birsfelden

First elected to the Board of Directors:
2024

Specific role on the Board of Directors:
- Member of the Nomination, Remuneration and Strategy Committee

Tobias Andrist
Director

Nationality:
Swiss

Education:
- Master of Business Administration, Edinburgh Business School
- Business Economist, University of Applied Sciences & Arts Northwestern Switzerland
- Certified Electrician (Federal Diploma)

Professional background:
Since 2018: CEO EBL (Genossenschaft Elektra Baselland), Liestal
2012 – 2018: Member of the Executive Board, Head of the Electricity Division, EBL
2009 – 2012: Head of Corporate Development, EBL
2006 – 2009: Executive Assistant, IWB Industrielle Werke Basel
2004 – 2006: Project Assistant / Management Support, Baloise Asset Management AG

Other mandates:
Chairman: EBL España Services SI, Calasparra, Spain; EBL Wind Invest AG, Liestal; EBL Infrastruktur Management Ltd, Liestal; EBLS Schweiz Strom AG, Liestal; EBL Stromproduktion AG, Liestal; Tubo Sol PE2 S.L., Calasparra, Spain; EBL Italy S.r.l., Palermo, Italy
Vice Chairman: EBL Fernwärme AG, Liestal
Director: Kraftwerk Birsfelden AG, Birsfelden
Employer representative: Transparenta Sammelstiftung für berufliche Vorsorge, Aesch

First elected to the Board of Directors:
2018

Specific role on the Board of Directors:
- Chairman of the Audit and Risk Committee

Adèle Thorens Goumaz
Director

Nationality:
Swiss

Education:
- Fundamentals of the Board of Directors, ACAD, Lausanne
- Management of non-profit organisations, Institute of Public Administration (IDHEAP), Lausanne
- Adult trainer (FSEA 1), Centre romand d'enseignement à distance (CRED), Sierre
- Environmental protection law, University of Fribourg
- Environmental and sustainability policies, School of Public Administration (IDHEAP), Lausanne
- Bachelor of Arts, Master of Philosophy, History and Political Science, University of Lausanne

Professional background:
Since 2024: Professor at University of Applied Sciences "School of Engineering and Management Vaud", Yverdon
2019 – 2023: Member of the Council of States, member of the Finance, Economy and Environment Committees, Chair of the Environment Committee from 01/2023 to 12/2023
2007 – 2019: National Councillor, member of the Environment Committee and the Economy Committee
2012 – 2016: Co-President of the Swiss Green Party

Other mandates:
Chairwoman: bio.inspecta AG, Frick
Director: SLSP Swiss Library Service Platform AG, Zurich
Member of the Advisory Board: Economic and Business Forum (Swiss Triple Impact), Geneva; EthiX - Lab für Innovationsethik, Zurich

First elected to the Board of Directors:
2024

Specific role on the Board of Directors:
- Member of the Nomination, Remuneration and Strategy Committee

Jørgen Kildahl
Director

Nationality:
Norwegian

Education:
- Advanced Management Programme, Harvard Business School
- Master of Business Administration in Finance (MBA), Norwegian School of Economics and Business Administration, NHH
- Certified European Financial Analyst (CEFA)
- Master of Science in Economics and Business Administration (M.Sc.), Norwegian School of Economics and Business Administration, NHH

Professional background:
2010 – 2015: Board of Management Member, E.ON SE
1999 – 2010: Executive Vice President, Statkraft AS
1991 – 1999: Partner, Geelmuyden Kiese, PR Consulting Group
1988 – 1991: Fund Manager, International Formuesforvaltning A/S

Other mandates:
Member of the Investment and ESG committees / Senior Advisor: Energy Infrastructure Partners AG (formerly Credit Suisse Energy Infrastructure Partners AG), Zurich
Chairman: SCATEC ASA, Oslo, Norway; Versiro AS, Trondheim, Norway; Karaldenuten Holdings AS, Langesund, Norway
Non-executive director: Gjert Agerup AS, Oslo, Norway

First elected to the Board of Directors:
2019

Specific role on the Board of Directors:
- Member of the Audit and Risk Committee

Ronald Trächsel
Director

Nationality:
Swiss

Education:
- University of Berne, lic.rer.pol. (Master of Business Administration)

Professional background:
2014 – 06/2023: BKW AG, Berne, CFO
2007 – 2014: Sika Ltd., Baar, CFO
1999 – 2007: Vitra AG, Muttenz, CEO/CFO
1992 – 1999: Ringier Ltd., Zofingen, Head Internal Audit / CFO Ringier International
1987 – 1992: Ciba-Geigy AG, Basel, Internal Audit

Other mandates:
Chairman: Wyss Seeds and Plants Ltd., Zuchwil
Director: Valiant Bank AG, Berne; Création Baumann Ltd., Langenthal

First elected to the Board of Directors:
2023

Specific role on the Board of Directors:
- Chairman of the Nomination, Remuneration and Strategy Committee

The Board of Directors regularly reviews its composition in relation to a balance of specialist knowledge, experience and diversity. At 31 December 2024, the Board of Directors has one female member.

Internal organisation

Allocation of tasks within the Board of Directors

The tasks of the Board of Directors are set out in the Swiss Code of Obligations, in Art. 12 of the Articles of Association as well as in the Organisational Regulations of Alpiq Holding Ltd.

Committees of the Board of Directors

Audit and Risk Committee (ARC)
The ARC consists exclusively of non-executive and independent members of the Board of Directors, most of whom have finance and accounting experience. At 31 December 2024, the members of the ARC are Tobias Andrist (Chairman), Jørgen Kildahl (member) and François Gabella (member). The ARC's role is to support the Board of Directors in assessing the performance of the external auditors, monitoring and assessing the internal auditors, the internal control system, financial accounting, risk management, compliance and corporate governance.

Nomination, Remuneration and Strategy Committee (NRSC)
At 31 December 2024, the NRSC consists of Ronald Trächsel (Chairman), Andreas Büttiker (member) and Adèle Thorens Goumaz (member). The NRSC is tasked with supporting the Board of Directors in discharging its supervisory duty regarding succession planning (Executive Board), determining and reviewing remuneration policy and guidelines as well as performance targets, preparing proposals on the remuneration of the Board of Directors and the Executive Board on behalf of the Annual General Meeting (AGM), determining all other terms and conditions of employment of the members of the Board of Directors and approving the other contract terms and conditions of employment for the CEO (as proposed by the Chairman of the Board of Directors) and for the Executive Board (as proposed by the CEO). The NRSC is in charge of pre-discussing the Group Strategy, prior to approval by the Board of Directors and monitoring the strategy implementation, as well as determining of sustainability targets, including implementation of suitable reporting.

All committees can investigate and enquire about activities that fall within their area of responsibility and also can request any information required to fulfil their duties.

Sustainability

Economic, environmental and social issues as well as decisions regarding sustainability are handled by the Board of Directors, as the body responsible for the overall management. In addition to this, they are dealt with by the committees supporting the Board of Directors, in particular the NRSC.

Division of responsibilities

The Board of Directors has delegated responsibility for the Alpiq Group's entire operational management to the CEO. The CEO chairs the Executive Board and has delegated some of her management responsibilities to the Executive Board members. The Organisational Regulations govern authorities and the division of responsibilities between the Board of Directors and the CEO or Executive Board. The CEO has issued regulations governing the assignment of authorities and responsibilities. These regulations apply throughout the Group.

Information and controlling instruments in relation to the Executive Board

The Executive Board reports annually to the Board of Directors on strategic, medium-term and annual targets and on the progress made in attaining them. The Board of Directors issues a code of conduct to ensure compliance with the applicable norms. During the financial year, the Executive Board reports quarterly on business performance, progress in achieving targets and other important developments (activity report). The Board of Directors also receives a regular summary report including key financial figures, an assessment of the risk situation and ongoing internal audits. Furthermore, the Board of Directors receives a quarterly report showing detailed financial information and the principal activities and projects of the various business and functional divisions. At 31 December 2024, the Board of Directors also has two standing committees: the Audit and Risk Committee (ARC) and the Nomination, Remuneration and Strategy Committee (NRSC).

The external auditors submit a comprehensive report to the Board of Directors and give a verbal presentation of the results and findings of their audit and of their future key audit areas.

Internal Audit, which reports directly to the Chairs of the Board of Directors and the ARC, provides independent and objective auditing and advisory services aimed at adding value and improving business processes. It supports the organisation in achieving its objectives by using a systematic and targeted approach to evaluate the effectiveness of risk management, internal control systems as well as the management and supervisory processes, and by helping to improve them. Internal Audit is a management tool for the Board of Directors and its committees, in particular for the ARC. Internal Audit is tasked with assisting the Board of Directors and Executive Board in performing their monitoring and controlling functions. At the ARC's request, the Board of Directors approves the risk-oriented audit schedule of Internal Audit on an annual basis and acknowledges the annual accountability report. The individual audit reports are submitted to the respective line manager, the Chairman and (in summary form) to the ARC and are tabled for discussion at each meeting. As and when necessary, Internal Audit also engages an external co-sourcing audit partner to assist it with its work. As Internal Audit uses the partial outsourcing model, the overall responsibility and accountability for assurance services of Internal Audit lie with the Head of Internal Audit, while the operational implementation is to a large extent performed by an external service partner.

Risk Management monitors strategic and operational risks, particularly market, credit and liquidity risks. The Board of Directors receives an annual written report on the situation and developments in Group-wide risk management and its most important constituents. The report presents principles and limits, details compliance with them and contains information on planned expansion moves. Central Risk Management reports to the CFO and proposes limits for the individual areas based on the results of analyses. The Executive Board is responsible for assigning the related risk categories. The overall limit for the Alpiq Group is set annually by the Board of Directors. The Risk Management Committee (RMC), a subcommittee of the Executive Board, monitors compliance with the limits and principles of risk management.

Compliance is integrated into the Legal & Compliance functional unit and regularly reports to the CEO and the Board of Directors. In addition to the actual compliance programme and measures to prevent breaches of ethical regulations and norms, Alpiq's compliance management system comprises aspects of corporate culture as well as constant monitoring and improvement of the Compliance Organisation. Compliance carries out consulting assignments of the Chairman of the Board of Directors, the Executive Board or the ARC, conducts internal investigations and oversees the compliance reporting office as well as Group-wide directives.

Executive Board

The Executive Board comprises the following five members at 31 December 2024:

Antje Kanngiesser
CEO

Nationality:
Swiss/German

Function:
CEO (Chief Executive Officer)
President of the Executive Board since 2021

Education:
- EMBA, IMD, Lausanne, Switzerland
- Finance for Executives, Insead, Fontainebleau, France
- Doctor of Law, University of Regensburg, Germany
- First and Second State Examination in Law, Bavaria, Germany

Professional background:
2014 – 2021: BKW AG, Vice President of Group Markets & Services and Member of the Executive Board, various functions
2007 – 2014: Alpiq Group and Energie Ouest Suisse, various functions
2005 – 2007: Lawyer at S&K, Berlin
2001 – 2005: Lawyer at GGSC, Berlin

Year of joining the Alpiq Group:
2021 (also 2007 – 2014)

Amédée Murisier
Head of Switzerland

Nationality:
Swiss

Functions:
Head of Switzerland
Executive Board member since 2024

Education:
- CAS, Board of Directors certification program, St. Gallen
- MBA, Columbia University, New York
- MSc. Civil Engineering, ETH Zurich

Professional background:
2015 – 2024: Head Hydropower Generation, Alpiq; various functions
2012 – 2015: Senior Associate, McKinsey & Company, Boston, USA
2007 – 2010: Project Manager, Hydropower plants, AF-Consult Ltd., Baden; various functions
2006 – 2007: Civil engineer, PRA Ingénieurs-Conseils SA, Sion

Year of joining the Alpiq Group:
2015

Luca Baroni
CFO

Nationality:
Swiss/Italian

Function:
Head of Financial Services
CFO (Chief Financial Officer)
Executive Board member since 2021

Education:
- Executive MBA HSG in General Management
- Business Economist, University of Applied Sciences, Basel

Professional background:
2017 – 2021: Group CFO, BLS Ltd.
2005 – 2016: CFO, Swissgrid Ltd.
2000 – 2005: CFO, Energiedienst Holding AG
2000 – 2000: Head of Controlling & Energy Settlement, EGL AG
1998 – 2000: Head of Group and Holding Accounting, WATT AG
1990 – 1998: Various finance functions within the Migros Group

Year of joining the Alpiq Group:
2021

Lukas Gresnigt
Head of International

Nationality:
Dutch

Function:
Head of International
Executive Board member since 2022

Education:
- Master in Finance, with Distinction, London Business School (2006 – 2007)
- MSc in Chemistry, Utrecht University, the Netherlands
- MSc in Chemical Engineering, with Honours, Technical University Delft, the Netherlands

Professional background:
2019 – 2021: SHV Energy, Director Renewable Solutions
2009 – 2019: Statkraft, Vice President Commercial Asset Management International Power, Head of Market Statkraft Brazil, Head of Business Development Division Markets
2007 – 2009: Macquarie, Senior Manager Macquarie European Infrastructure Fund
2001 – 2006: Nuon, Sr. Advisor Strategy and M&A, Originator
1999 – 2001: Boston Consulting Group, Associate Consultant

Year of joining the Alpiq Group:
2022

Navin Parasram
Head of Trading

Nationality:
United Kingdom/Trinidad and Tobago

Function:
Head of Trading
Executive Board member since 2022

Education:
- PhD in Mechanical Engineering, Imperial College London
- MEng in Electrical and Mechanical Engineering, Queen Mary University London

Professional background:
2020 – 2022: Head of Merchant Trading, Alpiq
2015 – 2020: Head of Trading for Gas, Oil FX, Engie Global Markets, Paris
2014 – 2015: Independent Consultant, London
2006 – 2012: Global Head of Commodity Exotics, Citigroup, London
2002 – 2006: Quantitative Trader, EdF Trading, London

Year of joining the Alpiq Group:
2020

Remuneration

This Remuneration report was prepared in accordance with the requirements of the Swiss Code of Obligations. The amounts disclosed comprise the overall remuneration granted to the members of the Board of Directors of Alpiq Holding Ltd. and the Executive Board for financial year 2024. Remuneration is recognised in the year of payment. The information in note 5.5 of the consolidated financial statements shows the remuneration in accordance with IFRS.

1 Remuneration governance

As laid down in the Articles of Association, the Annual General Meeting (AGM) approves the overall remuneration amounts for the Board of Directors and the Executive Board annually, separately and with binding effect, for the following financial year. The Board of Directors extends an annual invitation to the AGM to approve the total compensation of the Board of Directors and the Executive Board by means of a separate consultative vote in the reporting year.

Information on remuneration governance can be found in the relevant passages of the Organisational Regulations and is not listed separately here.

Nomination, Remuneration and Strategy Committee (NRSC)

The Nomination, Remuneration and Strategy Committee (NRSC) is a committee of the Company's Board of Directors formally appointed by the Board of Directors. The committee comprises at least three members of the Board of Directors.

The NRSC focuses on the following three areas:

i) Pre-discussion of the Group strategy before approval by the Board of Directors

ii) Sustainability at Group level, including respective reporting

iii) Employees in general, nominations, remuneration and objectives and rewards

The NRSC meets as often as business requires, at a minimum once a year. In the reporting year, the NRSC held four ordinary meetings and four extraordinary meetings mostly related to corporate strategy and sustainability. The meetings lasted between two and four hours.

The NRSC submits proposals to the Board of Directors for approval and reports verbally on its activities, resolutions, conclusions and recommendations at each meeting of the BoD.

The detailed tasks and duties of the NRSC related to area iii) are:

a) the exercise of its supervisory duty with regard to succession planning for the Executive Board

b) definition and review of remuneration policies, guidelines and performance targets

c) preparation of proposals to the Annual General Meeting on remuneration of the Board of Directors and the Executive Board

d) determination of all further terms and conditions of contract or employment for the Board of Directors

e) approval of other terms and conditions of contract or employment for the CEO (at the Chair's request) and the Executive Board (at the CEO's request)

f) assessment and pre-discussion of the corporate strategy for final discussion and approval by the Board of Directors

g) assessment and pre-discussion of all matters related to sustainability, including but not limited to environmental, social and governance aspects, and related reporting for approval by the Board of Directors

The tasks and the duties of the NRSC in the fields of nominations, contracts, terms of employment, objectives and rewards comprise the following in particular:

1. Nominations
Approval of selection criteria and evaluation of the CEO's proposals to be put to the Board of Directors for nomination of the members of Alpiq Holding Ltd.'s Executive Board.

2. Contracts and terms of employment
Proposal on the remuneration of the individual members of the Board of Directors. Proposal on special conditions and additional remuneration of members serving on the Board of Directors' committees. Proposal on the general contractual conditions.

Application for total compensation and approval of the other terms and conditions of the CEO's employment at the Chair and CEO's request. Proposal on the overall remuneration and approval of further terms of employment for the individual members of the Executive Board.

Approval of the bonus regulations at the CEO's request.

3. Objectives, targets and rewards
The NRSC acknowledges the annual objectives of the members of the Executive Board, which are in principle derived from the implementation measures of the strategy approved by the Board of Directors. At the start of each financial year, the NRSC establishes, upon proposal of the CEO, two sets of performance targets:

– Short-Term Incentive (STI) targets for the current financial year
– Long-Term Incentive (LTI) targets for the new 3-year cycle beginning that year

Concurrently, the NRSC assesses, upon the proposal of the CEO the achievement of:

– STI targets from the previous financial year
– Key Performance Indicators (KPIs) for the LTI cycle that concluded in the previous year

The decision-making processes are summarised in the following table:

		CEO	BoD Chair	NRSC	BoD	AGM
1.	**Procedural questions (Art. 31 para 1 OrgR)**					
1.1	Institute investigations and enquiries			A		
1.2	Requesting for information	(FI)		A		
2.	**CEO/EB Nominations and Remunerations (Art. 34 OrgR)**					
2.1	Approval of selection criteria			A		
2.2	Proposals to the BoD for nomination of EB members	P		R	A	
2.3	Election of heads of business and functional units	A				
2.4	Renaming / mergers / transfers of units to other areas	A		FI		
2.5	Formation / reorganisations / winding down of units	A		FI		
2.6	Nomination of heads of BD / FD and of BU / FU as members of the BoD of the subsidiaries and associated companies as well as other significant associates held by the holding company	A		FI	FI	
2.7	Total remuneration of members of the BoD, ARC, NRSC and members of the EB			R	P	A
2.8	Special conditions of the BoD			P	A	
2.9	Other terms of employment for the CEO		P	A		
2.10	Other terms of employment for EB members	P		A		
2.11	Remuneration policy of heads of business and functional units	A		FI		
2.12	Bonus regulations	P		A		
3.	**Objectives and reward (Art. 35 OrgR)**					
3.1	Annual objectives EB members	R	R	A		
3.2	Reward achievement	R	R	A		
4.	**Group Strategy (Art. 36 OrgR)**					
4.1	Elaboration of corporate strategy incl. macro-economic scenarios, basic assumptions	P		R	A	
4.2	Evaluation of strategic directions and variants incl. valuation of scenarios and stress tests	P		R	A	
4.3	Corporate Strategy	P		R	A	
4.4	Monitoring of Strategy Implementation	P		A		
5.	**Sustainability (Art. 37 OrgR)**					
5.1	Proposal of ESG standard	P		R	A	
5.2	Annual ESG Reporting in context of Annual Report	P		A		
5.3	Elaboration of annual ESG targets and monitoring of target achievements	P		R	A	

A = Approval / decision
R = Recommendation
FI = For information
P = Proposal

2 Market-compliant remuneration

To ensure that the remuneration of members of the Executive Board and the Board of Directors conforms to standard market practice, Alpiq regularly engages independent external consultancy firms to evaluate overall remuneration packages relative to the market environment.

Following the review of Alpiq's remuneration systems initiated in 2023, an amended remuneration system for the members of the Executive Board was introduced for the financial year 2024.

3 Remuneration principles

Members of the Board of Directors receive fixed basic remuneration, additional expense allowances and statutory pension benefits. These components are not performance related. The amount of fixed remuneration depends on the role on the Board of Directors, such as membership of a committee or chairing function on the BoD or a committee. Apart from statutory social security contributions and pension contributions if they have pensions with the Swiss pension fund 'Stiftung Pensionskasse Energie' (PKE), members of the Board of Directors do not receive any other pension benefits.

Under the amended remuneration system members of the Executive Board receive a fixed salary and are eligible for a performance linked short-term (STI) and a long-term incentive (LTI). The STI replaces the previous Rewards, the LTI is a new compensation element intended to set specific incentives linked to the long-term success of Alpiq.

Members are also entitled to a company car allowance, an expense allowance and, if requested, a GA travelcard for first-class travel.

The Short-term incentive (STI) is a variable compensation component based on past year's performance of the Alpiq Group, the EB member's Business Division and the EB member themself. The STI Target structure is the same for CEO and CFO which falls into a Group Target (90%) and an individual target (10%). For the other three EB members an additional Business Target (30%) has been defined, reducing the weight of the Group Target to 60% whereas the Individual Target remains at 10%. The Group Target is the same for all members of the EB, whereas Individual and Business is specific for each member. Target setting follows the OKR (objectives and key results)-methodology: targets are quantitative and qualitative objectives, achievement is defined and measured through KPI (key results) and must be substantiated by defined evidence.

The performance is measured according to the achievement of targets set by the NRSC, resulting in a Performance Factor. The possible range of the Performance Factor is 0% to 150%. The Performance Factor is multiplied with the target value for each Member and the STI payout is in the year following the financial year.

The Long-term incentive (LTI) is a variable compensation component based on future oriented performance conditions (KPIs) and is the same for all EB members. The LTI has a life cycle of 3 years and the assessment of the achievement of the KPIs results in a LTI Success Factor with a possible range of 0% to 150%. As for the STI the OKR methodology is applied. The performance period of the first LTI award started last year and lasts for two more years, with a payout in three years. Every financial year a new LTI cycle starts with a performance period of three years and payout in the fourth year.

All members of the Executive Board are covered by statutory social security and the PKE pension fund.

For the role of Head of Trading, there is also the option of allocating a Trading Deferred Incentive (TDI) based on the achieved trading performance. The TDI is regarded as specific remuneration for the duties as Head of Trading, irrespective of whether the role holder is a member of the Executive Board. The TDI remuneration is therefore not considered remuneration for Members of the Executive Board.

4 Key changes to the Board of Directors and the Executive Board in the reporting year

Board of Directors

Aline Isoz and Jean-Yves Pidoux stepped down as members of the Board of Directors as of 31 December 2023. On 19 December 2023, the Extraordinary General Meeting elected Adèle Thorens Goumaz and François Gabella as new members of the Board of Directors as of 1 January 2024.

At the Annual General Meeting on 30 April 2024 Andreas Büttiker was nominated as member of the Board of Directors. He replaced Conrad Ammann, who did not stand for re-election after 12 years on the Board. François Gabella was elected as the new Vice Chairman of the Board of Directors.

In the ARC François Gabella replaced Jean-Yves Pidoux while in the NRSC Adèle Thorens Goumaz replaced Aline Isoz and Andreas Büttiker replaced Conrad Ammann.

Executive Board

As of March 2024, Michael Wider, Deputy CEO and Head of the Business Division Switzerland, retired. In 2023 the Board of Directors has appointed Amédée Murisier, Head of Hydro Power Generation at Alpiq, as a new member of the Executive Board as of 1 March 2024.

5 Members of the Board of Directors' remuneration in the reporting year

5.1 Remuneration paid to the Board of Directors in 2024

In 2024, members of the Board of Directors received fixed remuneration, additional attendance fees, expense allowances and statutory pension benefits. These components are not performance related. A breakdown of payments made to the members of the Board of Directors is shown in the table below.

Remuneration comprises directors' fees, attendance fees and payments for serving on the ARC, the NRSC and the Ad hoc or Strategic Committee. In 2024 the following number of meetings were held:

	# ordinary meetings	# ad hoc meetings
BoD	6	3
ARC	8	2
NRSC	4	4

A breakdown of payments made to members of the Board of Directors is shown in the table below.

CHF thousand	2024
Fixed remuneration	1,648
Expenses allowances	110
Others	70
Total	**1,828**

5.2 Remuneration paid to the Board of Directors in 2023

In 2023, members of the Board of Directors received fixed remuneration, additional attendance fees, expense allowances and statutory pension benefits. These components are not performance related. A breakdown of payments made to the members of the Board of Directors is shown in the table below.

Remuneration comprises directors' fees, attendance fees and payments for serving on the ARC, the NRSC and the Ad hoc or Strategic Committee.

CHF thousand	2023
Fixed remuneration	1,755
Expenses allowances	120
Others	49
Total	**1,924**

6 Remuneration of Executive Board members in the reporting year

The employment contracts, terms and conditions of employment and remuneration for members of the Executive Board were approved by the NRSC for the reporting year.

In the financial year 2024, Executive Board members received fixed base salary for the year 2024 and variable compensation based on the performance of previous years. The compensation paid consisted of the following components:

Fixed base salary 2024:
Monthly cash remuneration, paid in 13 instalments during the financial year (Y+0), not performance-related.

Reward 2023:
Result and performance-related variable salary component. Vesting in two tranches (May and December) in the year following the financial year (Y+1) and awarded in cash. The possible range of the payout is 0% to 133% or 0% to 200% for selected Executive Board members.

Long-term incentive (LTI) or strategic award:
Long-term remuneration component based on the achievement of certain strategic corporate targets during the performance period of three years. The possible range of payout is 0% to 100%. Vesting in May following the end of the financial year in which the performance period ends. Selected Executive Board members only.

Other payments:
For example, car allowances and lump-sum expenses in line with the valid regulations.

Social security contributions and pension plan payments:
Statutory or regulatory contributions and payments. Along with all Alpiq employees, Executive Board members belong to the Swiss pension fund 'PKE Vorsorgestiftung Energie' (defined contribution plan).

Navin Parasram was appointed as member of the Executive Board and Head Trading as of 1 June 2022. From April 2020 to 31 May 2022, he had the role of Head Merchant Trading at Alpiq. In 2024, he also received deferred remuneration related to his previous role.

6.1 Determination of variable remuneration in the financial year

After the end of the financial year 2023, the CEO, together with the Executive Board, presented the most important areas in which value has been created for various stakeholders based on a value creation report and, on this basis, submitted a proposal to the NRSC for a target achievement level between 0% (floor), 100% (target) to 133% or 200% for over-achievement with a clear cap. The NRSC discussed the report with the CEO as representative of the Executive Board and then submitted its assessment of the degree of target achievement to the Board of Directors for approval.

Additionally, the NRSC submitted its assessment of the degree of target achievement on the LTI awarded to selected members of the Executive Board to the Board of Directors for approval.

It is entirely at the discretion of the NRSC and the Board of Directors where the level of target achievement is set.

6.2 Remuneration paid to members of the Executive Board in 2024

In the reporting year, the ratio of fixed salary components (totalling CHF 3.2 million) to variable components (totalling CHF 1.9 million) was 63% to 37%.

CHF thousand	2024
Fixed remuneration	3,151
Variable remuneration	1,889
Others (incl. social security)	1,089
Total	**6,129**

1) Does not include deferred remuneration received by Navin Parasram in relation to his previous role as head of Merchant Trading.
2) Includes remuneration for Michael Wider until his contractual exit on 31.06.2024.
3) Other remuneration includes allowances (e.g. car, child, family, GA).
4) For selected Executive Board members LTI tranches vested during 2024.
5) Employer social security contributions were paid in accordance with statutory requirements.

Each member of the Executive Board was paid an additional annual expense lump sum of CHF 24 thousand; the CEO received CHF 30 thousand. Expense allowances for the Executive Board totalled CHF 132 thousand. Each member of the Executive Board was paid a car lump sum of CHF 6 thousand, which totalled CHF 32 thousand.

6.3 Remuneration paid to members of the Executive Board in 2023

In the previous year, the ratio of fixed salary components (totalling CHF 3.1 million) to variable components (totalling CHF 1.3 million) was 70% to 30%.

CHF thousand	2023
Fixed remuneration	3,065
Variable remuneration	1,328
Others (incl. social security)	1,013
Total	**5,406**

1) Does not include deferred remuneration received by Navin Parasram in relation to his previous role as head of Merchant Trading.
2) Includes remuneration for Alexandra Machnik who left the Executive Board in 2022.
3) Other remuneration includes allowances (e.g. car, child, family, GA).
4) No Executive Board LTI tranches vested during 2023.
5) Employer social security contributions were paid in accordance with statutory requirements.

Each member of the Executive Board was paid an additional annual expense lump sum of CHF 24 thousand; the CEO received CHF 30 thousand. Expense allowances for the Executive Board totalled CHF 126 thousand. Each member of the Executive Board was paid a car lump sum of CHF 6 thousand, which totalled CHF 30 thousand.

Auditors

Duration of mandate and period of office of main auditor

The statutory and Group auditors are appointed by the Annual General Meeting for a one-year term.

On 30 April 2024, the Annual General Meeting appointed KPMG Ltd as the auditors of Alpiq Holding Ltd. and as statutory and Group auditors.

Auditors’ fees and additional fees

Performance and fees are reviewed annually. For the past financial year, statutory and Group auditor KPMG Ltd received fees of CHF 2.3 million for their services performed (previous year: CHF 2.2 million). Thereof CHF 2.2 million relate to audit services (CHF 2.2 million) and CHF 0.1 million to audit-related services (TCHF 37).

External audit information mechanisms

The external auditors report to the ARC at least once a year on the audits they have conducted and the resultant findings and recommendations. The ARC agrees audit plans with the external auditors in advance and assesses their work. The external auditors submit a comprehensive report to the full Board of Directors once a year. The ARC regularly invites the external auditors to attend its meetings.

Information policy

Alpiq provides shareholders, potential investors and all other stakeholders with comprehensive, timely and regular information through its Annual and Interim Reports, at media and financial analyst conferences and at the Annual General Meetings. Communication channels also include the company's regularly updated website at www.alpiq.com, as well as media releases on important events. Contact addresses are listed on the website at www.alpiq.com/contacts.

Financial Report

Financial Review

In financial year 2024, Alpiq Group again generated a very good result, despite an increasingly nervous market shaped by continued geopolitical event risks in the last months of the year. All three value chain elements – Assets, Trading and Origination – contributed positively to the result. This was achieved by a continued focus on Alpiq's core business and value creation along the value chain, together with reinforced risk management practices to account for the new market dynamics.

Thanks to the very good business results, Alpiq further increased its net cash and equity ratio compared with the previous year. This very solid financial position enabled Alpiq to repay a bond of CHF 260 million that matured in July 2024 without refinancing, and to fully repay the public hybrid bond of CHF 650 million from its own funds in mid-November. Despite these repayments, Alpiq is in a very strong position to continue the company's strategic development. The flexibility in the financing of strategic growth is additionally enhanced by two new unsecured committed Revolving Credit Facilities, for a total amount of CHF 3.6 billion.

With its flexible asset base, Alpiq contributes to the integration of continuously growing wind and solar capacity in most European markets. As part of the strategy confirmed by Alpiq's Board of Directors at the end of 2023, Alpiq will continue to focus on flexibility and its key role in the energy markets. Alpiq strengthened its position as a provider of flexibility to the energy system with several acquisitions during financial year 2024. In April, it acquired a majority stake in the Finnish hydrogen pioneer P2X Solutions. P2X Solutions is a Power-to-X developer with a focus on the production and distribution of green hydrogen and synthetic fuels. In June, Alpiq made its first investment in battery energy storage systems (BESS) with the purchase of a 30 MW battery project in Finland. The project is under construction and is expected to enter into operation in 2025. In November, Alpiq acquired a BESS project in France: the large-scale battery is expected to go into operation in 2026 with an output of 100 MW and a capacity of 200 MWh. These promising investments will enable the integration of intermittent renewables and contribute to security of supply.

To enable transparent presentation of the Group results before non-operating effects, the consolidated income statement is presented as a pro forma statement. The commentary on financial performance relates to a view of operating EBITDA, EBIT and net income before non-operating effects. The non-operating effects are detailed in the section "Alternative performance measures of Alpiq".

Alpiq Group: results of operations (before non-operating effects)

Adjusted net revenue decreased in line with energy prices to CHF 6,365.7 million (CHF 2,030.4 million less than the previous year). The adjusted EBITDA of CHF 962.4 million was CHF 221.4 million below the previous year. All three value chain elements – Assets, Trading and Origination – contributed positively to this very good result.

Consolidated income statement (pro forma statement before and after non-operating effects)

	2024			2023		
CHF million	Results of operations before non-operating effects	Non-operating effects	Results under IFRS	Results of operations before non-operating effect	Non-operating effects	Results under IFRS
Net revenue	**6,365.7**	**277.3**	**6,643.0**	**8,396.1**	**562.6**	**8,958.8**
Own work capitalised	3.9		3.9	5.0		5.0
Other operating income	20.4		20.4	19.3		19.3
Total revenue and other income	**6,390.0**	**277.3**	**6,667.3**	**8,420.3**	**562.6**	**8,983.1**
Energy and inventory costs	– 5,001.5	147.1	– 4,854.4	– 6,852.1	59.4	– 6,792.7
Employee costs	– 246.2		– 246.2	– 228.2		– 228.2
Other operating expenses	– 179.8		– 179.8	– 156.2		– 156.2
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**962.4**	**424.4**	**1,386.9**	**1,183.8**	**622.0**	**1,806.0**
Depreciation, amortisation and impairment	– 114.5		– 114.5	– 112.4		– 112.4
Earnings before interest and tax (EBIT)	**847.9**	**424.4**	**1,272.3**	**1,071.5**	**622.0**	**1,693.6**
Share of results of partner power plants and other associates	– 7.4		– 7.4	– 23.3		– 23.3
Finance costs	– 122.7		– 122.7	– 144.2		– 144.2
Finance income	34.5		34.5	47.4		47.4
Earnings before tax (EBT)	**752.3**	**424.4**	**1,176.7**	**951.4**	**622.0**	**1,573.5**
Income tax expense	– 146.5	– 86.8	– 233.3	– 131.9	– 106.0	– 237.9
Net income	**605.7**	**337.6**	**943.4**	**819.5**	**516.0**	**1,335.6**

2024: Results of operations by segment

CHF million	Assets	Trading	Origination	Other [1]	Alpiq Group
Net revenue	4,069.7	3,274.6	4,714.6	–5,415.9	6,643.0
Non-operating effects	–20.5	–10.9	–247.2	1.3	–277.3
Adjusted net revenue	**4,049.2**	**3,263.7**	**4,467.4**	**–5,414.6**	**6,365.7**
Other income	31.4	2.1	0.9	–10.2	24.3
Adjusted total revenue and other income	**4,080.7**	**3,265.8**	**4,468.3**	**–5,424.8**	**6,390.0**
Energy and other costs	–2,961.4	–3,235.6	–4,381.8	5,298.5	–5,280.4
Non-operating effects	–147.1				–147.1
Adjusted energy and other costs	**–3,108.6**	**–3,235.6**	**–4,381.8**	**5,298.5**	**–5,427.5**
Adjusted EBITDA	**972.1**	**30.1**	**86.5**	**–126.3**	**962.4**
Depreciation, amortisation and impairment	–101.9	–0.1	–2.8	–9.7	–114.5
Adjusted depreciation, amortisation and impairment	**–101.9**	**–0.1**	**–2.8**	**–9.7**	**–114.5**
Adjusted EBIT	**870.1**	**30.1**	**83.7**	**–136.0**	**847.9**

1 The segment results are carried over to the Alpiq Group's consolidated figures by including the units with limited market operations (Corporate), Group consolidation effects as well as other reconciliation items. For more details, please refer to note 2.1 of the notes to the consolidated financial statements.

2023: Results of operations by segment

CHF million	Assets	Trading	Origination	Other [1]	Alpiq Group
Net revenue	4,074.9	3,154.0	6,510.6	–4,780.8	8,958.8
Non-operating effects	–402.9	–79.7	–79.8	–0.3	–562.6
Adjusted net revenue	**3,672.0**	**3,074.3**	**6,430.8**	**–4,781.1**	**8,396.1**
Other income	31.5	1.1	0.4	–8.8	24.3
Adjusted total revenue and other income	**3,703.6**	**3,075.4**	**6,431.2**	**–4,789.9**	**8,420.3**
Energy and other costs	–2,605.0	–3,020.7	–6,262.3	4,710.9	–7,177.1
Non-operating effects	–59.0	–0.4			–59.4
Adjusted energy and other costs	**–2,664.0**	**–3,021.1**	**–6,262.3**	**4,711.0**	**–7,236.4**
Adjusted EBITDA	**1,039.6**	**54.3**	**168.9**	**–78.9**	**1,183.8**
Depreciation, amortisation and impairment	–99.5	–0.4	–3.1	–9.4	–112.4
Adjusted depreciation, amortisation and impairment	**–99.5**	**–0.4**	**–3.1**	**–9.4**	**–112.4**
Adjusted EBIT	**940.1**	**53.8**	**165.8**	**–88.2**	**1,071.5**

1 The segment results are carried over to the Alpiq Group's consolidated figures by including the units with limited market operations (Corporate), Group consolidation effects as well as other reconciliation items. For more details, please refer to note 2.1 of the notes to the consolidated financial statements.

Assets

With an adjusted EBITDA of CHF 972.1 million, the result of the value chain element Assets was CHF 67.5 million below the previous year. Lower energy prices and less volatility had a negative effect on the result; this effect was noticeable across all main operating markets and ancillary services. Given these market conditions, the performance of the value chain element was very good: it benefited from the stronger collaboration throughout the entire value chain, thanks to increased production at most power plants and also to the adjusted asset hedging strategy, which made optimal use of the flexible production portfolio. Higher production was driven in particular by much higher inflows in Switzerland and an increased dispatch of the flexible thermal assets in Italy.

Trading

Against the backdrop of an extraordinary previous year of high prices and trading opportunities, the result of the value chain element Trading was CHF 24.2 million lower. Nevertheless, the contribution of an adjusted EBITDA of CHF 30.1 million is the result of Alpiq’s commitment to trading, even in difficult market conditions.

Origination

The value chain element Origination achieved a solid result in 2024 with an adjusted EBITDA of CHF 86.5 million, thanks to customer proximity and balanced portfolio management. The result was CHF 82.4 million lower than the previous year due to reduced volatility and market price levels. In Germany, France and Spain, the market access portfolios for third-party owned assets improved due to an increased focus on the flexibility that can be provided through these portfolios.

Alternative performance measures of Alpiq

To measure and present its operating performance, Alpiq also uses alternative performance measures through to the level of “Net income”. Alpiq makes adjustments to the IFRS results for non-operating effects which Alpiq does not consider part of results of operations.

These performance measures do not have a standardised definition in IFRS. This can therefore limit comparability with such measures as defined by other companies. These performance measures are presented in a pro forma statement in order to give investors a deeper understanding of how Alpiq’s management measures the performance of the Group. However, they are no substitute for IFRS performance measures.

Overview of non-operating effects

CHF million	Fair value changes (accounting mismatch) 2024	Fair value changes (accounting mismatch) 2023	Development of decommissioning and waste disposal funds 2024	Development of decommissioning and waste disposal funds 2023	Total non-operating effects 2024	Total non-operating effects 2023
Net revenue	**287.0**	**566.6**	**– 9.7**	**– 4.0**	**277.3**	**562.6**
Total revenue and other income	**287.0**	**566.6**	**– 9.7**	**– 4.0**	**277.3**	**562.6**
Energy and inventory costs			147.1	59.4	147.1	59.4
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**287.0**	**566.6**	**137.4**	**55.4**	**424.4**	**622.0**
Earnings before interest and tax (EBIT)	**287.0**	**566.6**	**137.4**	**55.4**	**424.4**	**622.0**
Earnings before tax (EBT)	**287.0**	**566.6**	**137.4**	**55.4**	**424.4**	**622.0**
Income tax expense	– 64.2	– 98.4	– 22.6	– 7.6	– 86.8	– 106.0
Net income	**222.9**	**468.2**	**114.8**	**47.8**	**337.6**	**516.0**

Alpiq has defined the following categories of non-operating effects:

Fair value changes (accounting mismatch)

Negative fair value changes of energy derivatives entered into to hedge future power production as well as energy procurement and energy delivery contracts do not reflect operating performance because they are economically linked with the changes in value of the hedged transactions. Rising forward prices cause the future production volumes and power purchase agreements to increase in value and the corresponding hedges to lose value. According to IFRS guidelines, the fair value changes of financial hedges between the last and the current balance sheet date have to be recognised in the reporting year. As the future production volumes and the power purchase agreements are not measured at fair value and positive changes in value therefore cannot be recognised in the reporting year, this results in an accounting mismatch.

Accounting mismatch and expected reversals (based on energy prices as of 31 December 2024)

CHF million	
Accounting mismatch until 31 December 2023	– 158.0
Change in accounting mismatch in 2024	287.0
Total accounting mismatch at 31 December 2024	**129.0**
Of which, will be reversed in 2025	– 71.7
Of which, will be reversed in 2026	– 45.6
Of which, will be reversed in 2027	– 14.5
Of which, will be reversed after 2027	2.8

Development of decommissioning and waste disposal funds

The operating companies of Switzerland’s nuclear power plants are required to make payments into the decommissioning fund and the waste disposal fund to ensure that decommissioning and waste disposal activities are funded. The investments of these two funds are exposed to market fluctuations and changes in estimates, which cannot be influenced by Alpiq but which do influence electricity procurement costs. The difference between the return actually generated by the funds and the return budgeted by the nuclear power plants of 2.75% is classified and recorded as a non-operating effect.

Consolidated balance sheet and cash flow statement (after non-operating effects)

Total assets amounted to CHF 8.5 billion at 31 December 2024, compared with CHF 10.5 billion at end 2023. Non-current assets were fairly stable compared with the previous year, while current assets declined by CHF 1.8 billion to CHF 4.2 billion driven predominantly by lower energy prices impacting current derivative financial instruments and trade receivables. Cash and cash equivalents remained stable at CHF 1.6 billion and current term deposits decreased by CHF 253.4 million from the previous year to a total of CHF 117.3 million. Net cash increased from CHF 346.6 million at 31 December 2023 to CHF 428.4 million at 31 December 2024, leaving Alpiq in a very solid financial position.

Total equity increased by CHF 165.8 million due to the strong financial performance of Alpiq in 2024, partly offset by the repayment of the hybrid bond, which reduced total equity by CHF 650 million. The equity ratio increased further to 58.3% at year-end 2024 compared with 45.9% at year-end 2023, driven also by the decrease in total assets.

Financial liabilities amounted to CHF 1.2 billion at 31 December 2024 compared with CHF 1.6 billion at 31 December 2023. The decrease was due mainly to a bond repayment with a nominal value of CHF 260 million in 2024. Compared with 31 December 2023, non-current liabilities decreased by CHF 436.7 million to CHF 1.6 billion, while current liabilities decreased by CHF 1.7 billion to CHF 2.0 billion at 31 December 2024. This decrease of total liabilities by CHF 2.1 billion was due predominantly to lower energy prices resulting in lower market values of derivative financial instruments and decreased trade payables.

The positive earnings before tax of CHF 1.2 billion, partly offset by the change in fair value of derivative financial instruments and the change in net working capital, led to positive net cash flows from operating activities of CHF 1.0 billion (previous year CHF 0.6 billion). Net cash flows from investing activities increased by CHF 504.4 million to CHF 195.4 million in 2024, due to the decrease in current term deposits as a result of cash management.

Net cash flows from financing activities amounted to CHF –1.3 billion and were down CHF 1.1 billion on the previous year, driven mainly by the repayment of the hybrid bond of CHF 650 million and of one bond of CHF 260 million in 2024. Overall, the decrease in cash and cash equivalents amounted to CHF 11.8 million and thus remained stable at CHF 1,561.1 million at end 2024 compared with CHF 1,572.9 million at end 2023.

Outlook

In 2025, Alpiq will continue to consistently drive forward the implementation of the strategy, focusing on flexibility and enabling the integration of wind and solar in the energy system. All value chain elements Assets, Trading and Origination are expected to deliver good results in 2025. This is thanks to Alpiq’s strong asset portfolio, well-positioned trading and origination business closely connected to its customers. Alpiq is confident of maintaining its very solid financial position in 2025, with optimal support of value chain operations and implementation of Alpiq’s strategy, further enabling security of supply and a better climate.

Consolidated Financial Statements of the Alpiq Group

Consolidated Income Statement

CHF million	Note	2024	2023
Net revenue	**2.2**	**6,643.0**	**8,958.8**
Own work capitalised		3.9	5.0
Other operating income		20.4	19.3
Total revenue and other income		**6,667.3**	**8,983.1**
Energy and inventory costs	2.3	– 4,854.4	– 6,792.7
Employee costs	2.4	– 246.2	– 228.2
Other operating expenses		– 179.8	– 156.2
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**1,386.9**	**1,806.0**
Depreciation, amortisation and impairment	4.1/4.2	– 114.5	– 112.4
Earnings before interest and tax (EBIT)		**1,272.3**	**1,693.6**
Share of results of partner power plants and other associates	4.3	– 7.4	– 23.3
Finance costs	2.5	– 122.7	– 144.2
Finance income	2.5	34.5	47.4
Earnings before tax		**1,176.7**	**1,573.5**
Income tax expense	2.6	– 233.3	– 237.9
Net income		**943.4**	**1,335.6**
Attributable to non-controlling interests		1.6	2.9
Attributable to equity investors of Alpiq Holding Ltd.		**941.8**	**1,332.7**
Earnings per share in CHF, basic and diluted	**2.7**	**27.37**	**39.32**

Consolidated Statement of Comprehensive Income

CHF million	Note	2024	2023
Net income		**943.4**	**1,335.6**
Cash flow hedges (group companies)	3.2	– 50.6	14.9
Income tax effect	3.2	7.7	– 2.3
Net of income tax	3.2	– 42.9	12.6
Cash flow hedges (partner power plants and other associates)		0.3	
Currency translation differences		72.0	18.8
Items that may be reclassified subsequently to the income statement, net of tax		**29.4**	**31.4**
Remeasurement of defined benefit plans (group companies)	2.4	0.5	24.3
Income tax effect	2.4	– 0.1	– 4.0
Net of income tax	2.4	0.4	20.3
Remeasurement of defined benefit plans (partner power plants and other associates)	4.3	9.5	22.7
Income tax effect	4.3	– 1.4	– 3.2
Net of income tax	4.3	8.1	19.5
Items that will not be reclassified to the income statement, net of tax		**8.5**	**39.8**
Other comprehensive income		**37.9**	**71.2**
Total comprehensive income		**981.3**	**1,406.8**
Attributable to non-controlling interests		0.9	2.9
Attributable to equity investors of Alpiq Holding Ltd.		980.4	1,403.9

Consolidated Balance Sheet

Assets

CHF million	Note	31 Dec 2024	31 Dec 2023
Property, plant and equipment	4.1	1,794.5	1,748.1
Intangible assets	4.2	96.4	72.9
Investments in partner power plants and other associates	4.3	2,127.7	2,155.4
Derivative financial instruments	3.2	242.3	387.0
Defined benefit assets	2.4	41.3	40.5
Other non-current assets		28.4	19.5
Deferred income tax assets	2.6	45.5	111.2
Non-current assets		**4,376.0**	**4,534.6**
Inventories	4.4	162.6	32.7
Derivative financial instruments	3.2	446.7	1,952.0
Receivables and other current assets	4.5	1,594.3	1,814.4
Prepayments and accrued income		280.3	193.4
Current term deposits		117.3	370.7
Cash and cash equivalents	4.6	1,561.1	1,572.9
Assets held for sale	5.3	4.9	3.8
Current assets		**4,167.2**	**5,939.9**
Total assets		**8,543.2**	**10,474.5**

Equity and liabilities

CHF million	Note	31 Dec 2024	31 Dec 2023
Share capital	3.3	0.3	0.3
Hybrid capital	3.3		650.0
Retained earnings and other reserves		4,875.6	4,086.4
Equity attributable to equity investors of Alpiq Holding Ltd.		**4,875.9**	**4,736.7**
Non-controlling interests		100.9	74.3
Total equity		**4,976.8**	**4,811.0**
Non-current provisions	4.7	145.2	109.2
Deferred income tax liabilities	2.6	324.6	434.8
Defined benefit liabilities	2.4	1.8	2.0
Derivative financial instruments	3.2	140.2	305.0
Non-current financial liabilities	3.3	994.5	1,192.0
Non-current liabilities		**1,606.3**	**2,043.0**
Current income tax liabilities		291.8	75.7
Current provisions	4.7	6.0	29.7
Current financial liabilities	3.3	254.8	404.0
Other current liabilities	4.9	676.1	1,142.7
Derivative financial instruments	3.2	286.2	1,481.0
Accruals and deferred income		444.7	486.4
Liabilities held for sale	5.3	0.6	1.0
Current liabilities		**1,960.1**	**3,620.5**
Total liabilities		**3,566.5**	**5,663.5**
Total equity and liabilities		**8,543.2**	**10,474.5**

Consolidated Statement of Changes in Equity

CHF million	Share capital	Hybrid capital	Cash flow hedge reserves	Currency translation differences	Retained earnings	**Attributable to equity investors of Alpiq Holding Ltd.**	Non-controlling interests	**Total equity**
Equity at 1 January 2024	**0.3**	**650.0**	**41.6**	**–787.3**	**4,832.1**	**4,736.7**	**74.3**	**4,811.0**
Net income					941.8	**941.8**	1.6	**943.4**
Other comprehensive income			–42.6	72.9	8.3	**38.6**	–0.7	**37.9**
Total comprehensive income			**–42.6**	**72.9**	**950.1**	**980.4**	**0.9**	**981.3**
Dividends					–115.9	**–115.9**	–2.3	**–118.2**
Distributions to hybrid investors					–40.7	**–40.7**		**–40.7**
Change in non-controlling interests						**0.0**	27.5	**27.5**
Employee share based payment options					0.5	**0.5**	0.5	**1.0**
Initial recognition of NCI Put Option[1]					–35.1	**–35.1**		**–35.1**
Repayment hybrid loan		–650.0				**–650.0**		**–650.0**
Equity at 31 December 2024	**0.3**	**0.0**	**–1.0**	**–714.4**	**5,591.0**	**4,875.9**	**100.9**	**4,976.8**

1 See note 3.3

CHF million	Share capital	Hybrid capital	Cash flow hedge reserves	Currency translation differences	Retained[1] earnings	**Attributable to equity investors of Alpiq Holding Ltd.**	Non-controlling interests	**Total equity**
Equity at 1 January 2023	**0.3**	**650.0**	**29.0**	**–806.1**	**3,581.8**	**3,455.0**	**74.1**	**3,529.1**
Net income					1,332.7	**1,332.7**	2.9	**1,335.6**
Other comprehensive income			12.6	18.8	39.8	**71.2**	0.0	**71.2**
Total comprehensive income			**12.6**	**18.8**	**1,372.5**	**1,403.9**	**2.9**	**1,406.8**
Dividends					–92.7	**–92.7**	–2.7	**–95.4**
Distributions to hybrid investors					–29.5	**–29.5**		**–29.5**
Equity at 31 December 2023	**0.3**	**650.0**	**41.6**	**–787.3**	**4,832.1**	**4,736.7**	**74.3**	**4,811.0**

1 Share premium in the amount of CHF 4,904.4 million was reclassified to retained earnings. For further details, see Note 1.4.

Consolidated Statement of Cash Flows

CHF million	Note	2024	2023
Earnings before tax		**1,176.7**	**1,573.5**
Adjustments for:			
Depreciation, amortisation and impairment	4.1/4.2	114.5	112.4
Gain on sale of non-current assets		–2.9	
Share of results of partner power plants and other associates	4.3	7.4	23.3
Financial result	2.5	88.2	96.8
Other non-cash income and expenses [1]		–9.7	21.9
Change in provisions (excl. interest)	4.7	3.3	23.3
Change in defined benefit assets / liabilities and other non-current liabilities		0.1	–16.2
Change in fair value of derivative financial instruments and hedged firm commitments		206.3	–957.2
Change in net working capital (excl. derivatives, current financial assets / liabilities and current provisions)		–485.2	–134.9
Other financial income and expenses		–14.4	–37.7
Income tax paid		–53.3	–86.9
Net cash flows from operating activities		**1,031.1**	**618.4**
Property, plant and equipment and intangible assets			
Investments	4.1/4.2	–104.0	–77.0
Proceeds from disposals		7.9	0.1
Subsidiaries			
Acquisitions	5.1	–23.4	–0.4
Proceeds from disposals	5.2		65.7
Associates			
Investments	4.3	–0.2	–0.5
Proceeds from disposals			–0.4
Loans receivable and financial investments			
Investments		–1.2	–2.9
Proceeds from disposals / repayments		0.2	0.7
Change in current and non-current term deposits		254.3	–358.5
Dividends from partner power plants, other associates and financial investments	4.3	28.7	23.4
Interest received		33.0	40.8
Net cash flows from investing activities		**195.4**	**–309.0**

1 In the previous year CHF 27.9 million relate to loss on business disposal. See note 5.2 for more detail.

CHF million	Note	2024	2023
Dividends paid		– 115.9	– 92.7
Dividends paid to non-controlling interests		– 2.3	– 3.8
Proceeds from financial liabilities	3.3	31.3	538.3
Repayment of financial liabilities	3.3	– 431.7	– 534.5
Repayment of hybrid capital	3.3	– 650.0	
Distributions to hybrid investors recognised in equity outside profit or loss	3.3	– 40.7	– 29.5
Interest paid		– 46.5	– 43.4
Net cash flows from financing activities		**– 1,255.7**	**– 165.6**
Currency translation differences		**17.3**	**– 57.8**
Change in cash and cash equivalents		**– 11.8**	**86.0**
Reconciliation:			
Cash and cash equivalents at 1 January	4.6	1,572.9	1,486.9
Of which, cash and cash equivalents		1,572.9	1,474.4
Of which, cash and cash equivalents under assets held for sale	5.3		12.5
Cash and cash equivalents at 31 December	4.6	1,561.1	1,572.9
Change		**– 11.8**	**86.0**

Notes to the Consolidated Financial Statements

1 Overview

Alpiq Holding Ltd. is a stock corporation under Swiss law and domiciled in Lausanne. The company and its Swiss and foreign subsidiaries collectively form the Alpiq Group. An overview of the Group's investments is provided in Note 5.4 "Group companies and investments".

1.1 Basis of preparation of the consolidated financial statements

The consolidated financial statements of the Alpiq Group have been prepared in accordance with IFRS Accounting Standards and Interpretations (IFRIC and SIC) issued by the International Accounting Standards Board (IASB), and comply with Swiss law. The consolidated financial statements give a true and fair view of the financial position, financial performance and cash flows of the Alpiq Group. They have been prepared on a historical cost basis, except for certain items such as financial instruments, which have been measured at fair value in some instances. The consolidated financial statements were authorised for issue by the Board of Directors of Alpiq Holding Ltd. on 25 February 2025 and are subject to approval by shareholders at the Annual General Meeting on 15 May 2025.

The figures reported in the tables are rounded. Therefore, totals and ratios may deviate slightly from the sum of the individual values.

Basis of consolidation

The consolidated financial statements of the Alpiq Group comprise the consolidated financial statements of Alpiq Holding Ltd. and its subsidiaries, which have been prepared by using uniform accounting policies. All intragroup balances, transactions, income and expenses are eliminated in full.

Subsidiaries are companies controlled by Alpiq Holding Ltd., either directly or indirectly. Such companies are consolidated at the date that control is obtained. Companies are deconsolidated or recognised under "Investments in partner power plants and other associates" or under "Other non-current assets" when control of the company is lost.

Investments in partner power plants and other associates in which the Alpiq Group has significant influence are included in the consolidated financial statements by application of the equity method. The Alpiq Group's interest in the assets, liabilities, income and expenses of such companies is disclosed in note 4.3.

All other investments are recognised at fair value and included in "Other non-current assets".

Foreign currency translation

The consolidated financial statements are presented in Swiss francs (CHF), which is both the functional currency of Alpiq Holding Ltd. and its reporting currency. The functional currency of each company in the Group is determined by the economic environment in which it operates. Transactions in foreign currencies are recorded in the group company's functional currency at the exchange rate prevailing on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate on the reporting date. The resultant currency translation differences are recognised in the income statement.

Receivables and loans due from foreign operations for which settlement is neither planned nor likely to occur in the foreseeable future are, in substance, part of the company's net investment in that foreign operation. The resulting translation differences are recognised separately in other comprehensive income as part of the foreign currency translation differences and reclassified from equity to the income statement on disposal of the net investment in the foreign operation.

The assets and liabilities of subsidiaries are translated into Swiss francs at the closing exchange rate at the reporting date. Income statement items are translated at the average exchange rate for the reporting period. Currency translation differences are recognised as a separate item in other comprehensive income. On disposal of a subsidiary or loss of control and on disposal of an associate or partner power plant or the loss of significant influence, the cumulative currency translation differences relating to that subsidiary are recognised in the income statement as part of the gain or loss on sale in the period in which the subsidiary is disposed of, or control is lost.

The following exchange rates were used for currency translation:

Unit	Closing rate at 31 Dec 2024	Closing rate at 31 Dec 2023	Average rate for 2024	Average rate for 2023
1 EUR	0.941	0.926	0.953	0.972
1 GBP	1.135	1.066	1.125	1.117
1 USD	0.906	0.838	0.881	0.899
100 CZK	3.737	3.745	3.793	4.051
100 HUF	0.229	0.242	0.241	0.255
100 NOK	7.980	8.238	8.196	8.516
100 PLN	22.016	21.339	22.126	21.403
100 RON	18.921	18.611	19.149	19.645

1.2 Adoption of new and revised accounting standards

Amendments, standards and interpretations adopted for the first time in 2024

At 1 January 2024, the following amendments to the IFRS Accounting Standards entered into force and were applied by the Alpiq Group:

- Amendments to IAS 1: Classification of Liabilities as Current or Non-current
- Amendments to IAS 1: Non-current Liabilities with Covenants
- Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements
- Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity

These amendments had no significant impact on the Alpiq Group.

IFRS Accounting Standards effective in future periods

The IASB has published the following standards and interpretations of relevance to Alpiq:

Standard	Title	Effective at	Adoption planned from
Amendments to IAS 21	Lack of Exchangeability	1 Jan 2025	1 Jan 2025
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 Jan 2026	1 Jan 2026
Amendments to IFRS 1, IFRS7, IFRS 9, IFRS 10 and IAS 7	Annual Improvements to IFRS Accounting Standards – Volume 11	1 Jan 2026	1 Jan 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 Jan 2027	1 Jan 2027

The Alpiq Group evaluates the implications of newly issued or amended accounting standards that become effective on or after January 1, 2025. Based on the current assessment, no material impact on the Group's financial position or results of operations is anticipated, with the exception of IFRS 18.

Issued by the IASB in April 2024, IFRS 18 – Presentation and Disclosure in Financial Statements will replace IAS 1 and becomes effective for reporting periods beginning on or after January 1, 2027, with retrospective previous year restatement. Early adoption is allowed. The main changes resulting from the introduction of IFRS 18 are:

- Entities are required to classify all income and expenses in the income statement in five mandatory categories (operating activities, investing activities, financing activities, discontinued operations and income taxes) and present new sub-totals, including "Operating Profit or Loss" and "Profit or Loss Before Financing and Income Taxes".
- Entities are required to disclose Management-Defined Performance Measures (MPMs), providing definitions, reconciliations to IFRS measures, and context for their use.
- Enhanced guidance is provided for the aggregation and disaggregation of information in the financial statements.
- In addition, amendments to IAS 7 – Statement of Cash Flows remove classification options for interest and dividend cash flows, and standardise their presentation to enhance comparability. The starting point for operating cash flows, when using the indirect method, will be the operating profit or loss sub-total.

Alpiq is currently assessing the impact of implementation of IFRS 18, in particular the structure of the income statement, the cash flow statement and the additional disclosures required for MPMs.

1.3 Significant uncertainty in estimation and judgement

The preparation of the consolidated financial statements requires the management to exercise judgement and make estimates and assumptions. These may significantly affect recognised assets and liabilities, reported income and expenses and disclosures. Estimates and assumptions are based on historical experience and expectations of future events that are believed to be reasonable under the circumstances. Actual amounts may differ from these estimates. Any revisions to estimates and assumptions are recognised and disclosed in the period in which they are identified.

Explanations of significant judgments and estimation uncertainties that may lead to material adjustments in recognized assets and liabilities, reported income and expenses, and other disclosures are outlined below and highlighted in the respective notes.

Description	Significant judgements	Estimation uncertainties	Further information in note
Net revenue	x		2.2
Employee benefits		x	2.4
Income tax		x	2.6
Financial instruments	x	x	3.2
Property, plant and equipment		x	4.1
Intangible assets		x	4.2
Investments in partner power plants and other associates	x	x	4.3
Provisions	x	x	4.7
Contingent liabilities and guarantees	x	x	4.8

1.4 Changes in the presentation of the financial statements

Alpiq reviews the presentation of financial reporting in terms of transparency, comprehensibility and accuracy on an ongoing basis. In the Annual Report 2024, the following adjustments are made:

– Figures are presented to one decimal place reflecting a more accurate picture of Alpiq's financial statement. For consistency and comparability, previous year figures are also presented to one decimal place.
– Alpiq has discontinued the separate presentation of the "Share Premium" component within equity, reclassifying it entirely to Retained Earnings. This reclassification has no impact on total equity and has been applied retrospectively, with previous year figures adjusted by CHF 4,904.4 million for comparability. This change in presentation has been made to simplify the equity structure by removing inactive categories, since the "Share Premium" component has not been actively used in recent years.
– The disclosure of accounting policies has been streamlined, with a focus on Alpiq-specific applications and interpretations that emphasise relevance and materiality. Redundancies have been removed to improve clarity.
– Content and structure of selected notes have been adjusted to align with industry and company-specific conditions, improving transparency and readability.
– The layout has been updated to align with Alpiq's refreshed corporate design.

1.5 Events after the reporting period

There were no reportable events after the reporting date of 31 December 2024.

2 Performance

2.1 Segment information

Alpiq Group segment reporting is based on the Group's internal management structure and the internal financial information provided to the chief operating decision maker. The reportable segments at Alpiq consists of three elements along the company's value chain: Assets, Trading, and Origination. The Executive Board evaluates each of these elements separately for the purposes of performance assessment and resource allocation. Segment results (EBITDA and adjusted EBITDA) are the key performance indicators used for internal management and assessment purposes at Alpiq. For more information about adjusted EBITDA, please refer to the unaudited explanations in the Financial Review. In addition to energy procurement and production costs, operating costs comprise all costs of operations, including personnel and service expenses.

- The Assets segment covers the production of electricity by Alpiq's Swiss and international power plants through different technologies such as hydro (including small-scale hydropower), nuclear, thermal, wind and solar, as well as the operation and optimisation of these power plants. It also comprises several wind farm projects in Switzerland and abroad. The Alpiq Swiss 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, the Assets segment manages shares in HYDRO Exploitation SA and Kernkraftwerk-Beteiligungsgesellschaft AG (KBG). It also covers the production of electricity and heat at 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, and the power plants are used by the respective grid operators to balance the grids.
- The Trading segment covers proprietary trading activities with standardised and structured products for electricity and gas, as well as emission allowances and certificates. The Trading segment also includes foreign exchange and liquidity management.
- The Origination segment covers activities to optimise electricity production from third-party renewable energy and direct marketing and energy management for industrial and business customers. This includes the trading and sale of standardised and structured products in various countries, with the aim of helping partners to achieve their cost efficiency and sustainability goals, thereby creating value and increasing customer benefit. The Origination segment also covers the company's Swiss sales and origination activities as well as retail activities in France.

The segment results are carried over to the Alpiq Group's consolidated figures by including the units with limited market operations (Corporate), Group consolidation effects and other reconciliation items. The latter comprises reallocations totalling CHF 13.4 million (previous year: CHF 13.8 million) between external net revenue and other income due to differences in account structures used for internal and external reporting purposes. This column also includes the foreign currency effects of using alternative average exchange rates for management reporting purposes that differ from those pursuant to IFRS Accounting Standards. Corporate includes the financial and non-strategic investments which cannot be allocated directly to the value chain, as well as the activities of the Group headquarters, including Alpiq Holding Ltd. and the functional units.

2024: Information by segment

CHF million	Assets	Trading	Origination	Corporate[1]	Consoli-dation	Reconcili-ation	Alpiq Group
Net revenue from third parties	1,939.1	886.9	3,827.7	– 37.9		20.5	6,636.3
Inter-segment transactions[2]	2,130.6	2,387.7	886.8	0.7	– 5,399.4	0.3	6.7
Net revenue	**4,069.7**	**3,274.6**	**4,714.6**	**– 37.3**	**– 5,399.4**	**20.8**	**6,643.0**
Other income	31.4	2.1	0.9	19.4	– 16.2	– 13.4	24.3
Total revenue and other income	**4,101.1**	**3,276.7**	**4,715.5**	**– 17.8**	**– 5,415.6**	**7.3**	**6,667.3**
Energy and other costs	– 2,961.4	– 3,235.6	– 4,381.8	– 109.5	5,415.6	– 7.5	– 5,280.4
EBITDA[3]	**1,139.7**	**41.0**	**333.7**	**– 127.4**	**0.0**	**– 0.2**	**1,386.9**
Depreciation, amortisation and impairment	– 101.9	– 0.1	– 2.8	– 9.7			– 114.5
EBIT	**1,037.7**	**40.9**	**330.9**	**– 137.1**	**0.0**	**– 0.2**	**1,272.3**
Net capital expenditure on property, plant and equipment and intangible assets	**72.1**	**1.8**	**13.5**	**8.7**			**96.1**
Property, plant and equipment	1,694.4	0.1	3.3	96.7			1,794.5
Intangible assets	61.8	1.7	14.9	18.0			96.4
Investments in partner power plants and other associates	2,125.1			2.6			2,127.7
Non-current assets	**3,881.2**	**1.8**	**18.2**	**117.3**	**0.0**	**0.0**	**4,018.5**
Number of employees at 31 December	**424**	**111**	**216**	**599**			**1,350**

1 Negative net revenue is attributable to the change in the fair value measurement of financial derivatives, which are presented in net revenue (see note 2.2).

2 The net effect of CHF 6.7 million results from currency effects on intragroup energy transactions.

3 Earnings before depreciation, amortisation and impairment losses, share of results of partner power plants and other associates, finance costs, finance income and income tax expense

2023: Information by segment

CHF million	Assets	Trading	Origination	Corporate	Consoli-dation	Reconcili-ation	Alpiq Group
Net revenue from third parties	2,754.3	1,161.0	5,018.0	31.5		5.4	8,970.2
Inter-segment transactions[1]	1,320.6	1,993.0	1,492.7	– 30.6	– 4,788.1	1.0	– 11.4
Net revenue	**4,074.9**	**3,154.0**	**6,510.6**	**0.9**	**– 4,788.1**	**6.4**	**8,958.8**
Other income	31.5	1.1	0.4	21.2	– 16.2	– 13.8	24.3
Total revenue and other income	**4,106.5**	**3,155.2**	**6,511.1**	**22.1**	**– 4,804.4**	**– 7.5**	**8,983.1**
Energy and other costs	– 2,605.0	– 3,020.7	– 6,262.3	– 97.0	4,804.4	3.5	– 7,177.1
EBITDA[2]	**1,501.5**	**134.4**	**248.8**	**– 74.9**	**0.0**	**– 3.9**	**1,806.0**
Depreciation, amortisation and impairment	– 99.5	– 0.4	– 3.1	– 9.4			– 112.4
EBIT	**1,402.0**	**134.0**	**245.8**	**– 84.4**	**0.0**	**– 3.9**	**1,693.6**
Net capital expenditure on property, plant and equipment and intangible assets	**68.8**		**1.4**	**6.7**			**76.9**
Property, plant and equipment	1,652.0	0.2	4.2	91.7			1,748.1
Intangible assets	50.0		3.5	19.4			72.9
Investments in partner power plants and other associates	2,153.1			2.3			2,155.4
Non-current assets	**3,855.1**	**0.2**	**7.6**	**113.4**	**0.0**	**0.0**	**3,976.4**
Number of employees at 31 December	**393**	**94**	**193**	**541**			**1,221**

1 The net effect of CHF – 11.4 million results from currency effects on intragroup energy transactions.

2 Earnings before depreciation, amortisation and impairment losses, share of results of partner power plants and other associates, finance costs, finance income and income tax expense

2024: Information by geographical area

CHF million	Switzerland	Germany	France	Italy	Spain	Luxem-bourg	United Kingdom	Nether-land[1]	Other countries	Alpiq Group
Net revenue[2] from third parties	**1,746.9**	**814.9**	**1,425.3**	**1,307.3**	**492.8**	**583.7**	**573.6**	**– 866.6**	**558.5**	**6,636.3**
Property, plant and equipment	1,354.7	0.5	111.2	187.6	39.6				100.8	1,794.5
Intangible assets	61.2		13.6	5.1					16.4	96.4
Investments in partner power plants and other associates	2,122.3		0.2		0.6				4.6	2,127.7
Non-current assets	**3,538.2**	**0.5**	**125.0**	**192.8**	**40.2**	**0.0**	**0.0**	**0.0**	**121.8**	**4,018.5**

1 Negative net revenue is attributable to the change in the fair value measurement of energy derivatives, which are presented in net revenue (see note 2.2).

2 The difference to net revenue in the income statement results from currency effects on intragroup energy transactions of CHF – 11.4 million.

2023: Information by geographical area

CHF million	Switzerland	Germany	France	Italy	Spain	Luxem-bourg	United Kingdom	Nether-lands[1]	Other countries	Alpiq Group
Net revenue[2] from third parties	**1,841.2**	**2,287.8**	**1,425.9**	**1,990.4**	**433.0**	**1,426.1**	**138.1**	**– 309.1**	**– 263.3**	**8,970.2**
Property, plant and equipment	1,382.1	0.7	111.8	196.3	33.0				24.2	1,748.1
Intangible assets	59.1		8.0	5.7						72.9
Investments in partner power plants and other associates	2,151.2		0.1		0.9				3.2	2,155.4
Non-current assets	**3,592.4**	**0.7**	**119.9**	**202.0**	**33.9**	**0.0**	**0.0**	**0.0**	**27.4**	**3,976.3**

1 Negative net revenue is attributable to the change in the fair value measurement of energy derivatives, which are presented in net revenue (see note 2.2).

2 The difference to net revenue in the income statement results from currency effects on intragroup energy transactions of CHF – 11.4 million.

Net revenue from external customers by country is allocated based on the customer's country of domicile. Those countries in which Alpiq generated the most net revenue in the reporting period are presented separately in this segment information. There were no transactions with any single external customers that amounted to 10% or more of the consolidated net revenue of the Alpiq Group. Non-current assets consist of property, plant and equipment (including right-of-use assets), intangible assets and investments in the respective countries.

2.2 Net revenue

The Alpiq Group's net revenue comprises revenue from contracts with customers (IFRS 15) and income from energy and financial derivatives (IFRS 9).

2024: Disaggregation of net revenue

CHF million	Asset	Trading	Origination	Corporate	Total
Revenue from energy and grid services	1,802.7	877.9	3,861.5		6,542.0
Revenue from other services	13.4				13.4
Total revenue from contracts with customers	**1,816.1**	**877.9**	**3,861.5**	**0.0**	**6,555.4**
(Loss) / income from energy and financial derivatives	137.9	8.2	– 27.4	– 37.9	80.8
Net revenue from third parties[1]	**1,954.0**	**886.1**	**3,834.1**	**– 37.9**	**6,636.3**

1 The difference to net revenue in the income statement results from currency effects on intragroup energy transactions of CHF 6.7 million.

2023: Disaggregation of net revenue

CHF million	Asset	Trading	Origination	Corporate	Total
Revenue from energy and grid services	2,082.0	1,182.8	5,300.0		8,564.8
Revenue from other services	13.2	0.3			13.4
Total revenue from contracts with customers	**2,095.2**	**1,183.1**	**5,300.0**	**0.0**	**8,578.2**
(Loss) / income from energy and financial derivatives	668.3	– 23.4	– 284.6	31.5	391.9
Net revenue from third parties[1]	**2,763.4**	**1,159.8**	**5,015.4**	**31.5**	**8,970.2**

1 The difference to net revenue in the income statement results from currency effects on intragroup energy transactions of CHF – 11.4 million.

Accounting policies

Alpiq generally satisfies its performance obligations as principal. However, for performance obligations related to the transmission of energy, Alpiq acts as agent in all represented markets. Where Alpiq acts as agent, revenue is recognised net of the corresponding costs.

Revenue from energy and grid services
Revenue from energy supply from contracts with customers ("own use exemption" pursuant to IFRS 9) is generally recognised over the period agreed for completion of performance. However, for energy supplies, Alpiq has a right to consideration that directly corresponds to the value to the customer of the energy already supplied. For such cases, Alpiq exercises the practical expedient and recognises revenue in the amount that can be billed. In some contracts, Alpiq sells the proportionate right in energy production of a power plant. Revenue from these contracts is recognised over the period that corresponds to the timing of the costs.

Revenue from stand-ready obligations to deliver ancillary services is recognised on a straight-line basis during the period in which Alpiq is available to render these services. Revenue for called ancillary services is recognised when the energy is delivered.

Contractual penalties – for example, for deviations between the delivered and contractually agreed quantity of energy – represent variable components in energy sales. They are included in the estimation of the transaction price only when they become highly probable. This is normally the case towards the end of the delivery period. Estimation of the point in time of when such variable price components are recognised requires significant judgement.

Revenue from other services
Revenue from other services from contracts with customers is recognised generally over the time period over which the performance obligation is satisfied on a straight-line basis. However, Alpiq applies the following practical expedient: if Alpiq has a right to consideration that directly corresponds to the value to the customer, then revenue is recognised in the amount that can be billed.

Practical expedients applied regarding revenue from contracts with customers
Alpiq exercises the practical expedient provided in IFRS 15 and, wherever possible, opts not to disclose the remaining performance obligations at the end of the reporting period. After application of this practical expedient, the remaining performance obligations disclosed by Alpiq at the end of the reporting period are not significant.

Alpiq applies the practical expedient and does not capitalise incremental costs of obtaining a customer contract, as far as these costs would be amortised within one year. Due to the application of this practical expedient, Alpiq did not disclose any significant costs of this type.

Income from energy and financial derivatives
Energy and financial derivatives are measured at fair value through profit or loss. Changes in value in energy derivatives are disclosed in net revenue in the period in which they occur. Revenue from trading in energy and financial derivatives comprises net realised gains and losses from settled contracts and unrealised changes in the fair value of unsettled contracts. For more information on measurement, refer to note 3.2.

2.3 Energy and inventory costs

CHF million	2024	2023
Electricity purchased from third parties	–3,372.2	–4,661.4
Electricity purchased from partner power plants	–414.8	–474.7
Gas procurement and CO_2 certificates	–982.0	–1,593.0
Other energy and inventory costs	–84.8	–79.8
Energy and inventory costs before provisions	**–4,853.8**	**–6,808.9**
Movement in provisions for onerous contracts	–0.6	16.2
Energy and inventory costs	**–4,854.4**	**–6,792.7**

The item “Other energy and inventory costs” comprises mainly water taxes, concession fees and plant maintenance costs.

2.4 Employee costs and employee benefits

CHF million	2024	2023
Wages and salaries	–198.4	–185.8
Defined benefit pension costs	–14.4	–11.2
Defined contribution pension costs	–2.0	–2.4
Social security costs and other employee costs	–31.4	–28.8
Employee costs	**–246.2**	**–228.2**

Number of employees at the reporting date

	31 Dec 2024	31 Dec 2023
Employees (full-time equivalents)	1,338	1,210
Apprentices	12	11
Total	**1,350**	**1,221**

Defined benefit plan

The Group operates a number of pension schemes as required by law. The group companies in Switzerland participate in PKE-CPE Vorsorgestiftung Energie, a legally independent pension scheme that meets the criteria of a defined benefit plan in accordance with IAS 19. Employees of foreign subsidiaries are generally covered by state social security schemes or independent defined contribution pension plans in accordance with national practices. These plans meet the criteria of a defined contribution plan according to IAS 19.

PKE-CPE Vorsorgestiftung Energie

PKE-CPE Vorsorgestiftung Energie is a pension fund with the legal form of a foundation and pension fund under the Swiss Civil Code (ZGB) and the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG). The objective of the foundation is to provide occupational benefits in accordance with the BVG and its ordinances, protecting the employees of the affiliated companies and their families and survivors against the financial consequences of old age, invalidity and death. The Board of Trustees is the most senior governing body of PKE-CPE Vorsorgestiftung Energie. It is composed of an equal number of employee and employer representatives of the affiliated companies and constitutes itself. The benefits provided by PKE-CPE Vorsorgestiftung Energie and their financing, the organisation and administration and the relationship with the affiliated companies, the active insured members and the pensioners are defined in the pension fund and organisational regulations.

The plan assets are invested by PKE-CPE Vorsorgestiftung Energie jointly for all affiliated companies, which share the actuarial and investment risks of the pension fund. The Board of Trustees is responsible for the investment of the plan assets. The organisation of the investment activities and the related competencies are specified in the investment regulations and investment strategy. The pension fund is exposed to actuarial and investment risks. In the event of underfunding, the Board of Trustees, in collaboration with a recognised actuarial expert, implements suitable measures to eliminate the underfunding. If necessary, the interest rate on the retirement savings capital, the financing and the benefits in excess of the minimum requirement under BVG may be adjusted to bring them into line with the funds available. If other measures are not sufficient, PKE-CPE Vorsorgestiftung Energie may require the employer and the employee to pay additional contributions to eliminate the underfunding.

Defined benefit liabilities / assets in the balance sheet

CHF million	31 Dec 2024	31 Dec 2023
Present value of defined benefit obligation	618.3	577.0
Fair value of plan assets	657.8	616.0
Deficit / surplus (–)	–39.5	–38.5
Asset ceiling		0.5
Net defined benefit liabilities / assets (–)	**–39.5**	**–38.5**
Of which, liabilities	1.8	2.0
Of which, assets	41.3	40.5

Reconciliation of net defined benefit liabilities / assets

CHF million	2024	2023
Net defined benefit liabilities / assets (–) at 1 January	**– 38.5**	**2.2**
Defined benefit expense recognised in the income statement	14.4	10.2
Defined benefit expense recognised in other comprehensive income [1]	– 0.5	– 24.3
Contributions by employer to legally independent pension schemes	– 14.6	– 26.2
Benefits paid directly by employer	– 0.3	– 0.4
Net defined benefit liabilities / assets (–) at 31 December	**– 39.5**	**– 38.5**

1 Of which CHF - 0.5 million (previous year: CHF - 62.3 million) related to change in effect of asset ceiling.

Changes in the present value of the defined benefit obligation

CHF million	2024	2023
Present value of defined benefit obligation at 1 January	**577.0**	**632.6**
Interest expense on defined benefit obligations	8.6	11.8
Current service cost	13.6	11.1
Contributions by plan participants	9.6	9.3
Benefits paid	– 30.6	– 43.9
Administration costs	0.5	0.3
Remeasurements:		
Financial assumptions	45.8	38.8
Demographic assumptions	– 1.8	– 2.6
Experience adjustments	– 4.5	16.4
Settlement [1]		– 96.8
Present value of defined benefit obligation at 31 December	**618.3**	**577.0**

1 The provisions in the affiliation agreement between Alpiq and PKE cover the transfer of pensioners from the Alpiq pension scheme to a separate scheme called “Pensioners without employer” if there is a lasting imbalance between active insured persons and pensioners. In 2022, Alpiq was informed by PKE that such an imbalance had existed for some time and that therefore the transfer of a certain number of pensioners had to take place in order to align with the affiliation agreement. The P&L effect of this settlement was taken into account in the figures reported in 2022. The settlement eliminated all further obligations of Alpiq towards the transferred pensioners and resulted in a loss on settlement of CHF 26 million (recognised in 2022). In 2023, the transferred defined benefit obligations and plan assets in the amount of CHF 97 million were derecognised and a cash outflow of CHF 13.4 million to PKE was recorded.

The weighted average duration of the defined benefit obligation at the reporting date is 13.2 years (previous year: 12.6 years).

Changes in the fair value of the plan assets

CHF million	2024	2023
Fair value of plan assets at 1 January	**616.0**	**691.8**
Interest income on plan assets	9.2	13.3
Contributions by employer to legally independent pension schemes	13.6	27.2
Contributions by plan participants	9.6	9.3
Benefits paid	–30.3	–43.9
Settlement		–96.8
Remeasurement on plan assets	39.7	15.1
Fair value of plan assets at 31 December	**657.8**	**616.0**

Asset classes of plan assets

CHF million	31 Dec 2024	31 Dec 2023
Quoted market prices		
Liquidity	15.7	–2.5
Equity instruments of third parties	256.9	232.0
Debt instruments of third parties	202.5	198.8
Property funds	25.3	30.2
Other investments	58.4	59.1
Total plan assets at fair value (quoted market prices)	**558.8**	**517.6**
Unquoted market prices		
Property not used by the company	99.0	98.4
Total plan assets at fair value (unquoted market prices)	**99.0**	**98.4**
Total fair value of plan assets	**657.8**	**616.0**

Accounting policies

The defined benefit obligation is calculated annually by independent pension experts using the projected unit credit method. This accrued benefit method prorated on service recognises not only the known benefits and benefits accrued at the reporting date, but also expected future salary and pension increases. The Continuous Mortality Investigation (CMI) model with generation tables as a technical basis is used to reflect mortality rates. Mortality data according to the CMI model is calculated based on a long-term rate of change. The net interest result is recognised directly in finance costs / income; any remaining employee benefit costs are included in employee costs. Actuarial gains and losses are recognised in other comprehensive income as part of equity in the period in which they occur. Past service costs are recognised directly in the income statement as employee costs.

As a rule, all plans are funded by both employer and employee contributions. Employer contributions paid or owed to pension schemes that provide defined contribution pension plans are recognised directly in the income statement.

The calculation of the recognised defined benefit liabilities is based on statistical and actuarial assumptions. Such assumptions may differ substantially from actual circumstances due to changes in market conditions and the economic environment, higher or lower exit rates, longer or shorter lives of plan participants and other estimated factors. Such deviations may have an impact on the defined benefit liabilities recognised in future reporting periods.

Actuarial assumptions

in %	31 Dec 2024	31 Dec 2023
Discount rate	1.00	1.50
Projected interest rate for retirement assets	2.00	2.00
Expected rates of salary increase (weighted average)	2.00	1.00
Estimated long-term rate of change in the CMI model (basis: Occupational Pensions Act 2020)	1.25	1.25

Sensitivity analysis

In each case, the sensitivity analysis takes into consideration the influence on the net defined benefit obligation in the event that one assumption changes while all other assumptions remain unchanged. This approach does not take into account that some assumptions are dependent on others.

CHF million	2024	2023
Discount rate		
0.25% increase	–19.5	–17.3
0.25% reduction	20.8	18.4
Projected interest rate for retirement assets		
0.25% increase	5.5	4.6
0.25% reduction	–5.4	–4.5
Rate of salary increase		
0.25% increase	2.1	1.7
0.25% reduction	–2.0	–1.7
Life expectancy		
1 year increase	22.1	20.8
1 year reduction	–22.6	–21.3

Expected contributions by the employer and plan participants for the next period

Employer social security contributions are estimated at CHF 12.9 million and employee contributions are estimated at CHF 8.0 million for 2025.

2.5 Finance costs and finance income

CHF million	2024	2023
Finance costs		
Interest expense	– 42.8	– 51.7
Capitalised borrowing costs	0.4	0.3
Net interest on pension plans and provisions	– 0.6	– 1.5
Other finance costs [1]	– 35.9	– 33.4
Net foreign exchange losses [2]	– 43.8	– 57.9
Total	**– 122.7**	**– 144.2**
Finance income		
Interest income	32.8	41.9
Gain from remeasurement of interest rate derivatives	0.3	0.3
Other finance income	1.4	5.2
Total	**34.5**	**47.4**
Financial result	**– 88.2**	**– 96.8**

1 Of which an amount of CHF – 20.6 million (previous year: CHF – 20.6 million) was recognised as a commitment fee for the federal bailout fund.

2 Of which an amount of CHF – 48.7 million (previous year: CHF – 27.3 million) relate to the recycling of accumulated exchange rate differences previously recognised in equity as part of the liquidation of foreign subsidiaries.

2.6 Income tax

Reconciliation

CHF million	2024	2023
Earnings before tax	1,176.7	1,573.5
Expected income tax rate (Swiss average rate)	15.20%	15.00%
Income tax at the expected income tax rate	– 178.9	– 236.0
Tax effects from:		
Difference in expected income tax rate compared to locally expected income tax rates	– 44.3	– 43.4
Income exempt from tax [1]	0.6	21.0
Non-deductible expenses for tax purposes	– 11.4	– 26.9
Valuation from tax loss carryforwards and use of unrecognised tax loss carryforwards	– 0.6	44.1
Effect of changes in tax rates	0.1	1.3
Previous years	1.6	2.0
Other effects	– 0.4	
Total income tax expense	**– 233.3**	**– 237.9**
Effective income tax rate	19.83%	15.12%

1 Predominantly relates to income from participations.

Income tax expense charged to the income statement

CHF million	2024	2023
Current income tax	– 269.2	– 121.0
Deferred income tax	35.9	– 116.9
Income tax	**– 233.3**	**– 237.9**

Change in deferred tax assets and liabilities

CHF million	Deferred tax assets	Deferred tax liabilities	Net deferred tax liabilities
Balance at 31 December 2022	**142.9**	**332.6**	**189.7**
Deferred taxes recognised in the income statement	– 24.0	92.9	116.9
Deferred taxes recognised in other comprehensive income		9.5	9.5
Currency translation differences	– 7.7	– 0.2	7.5
Balance at 31 December 2023	**111.2**	**434.8**	**323.6**
Acquisition of subsidiaries	1.0	0.9	– 0.1
Deferred taxes recognised in the income statement	– 69.2	– 105.1	– 35.9
Deferred taxes recognised in other comprehensive income		– 6.1	– 6.2
Currency translation differences	2.5	0.1	– 2.4
Balance at 31 December 2024	**45.5**	**324.6**	**279.1**

Deferred tax assets and liabilities by origination of temporary differences

CHF million	31 Dec 2024	31 Dec 2023
Tax losses and tax assets not yet used	21.3	18.0
Property, plant and equipment	20.6	23.2
Other non-current assets	11.1	7.6
Current assets	16	36.1
Provisions and liabilities	22.4	69.2
Total gross deferred tax assets	**91.4**	**154.1**
Property, plant and equipment	114	117.5
Other non-current assets	159.3	165.3
Current assets	51	151.5
Provisions and liabilities	46.2	43.4
Total gross deferred tax liabilities	**370.5**	**477.7**
Net deferred tax liabilities	**279.1**	**323.6**
Tax assets recognised in the balance sheet	45.5	111.2
Tax liabilities recognised in the balance sheet	324.6	434.8

At 31 December 2024, individual subsidiaries held tax loss carryforwards totalling CHF 201.3 million (previous year: CHF 207.4 million), which are available for offsetting against future taxable profits. Of these, the Alpiq Group has not recognised tax benefits on tax loss carryforwards of CHF 106.4 million (CHF 133.0 million) in the balance sheet item “Deferred tax assets”, as these are recognised only to the extent that realisation of the related tax benefit is probable. The average tax rate on tax loss carryforwards not eligible for capitalisation is 17.9% (18.7%). These tax loss carryforwards expire in the following periods:

CHF million	31 Dec 2024	31 Dec 2023
Within 1 year	13.3	
Within 2 – 3 years	36.8	53.8
After 3 years	51.4	54.3
Unlimited use	4.9	24.9
Total unrecognised tax loss carryforwards	**106.4**	**133.0**

In addition, there are unrecognised deductible temporary differences totalling CHF 1.9 million (CHF 11.1 million).

Global minimum corporate taxation

Under an OECD Inclusive Framework, more than 140 countries agreed to enact a two-pillar solution to address the challenges arising from the digitalisation of the economy. Pillar Two introduces a global minimum Effective Tax Rate (ETR), where multinational groups with consolidated revenue of more than EUR 750.0 million are subject to a minimum ETR of 15% on income arising in low-tax jurisdictions.

As of 1 January 2024, various countries have changed their tax laws accordingly. In Switzerland, the Qualified Domestic Minimum Top-up Tax (QDMTT) applies to financial years starting on or after 1 January 2024; the Income Inclusion Rule (IIR) will apply to financial years starting on or after 1 January 2025.

Alpiq exceeds the consolidated revenue threshold of EUR 750.0 million and is therefore within the scope of the Pillar Two rules. The temporary safe harbour rules were applied in the assessment of Pillar Two’s impact on Alpiq’s tax position for financial year 2024. No global minimum tax expense is expected in any jurisdiction; consequently, no respective income tax liabilities were recognised.

Assumptions are made based on local legal principles in calculation of current income tax. Income taxes that are actually payable may deviate from the values originally calculated, as in some cases the definitive assessment is not finalised until years after the end of the reporting period. The resulting risks are identified, assessed and recognised where necessary. Deferred tax assets are calculated in part using far-reaching estimates. The underlying forecasts pertain to a period of several years and comprise, inter alia, a forecast of future taxable income and interpretations of the existing regulatory framework. The temporary mandatory relief from deferred tax accounting is applied in respect of the effects of the Pillar Two global minimum tax.

2.7 Earnings per share

	2024	2023
Earnings after tax attributable to equity investors of Alpiq Holding Ltd. (CHF million)	941.8	1,332.7
Interest on hybrid capital attributable to the period (CHF million) [1]	– 35.6	– 30.7
Share of Alpiq Holding Ltd. shareholders in earnings (CHF million)	**906.2**	**1,302.0**
Weighted average number of shares outstanding	33,110,364	33,110,364
Earnings per share in CHF, basic and diluted	**27.37**	**39.32**

1 On 15 November 2024, Alpiq exercised its call option and repaid the hybrid bond. For more details, refer to Note 3.3

No circumstances exist that would lead to a dilution of earnings per share.

3 Risk management, financial instruments and financing

3.1 Financial risk management

General principles

Risk management is integral to the successful strategic, operational and financial management of Alpiq Group and management of risk is crucial for its financial performance. Robust and comprehensive risk governance is therefore both a business and a strategic necessity.

The principles of the Group's risk management policy are established by the Board of Directors. The Executive Board is responsible for their development and implementation and the Risk Management Committee monitors compliance with the principles and policies. The principles of risk management in the Alpiq Group are outlined in the Group Risk Policy, which comprises guidelines for entering into, measuring, managing and mitigating business risks, and specifies the organisation and responsibilities related to risk management. The responsible units manage their risks within the framework of the risk management policy and the limits defined for their areas of activity. The objective is to maintain a reasonable balance between the business risks incurred, earnings generated and risk-bearing equity.

The Group Risk Policy governs a number of directives divided into three main categories: Energy Risk Management, Business Risk Management and Financial Risk Management. The Energy Risk Management directives define the processes and methods to manage market and credit risks in the energy business. They also regulate the management of liquidity fluctuations caused by trading activities on stock exchanges and under bilateral arrangements (over-the-counter; OTC) to settle margin differences. The Business Risk Management directives govern the annual risk assessments, the process for approval of new energy products and the definition and monitoring of measures to reduce exposure to operational and strategic risks. They also define the principles of the hedging strategy for energy production trading books. The Financial Risk Management directive defines the substance, organisation and system for financial risk management within the Alpiq Group, including management of financing, working capital, liquidity, foreign currency and interest rate risks.

The Risk Management functional unit is responsible for the overarching enterprise risk management and reports to the CFO. It provides methods and tools for implementation of risk management and actively steers energy-related risks. The unit ensures timely reporting to the Board of Directors, Executive Board and the Risk Management Committee. During the annual business risk assessment process, strategic and operational risks throughout the Group are recorded and assessed, and then assigned to the identified risk owners for management and monitoring. The Risk Management functional unit monitors implementation of the measures. Exposure limits are set for market, credit and liquidity risks, which are adjusted in the context of the company's overall risk-bearing capacity and with compliance monitored on an ongoing basis.

Energy risk

The management of energy risk covers credit risks, liquidity risk and market risks. Although market, credit and liquidity risks are addressed in separate directives, the three are interdependent and need to be managed with an integrated approach. This does not imply that each risk factor is of equal weight or importance. Whereas market or credit risk potentially results in effective losses, liquidity risk impacts cashflow and operational capital temporarily (until the cash collateral is returned).

Credit risk

Credit risk is managed primarily by application of rating-based credit limits. The Alpiq Group classifies counterparties or groups of counterparties (with similar risk characteristics) in risk categories (AAA to CCC) based on probability of default. Once established, these ratings are applied as the basis for setting credit limits. Such limits may be increased if collateral (such as guarantees, advances or insurance cover) is provided. The ratings of active counterparties are reviewed periodically, and credit limits are adjusted where appropriate. Contracts are entered into only with counterparties that meet the requirements outlined in the Credit Risk Directive.

Credit risk management deals with potential losses arising from business partners' inability to meet their contractual obligations to the Alpiq Group. It encompasses all business units and subsidiaries that transact significant business volumes with external counterparties. It entails regular monitoring of outstanding receivables from counterparties and their expected future developments, as well as analysis and monitoring of the creditworthiness of new and existing counterparties. In addition to energy derivatives recognised as financial instruments on the balance sheet, credit risk management also covers physical receipt and delivery contracts.

The maximum credit risk corresponds to the carrying amount of the financial assets and was calculated at CHF 3,981.6 million at 31 December 2024 (previous year: CHF 6,104.4 million). The replacement values of energy derivatives and receivables, and thus the credit risk associated with several counterparties in various countries, decreased compared to the previous year mainly due to lower energy prices. Overall credit risk is a consistent but not significant input factor in fair value measurement.

In addition to the strict monitoring and management of credit risk by means of internal rating-based credit limits per counterparty and the retention of collateral, Alpiq has various counterparties and customers in different countries, which prevents a concentration of risk. Thus, credit risk for derivatives and receivables is broadly diversified and there was no concentration of risk with any counterparty at year end. Information about the effect of credit risk on receivables is disclosed in note 4.5.

Offsetting of financial assets and liabilities
A substantial portion of the energy contracts entered into by the Alpiq Group are based on agreements with a netting arrangement. Netting arrangements are used widely in energy trading to reduce the volume of effective cash flows. Items relating to the same counterparties are presented on a net basis in the balance

sheet only if a legally enforceable right to offset the recognised amounts applies under the netting arrangement and there is an intention to settle on a net basis.

	31 Dec 2024			31 Dec 2023		
CHF million	Gross	Offsetting	Net (balance sheet)	Gross	Offsetting	Net (balance sheet)
Financial assets						
Trade receivables	1,872.5	–746.2	1,126.3	2,361.1	–1,104.7	1,256.4
Energy derivatives [1]	1,593.4	–906.7	686.7	4,494.0	–2,226.3	2,267.7
Currency and interest rate derivatives	0.7		0.7	35.1		35.1
Derivatives designated for hedge accounting	1.5		1.5	36.2		36.2
Financial liabilities						
Trade payables	1,293.2	–746.1	547.1	2,069.5	–1,104.7	964.8
Energy derivatives [2]	1,309.2	–906.7	402.5	3,985.2	–2,226.3	1,758.9
Currency and interest rate derivatives	2.1		2.1	1.4		1.4
Derivatives designated for hedge accounting	21.8		21.8	25.7		25.7

1 Of which a net amount of CHF 4.9 million (previous year: CHF 3.2 million) originates from own-use contracts designated at fair value on initial recognition.

2 Of which a net amount of CHF 8.3 million (previous year: CHF 23.8 million) originates from own-use contracts designated at fair value on initial recognition.

Financial collateral

Additional collateral, such as guarantees, variation margin payments or insurance cover, is obtained where necessary in order to hedge the risk of the failure of one party to fulfil its part of the deal and defaulting on its contractual obligations. The amount to be provided changes according to the net obligation calculated every day on the basis of price fluctuations. As a rule, the collateral held by the Alpiq Group covers both unrecognised energy transactions involving physical delivery and transactions recognised as financial instruments. Financial collateral received and issued in connection with bilateral agreements to settle margin differences is presented as follows:

	31 Dec 2024		31 Dec 2023	
CHF million	Collateral received	Collateral issued	Collateral received	Collateral issued
Cash collateral [1]	0.8	4.1	10.2	77.4
Guarantees [2]	114.4	84.7	58.9	231.4
Total	**115.2**	**88.8**	**69.1**	**308.8**

1 Contained under “Receivables” or “Other current liabilities” respectively

2 Guarantees to third parties in favour of third parties are presented in note 4.8.

Liquidity risk

Margin agreements are commonly used on energy commodity exchanges and among energy traders to reduce counterparty risk. A margin agreement is a collateralisation agreement to ensure both parties' performance. Consequently, Alpiq has to provide or can demand significant collateral in the form of cash or bank guarantees depending on energy price movements and related to the value of the net obligation. In addition, these can result in significant changes in liquidity, as both Alpiq and its counterparties are in most cases contractually entitled to replace cash collateral with bank guarantees in the short term and vice versa. The Alpiq Group manages such variable liquidity requirements by means of an early warning system, continuous balancing of the underlying positions, maintenance of sufficient liquidity resources and committed credit lines from banks. The role of liquidity management is to plan, monitor, provide and optimise liquidity of the Alpiq Group on a monthly rolling basis.

The anticipated cash flows of financial liabilities and derivative financial instruments are disclosed in the table below. Where the intention exists to refinance loans at the end of the contract term but refinancing has not yet been contractually secured, a cash outflow on maturity is assumed. Accordingly, actual cash flows can differ significantly from the contractual maturities. The cash flows from derivatives are presented net when netting arrangements are in place with counterparties and the amounts are expected to be settled net. Depending on the future changes in value of the derivatives until maturity, the effective cash flows may deviate significantly from the amounts reported. In order to demonstrate the effective liquidity risk from derivative financial instruments, the cash inflows and outflows from contracts with positive and negative replacement values are shown in the following table.

2024: Maturity analysis of financial liabilities and derivative financial instruments

	Carrying amount	Cash flows					
CHF million		Total	< 1 month	1 – 3 months	4 – 12 months	1 – 5 years	> 5 years
Trade payables	547.1	– 547.1	– 439.9	– 98.4	– 8.8		
Bonds	825.0	– 889.3			– 219.8	– 509.2	– 160.3
Loans payable	357.2	– 408.5	– 0.3	– 28.1	– 50.9	– 279.3	– 49.9
Lease liabilities	31.9	– 36.6	– 0.8	– 1.5	– 4.6	– 22.6	– 7.1
NCI put option	35.1	– 38.6				– 38.6	
Other financial liabilities	117.5	– 112.2	– 65.1	– 28.1	– 11.8	– 7.2	
Cash outflows from non-derivative financial liabilities		**– 2,032.3**	**– 506.1**	**– 156.2**	**– 295.8**	**– 856.9**	**– 217.3**
Energy derivatives	284.2						
Cash inflows		2,640.4	0.5	561.0	1,048.0	917.2	113.7
Cash outflows		– 1,791.2	– 8.5	– 247.3	– 854.2	– 675.3	– 5.9
Currency / interest rate derivatives	– 21.7						
Cash inflows		2,208.8	442.1	1,435.8	226.5	104.4	
Cash outflows		– 2,239.8	– 443.2	– 1,461.2	– 228.2	– 107.2	0.0
Net cash inflows / (outflows) from derivative financial instruments		**818.2**	**– 9.1**	**288.3**	**192.0**	**239.2**	**107.8**

2023: Maturity analysis of financial liabilities and derivative financial instruments

CHF million	Carrying amount	Cash flows Total	< 1 month	1 – 3 months	4 – 12 months	1 – 5 years	> 5 years
Trade payables	964.8	– 964.8	– 761.7	– 126.0	– 77.1		
Bonds	1,085.2	– 1,178.5			– 288.8	– 724.2	– 165.5
Loans payable	475.7	– 515.5	– 0.4	– 5.6	– 172.7	– 300.1	– 36.7
Lease liabilities	35.1	– 40.3	– 1.1	– 1.0	– 4.3	– 23.6	– 10.3
Other financial liabilities	140.4	– 140.6	– 80.6	– 44.2	– 15.8		
Cash outflows from non-derivative financial liabilities		**– 2,839.7**	**– 843.8**	**– 176.8**	**– 558.7**	**– 1,047.9**	**– 212.5**
Energy derivatives	508.8						
Cash inflows		3,969.8	0.0	800.6	1,881.2	1,192.2	95.8
Cash outflows		– 3,052.4	– 15.4	– 574.9	– 1,731.2	– 724.3	– 6.6
Currency / interest rate derivatives	44.2						
Cash inflows		4,358.0	441.4	556.0	3,240.7	119.9	
Cash outflows		– 4,337.5	– 440.1	– 551.5	– 3,226.7	– 119.2	
Net cash inflows / (outflows) from derivative financial instruments		**937.9**	**– 14.1**	**230.2**	**164.0**	**468.6**	**89.2**

Market risk

The Alpiq Group’s exposure to market risk comprises primarily energy price risk, foreign currency risk and interest rate risk. These risks are monitored on an ongoing basis and managed using financial instruments. Market risk is measured in accordance with the Market Risk Directive; handling of currency risk and interest rate risk is defined in the Financial Risk Directive. The Market Risk Directive sets out rules on taking, measuring, limiting and monitoring risks. The Risk Management Committee monitors compliance with risk limits through regular reports provided by the Risk Management functional unit.

Energy price risk
Energy price risk refers to potential price fluctuations that could have an adverse effect on the Alpiq Group. These fluctuations may arise from factors such as market price movements, variations in price volatility or changing correlations between markets and products. Market liquidity risks also belong to this category. They occur when an open energy position cannot be closed out or can be closed out only on very unfavourable terms due to a lack of market bids. Future own-use energy transactions are normally not reported as financial instruments unless the fair value option or hedge accounting for firm commitments are applied in accordance with IFRS 9. Energy transactions are also conducted to optimise Alpiq’s power plant portfolio. A large proportion of the replacement values for energy derivatives shown at the reporting date are attributable to optimisation positions, with positive and negative replacement values generally cancelling each other out. Alpiq also engages in energy derivatives trading. The energy derivatives concluded by the Alpiq Group are usually forward contracts or futures. The fair values are calculated on the basis of the difference between the contractually fixed forward prices and current forward prices applicable at the reporting date. The risks associated with trading and optimisation transactions are managed via clearly defined responsibilities and stipulated risk limits in accordance with the Market Risk Directive. Risk Management reports regularly on compliance with these limits to the Risk Management Committee, the Executive Board and the Board of

Directors, using a formalised risk reporting system. Risk positions are monitored in accordance with the Value at Risk (VaR) industry standards.

Foreign currency risk

The Alpiq Group seeks wherever possible to mitigate foreign currency risks through natural hedging of operating income and expenses denominated in foreign currencies. The remaining foreign currency risk is hedged by means of forward transactions in accordance with the Group's Financial Risk Directive. Foreign currency risk arising from energy generation or purchasing is contractually transferred to the counterparty wherever possible. Where this is not possible or is only partly possible, forward currency contracts with a medium-term hedging horizon are deployed to manage exposure centrally on the market in line with the Group's Financial Risk Directive. Hedge accounting is used to avoid fluctuations in results. The foreign currency derivatives are all OTC products. The fair values are calculated on the basis of the difference between the contractually fixed forward prices and forward prices applicable at the reporting date. Net investments in foreign subsidiaries are also exposed to changes in foreign exchange rates, although the difference in inflation rates should offset these changes in the long term. Investments in foreign subsidiaries (translation risks) are therefore not hedged.

Interest rate risk

The risks arising from volatility in interest rates relate to the interest-bearing financial assets and liabilities of the Alpiq Group. According to the Group's Financial Risk Directive, liquidity is invested for a maximum of two years. This means that a change in interest rates applied to interest-bearing assets has an impact on financial income. The funding required for the business is obtained on a long-term basis at fixed interest rates. Financing instruments with variable interest rates, particularly those that are long-term, are generally hedged by means of interest rate swaps. The interest rate derivatives are all OTC products. The fair value is determined by discounting the contractually agreed payment streams with current market interest rates.

Sensitivity analysis

To illustrate the sensitivity of the Alpiq Group's financial results to market risks, the effects of reasonably possible changes in the market risks listed above are set out below. The sensitivities are based in each case on financial instruments recognised on the reporting date. The possible annual percentage changes in the fair value of energy derivatives are derived from the commodity market prices for electricity, gas, coal and oil over the past year. The sensitivities are calculated by applying maximum deviations from the mean with a 99% confidence level. Taking into consideration historical fluctuations, the reasonably possible changes in foreign currency prices are estimated at 5%. Interest rate swap sensitivity is shown as the effect on the change in fair value that would arise from a 1% parallel shift in the yield curve. Alpiq quantifies each type of risk on the assumption that all other variables remain constant. The effects are shown before tax.

			31 Dec 2024			31 Dec 2023
CHF million	+ / – in %	+ / – effect on earnings before income tax	+ / – effect on OCI before income tax	+ / – in %	+ / – effect on earnings before income tax	+ / – effect on OCI before income tax
Energy price risk	35.9	102.1		84.7	448.1	
EUR / CHF currency risk	5.0	16.0	71.3	5.0	47.1	36.6
EUR / CZK currency risk	5.0	0.3		5.0	0.8	
EUR / PLN currency risk	5.0	0.2		5.0	1.3	
Interest rate risk	1.0	11.1	0.1	1.0	6.8	0.3

3.2 Financial instruments

Carrying amounts and fair values of financial assets and liabilities

The fair values of financial assets and financial liabilities are summarised in the following table. Not included therein are cash and cash equivalents, trade receivables and trade payables, as well as miscellaneous receivables and liabilities where the carrying amounts differ only insignificantly from their fair values.

	31 Dec 2024		31 Dec 2023	
CHF million	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at fair value through profit or loss				
Financial investments	1.1	1.1	1.4	1.4
Positive replacement values of derivatives				
Energy derivatives[1]	686.7	686.7	2,267.7	2,267.7
Currency and interest rate derivatives	0.7	0.7	35.1	35.1
Derivatives designated for hedge accounting	1.5	1.5	36.2	36.2
Financial liabilities at amortised cost				
Bonds	825.0	858.5	1,085.2	1,105.0
Loans payable	357.2	365.5	475.7	474.0
NCI put option	35.1	35.1		
Financial liabilities at fair value through profit or loss				
Negative replacement values of derivatives				
Energy derivatives[2]	402.5	402.5	1,758.9	1,758.9
Currency and interest rate derivatives	2.1	2.1	1.4	1.4
Derivatives designated for hedge accounting	21.8	21.8	25.7	25.7

1 Of which a net amount of CHF 4.9 million (previous year: CHF 3.2 million) originates from own-use contracts designated at fair value on initial recognition.

2 Of which a net amount of CHF 8.3 million (previous year: CHF 23.8 million) originates from own-use contracts designated at fair value on initial recognition.

Fair value hierarchy of financial instruments

The fair value hierarchy shown below was used to classify the financial instruments:

Level 1:
Quoted prices in active markets for identical assets or liabilities

Level 2:
Valuation model based on prices quoted in active markets that have a significant effect on the fair value

Level 3:
Valuation models utilising inputs that are not based on quoted prices in active markets and which have a significant effect on the fair value

At the reporting date, the Alpiq Group measured the following assets and liabilities at their fair value or disclosed a fair value.

CHF million	31 Dec 2024	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss				
Financial investments	1.1		1.1	
Energy derivatives	1,593.4		1,542.4	51.0
Currency and interest rate derivatives	0.7		0.7	
Derivatives designated for hedge accounting	1.5		1.5	
Financial liabilities at amortised cost				
Bonds	858.5	858.5		
Loans payable	365.5		365.5	
NCI put option	35.1		35.1	
Financial liabilities at fair value through profit or loss				
Energy derivatives	1,309.2		1,269.7	39.5
Currency and interest rate derivatives	2.1		2.1	
Derivatives designated for hedge accounting	21.8		21.8	

CHF million	31 Dec 2023	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss				
Financial investments	1.4		1.4	
Energy derivatives	4,494.0		4,384.8	109.2
Currency and interest rate derivatives	35.1		35.1	
Derivatives designated for hedge accounting	36.2		36.2	
Financial liabilities at amortised cost				
Bonds	1,105.0	1,105.0		
Loans payable	474.0		474.0	
Financial liabilities at fair value through profit or loss				
Energy derivatives	3,985.2		3,929.8	55.4
Currency and interest rate derivatives	1.4		1.4	
Derivatives designated for hedge accounting	25.7		25.7	

The energy, currency and interest rate derivatives comprise only OTC products, the majority of which are classified as Level 2. Fair value of energy derivatives is determined using a price curve model. The observable input factors (market prices) in the price curve model are supplemented by hourly forward prices, which are arbitrage-free and compared with external price benchmarking on a monthly basis.

The fair value of the loans payable correspond to the contractually agreed interest and amortisation payments discounted at market rates.

Energy derivatives disclosed under Level 3 are measured using methods that in some cases use input factors, such as long-term energy prices or discount rates, that cannot be derived directly from an active market. In complex cases, a discounted cash flow method is used for measurement. The determination of these input parameters and the application of specific valuation models for non-standardised products require significant management estimates.

Level 3 energy derivatives

The following table shows the development of Level 3 energy derivatives:

	2024		2023	
CHF million	Assets	Liabilities	Assets	Liabilities
Fair values at 1 January	**109.2**	**55.4**	**278.4**	**379.6**
Purchases	0.6		10.7	
Settlements	– 52.1	– 13.0	– 82.3	– 107.8
Fair value changes of derivatives still held at period end	– 15.0	– 2.4	– 23.5	– 147.0
Fair value changes of derivatives settled / sold / transferred	6.5	– 1.3	– 49.3	– 62.0
Transfer from Level 3			– 20.1	– 10.7
Currency translation differences	1.8	0.8	– 4.7	3.3
Fair values at 31 December	**51.0**	**39.5**	**109.2**	**55.4**

Transfers from Level 2 to Level 3 relate to energy derivatives measured on the basis of input factors that are no longer observable in an active market due to decreased market activity. Transfers out of Level 3 relate to energy derivatives measured on the basis of input factors that became observable in the financial year. Alpiq always applies reclassifications between Level 2 and Level 3 at the end of the reporting period. Both in the reporting year and during the previous year, no transfers between Level 1 and 2 took place.

A change in the price of EUR 1 of the underlying commodity would lead to an increase / decrease in the fair value of Level 3 instruments of CHF 6.5 million. The sensitivity analysis does not include any inter-dependencies between different commodities. In order to hedge contracts assigned to Level 3, Alpiq enters into hedges that may be classified as Level 2 or Level 1. It is also possible that the Level 3 instrument is a hedge for an own-use contract. Thus, the sensitivity analysis of Level 3 instruments does not include the offsetting effect from the hedging position or the own-use contract.

Development of day one gains and losses

Measurement of financial instruments with valuation inputs not entirely based on quoted prices in active markets may result in deviations between the fair value and the transaction price at the time of entering the contract. These deviations are recognised as day one gains or losses and are amortised on a straight-line basis until the markets of the valuation inputs used become active.

The following table shows the reconciliation of the change in deferred day one gains and losses. These items relate entirely to Level 3 energy derivatives.

	2024		2023	
CHF million	Day one gains	Day one losses	Day one gains	Day one losses
Balance at 1 January	**22.7**	**8.3**	**20.6**	**12.0**
Deferred profit / loss arising from new transactions	0.6		10.7	
Profit or loss recognised in the income statement	– 6.3	– 3.2	– 7.6	– 3.1
Currency translation differences	0.7	0.4	– 1.0	– 0.6
Balance at 31 December	**17.7**	**5.5**	**22.7**	**8.3**

Expense / income related to financial assets and liabilities

CHF million	2024 Income statement	2024 Other comprehensive income	2023 Income statement	2023 Other comprehensive income
Net gains / losses (excluding interest)				
Financial assets and liabilities at fair value through profit or loss	11.7		325.8	
Own use contracts designated at fair value on initial recognition	44.2		72.7	
Financial assets at amortised cost	– 21.2		– 22.7	
Financial instruments designated for hedge accounting	14.3	– 50.6	– 1.9	14.9
Interest income and expense				
Interest income for financial assets at amortised cost	32.8		41.9	
Interest expense for financial liabilities at amortised cost	– 42.5		– 51.3	
Interest expense for financial liabilities measured at fair value and designated for hedge accounting	– 0.3		– 0.4	

For information on the impairment of trade receivables, see note 4.5.

Accounting policies

Financial investments, securities and derivatives are measured at fair value through profit or loss. All other financial assets and liabilities are measured at amortised cost. The Alpiq Group does not have financial instruments measured at fair value through other comprehensive income.

Financial assets and liabilities at fair value through profit or loss
Changes in value of the financial instruments measured at fair value are recognised through profit or loss in the financial result, with the exception of energy derivatives and currency derivatives concluded in connection with the hedging of energy transactions. Changes in the fair value of derivatives in connection with the energy business are presented in net revenue.

In principle, future own-use energy transactions are not reported in the balance sheet. This also includes contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments. By way of exception, Alpiq irrevocably designates some of these transactions as contracts measured at fair value through profit or loss, if otherwise an accounting mismatch would occur.

Hedging is usually carried out using physical forwards or future contracts and are related mainly to Alpiq's own asset portfolio in Switzerland. Such non speculative hedging transactions with physical forward contracts or futures contracts are treated as own-use contracts. They are not reported as derivative financial instruments measured at fair value, but rather as executory contracts. Revenue or costs from such activities is recognised on delivery. Margin calls related to futures are recorded as other receivables or other liabilities.

Financial assets and liabilities at amortised cost
With the exception of trade receivables, financial assets and financial liabilities at amortised cost are initially recognised at fair value plus or minus direct transaction costs. Trade receivables are measured at transaction price.

For the subsequent measurement of financial assets at amortised cost, any impairments are calculated using the expected credit loss model according to which losses on unsecured financial assets expected in future are also recognised. Impairment losses expected in the future are determined using publicly available probability of default, which takes into account forward-looking information and historical probabilities of default. For financial assets, losses that are expected to occur in the next 12-month period are generally recognised. If the credit risk increases significantly for specific counterparties, impairment is recognised on the assets affected over the entire residual term of the asset. In accordance with IFRS 9, the simplified approach is applied to trade receivables for the measurement of the expected losses by recognising the lifetime expected credit losses (see note 4.5).

Alpiq analyses historical credit losses and derives a forward-looking estimate of expected credit losses taking, into account the economic conditions and information obtained externally. The estimates are reviewed and analysed periodically. However, actual results may differ from these estimates, resulting in adjustments in subsequent periods.

Hedge accounting

Cash flow hedge accounting

	31 Dec 2024		31 Dec 2023	
	Foreign currency hedges	Interest rate swaps	Foreign currency hedges	Interest rate swaps
Derivative financial instruments in current assets (in CHF million)	1.5		36.2	
Derivative financial instruments in current liabilities (in CHF million)	21.6	0.2	25.3	0.4
Nominal amount (in CHF million)	5.2		1,103.8	
Nominal amount (in EUR million)	1,490.0	10.9	1,712.9	38.7

Change in cash flow hedge reserves

	2024		2023	
CHF million	Foreign currency hedges	Interest rate swaps	Foreign currency hedges	Interest rate swaps
Cash flow hedge reserves at 1 January	**46.7**	**–5.1**	**33.7**	**–4.7**
Recognition of gain / loss	–36.6	0.3	13.4	–0.4
Reclassification of realised gain / loss to net revenue	–14.3		1.9	
Reclassification of realised gain / loss to financial result		0.3		0.4
Change from partner power plants and other associates		0.3		
Ineffective portion posted in finance income		–0.3		–0.4
Income tax expense	7.7		–2.3	
Cash flow hedge reserves at 31 December	**3.5**	**–4.5**	**46.7**	**–5.1**

Foreign currency hedges

Foreign currency positions from the sale of Swiss production capacity in euros are hedged with forward transactions on the basis of the expected transaction volumes. Each spot component is designated as a hedging instrument for hedge accounting. The unrealised gains / losses of the spot components are included in other comprehensive income taking deferred taxes into account. Changes in the forward components are recognised through profit or loss. There were no ineffective portions of the hedge from the foreign currency hedges at the reporting date. The underlying transactions will be recognised in the income statements 2025 to 2029.

Interest rate swaps

As of 31 December 2023, interest rate swaps were in place to hedge interest rate exposure to the varying interest rates of project financing facilities in Italy. Following the full repayment of these financing facilities in 2024, the associated interest rate swaps were unwound, leading to the termination of the hedge accounting relationship.

Fair value hedge accounting

In 2022 and 2023, Alpiq applied fair value hedge accounting under IFRS 9 for a firm commitment related to a fixed-priced physical energy purchase contract. In 2024, the hedging instruments expired, and no new hedging instruments were designated. As a result, the hedge accounting relationship was discontinued.

Hedged item

The fair value changes of the hedged items are recorded in net revenue and reflected in the balance sheet line items “Other non-current assets” and “Other current liabilities”.

	Other non-current assets	Other current liabilities	Net hedged item
Carrying amount of the hedged item at 31 December 2022	**2.0**	**37.4**	**35.4**
Fair value movement included in the hedge relationship	– 2.0	24.6	26.6
Release of fair value adjustment due to matured hedge relationship		– 37.4	– 37.4
Carrying amount of the hedged item at 31 December 2023	**0.0**	**24.6**	**24.6**
Release of fair value adjustment due to matured hedge relationship		– 24.6	– 24.6
Carrying amount of the hedged item at 31 December 2024	**0.0**	**0.0**	**0.0**

Hedging instruments

In 2023, only futures maturing in 2024 were designated as hedging instruments. In 2024, no additional futures were designated. Since futures are settled daily in cash, no outstanding exposure is recognised on the balance sheet.

	31 Dec 2024	31 Dec 2023
Nominal amount in CHF million		62.0
Nominal amount in MWh		489,669.0
Average forward price in CHF		132.8

3.3 Financing

Capital management

Capital management includes financing and debt structuring, supervision of trade financing activities, management and control of guarantees, cash and liquidity management, and safeguarding against the risk that Alpiq Holding Ltd., or another group company, becomes unable to meet its payment obligations. All these activities are regulated in the Financial Risk Directive.

As part of the budgeting and planning process, the Board of Directors takes note of the financial targets and the required target liquidity on an annual basis. Target liquidity consists of risk capital and required working capital. In addition, the Board of Directors receives regular reports.

Alpiq Holding Ltd. procures a significant portion of financing centrally for the Alpiq Group. The Swiss capital market remains the main source of financing. The aim pursued in financing the Group is that the level of financial liabilities contributes to a solid credit rating in line with industry standards.

The capital management strategy in principle focuses on the Group's reported consolidated equity and net debt-to-EBITDA ratio. In 2024, Alpiq successfully repaid its outstanding hybrid bond in full, reinforcing its financial position and commitment to disciplined capital management.

At 31 December 2024, the Group reported an equity ratio of 58.3%, which is 12.4 percentage points above the previous year. This strong increase was driven mainly by lower energy prices, which reduced the value of energy derivatives and receivables, leading to a decline in total assets.

The net debt-to-EBITDA ratio before non-operating effects ratio is calculated and compares with the previous year as follows:

CHF million	31 Dec 2024	31 Dec 2023
Non-current financial liabilities	994.5	1,192.0
Non-current financial liabilities under liabilities held for sale	0.6	1.0
Current financial liabilities	254.8	404.0
Financial liabilities	**1,249.9**	**1,597.0**
Current term deposits	117.3	370.7
Cash and cash equivalents	1,561.1	1,572.9
Financial assets (liquidity)	**1,678.4**	**1,943.6**
Net cash	**– 428.4**	**– 346.6**
Adjusted EBITDA [1]	962.4	1,183.8
Net cash / adjusted EBITDA	**– 0.4**	**– 0.3**

1 For more information about adjusted EBITDA, please refer to the unaudited explanations in the Financial Review.

Financial liabilities

CHF million	Bonds	Loans payable	Lease liabilities	NCI put option	Total
Non-current financial liabilities at 1 January 2024	824.8	337.2	30.0		1,192.0
Current financial liabilities at 1 January 2024	260.4	138.5	5.1		404.0
Financial liabilities at 1 January 2024	**1,085.2**	**475.7**	**35.1**	**0.0**	**1,596.0**
Acquisition / disposal of subsidiaries		10.5			10.5
Proceeds from financial liabilities [1]		31.3	1.8		33.1
Repayment of financial liabilities	– 260.0	– 166.2	– 6.8		– 433.0
Unwinding of discount	0.2	0.8	1.4		2.3
Adjustment of lease agreements			– 0.4		– 0.4
Other changes	– 0.4			35.1	34.7
Currency translation differences		5.2	0.9		6.1
Financial liabilities at 31 December 2024	**825.0**	**357.2**	**31.9**	**35.1**	**1,249.3**
Non-current financial liabilities at 31 December 2024	625.1	308.0	26.3	35.1	994.5
Current financial liabilities at 31 December 2024	199.9	49.2	5.6		254.8

1 Lease liabilities in amount of CHF 1.8 million not cash effective.

CHF million	Bonds	Loans payable	Lease liabilities	Total
Non-current financial liabilities at 1 January 2023	709.3	331.1	34.9	1,075.3
Current financial liabilities at 1 January 2023	140.3	379.5	5.9	525.7
Financial liabilities at 1 January 2023	**849.6**	**710.6**	**40.8**	**1,601.0**
Proceeds from financial liabilities [1]	375.2	163.1	4.1	542.4
Repayment of financial liabilities	–139.6	–388.1	–7.3	–535.0
Unwinding of discount		0.6	0.5	1.1
Adjustment of lease agreements			–0.4	–0.4
Reclassified to “Liabilities held for sale”			–1.0	–1.0
Currency translation differences		–10.5	–1.6	–12.1
Financial liabilities at 31 December 2023	**1,085.2**	**475.7**	**35.1**	**1,596.0**
Non-current financial liabilities at 31 December 2023	824.8	337.2	30.0	1,192.0
Current financial liabilities at 31 December 2023	260.4	138.5	5.1	404.0

1 Lease liabilities in amount of CHF 4.1 million not cash effective.

Bonds

Bonds outstanding at the reporting date

CHF million	Maturity	Earliest repayment date	Effective interest rate %	Carrying amount at 31 Dec 2024	Carrying amount at 31 Dec 2023
Alpiq Holding Ltd. CHF 260 million nominal amount, 2.63% fixed rate	2014 / 2024	29 Jul 2024	2.71		260.2
Alpiq Holding Ltd. CHF 200 million nominal amount, 1.63% fixed rate	2022 / 2025	30 May 2025	1.69	200.0	200.0
Alpiq Holding Ltd. CHF 250 million nominal amount, 1.75% fixed rate	2022 / 2026	24 Jun 2026	1.63	249.9	250.0
Alpiq Holding Ltd. CHF 220 million nominal amount, 3.13% fixed rate	2023 / 2027	29 Apr 2027	3.03	220.2	220.0
Alpiq Holding Ltd. CHF 155 million nominal amount, 3.38% fixed rate	2023 / 2030	29 Apr 2030	3.32	154.9	155.0

The weighted interest rate on the bonds issued and listed on the SIX Swiss Exchange based on the nominal value at the reporting date is 2.52% (previous year: 2.43%), and that on the loans payable is 2.03% (2.61%). The latter also includes project financing denominated in euros. The weighted average interest rate of the bonds and the loans payable is 2.36% (2.48%).

Credit lines

The Alpiq Group has the following bank credit lines:

CHF million	31 Dec 2024	31 Dec 2023
Non-earmarked credit lines committed by banks and financial institutions	1,700.0	859.1
Of which, utilised		30.0
Of which, still available	1,700.0	829.1

In 2023, Alpiq Group had a bilateral term loan of CHF 30 million, which was fully drawn. The facility was subject to an equity ratio covenant, which was complied with as of 31 December 2023. The loan was fully repaid in 2024. As of 31 December 2024, Alpiq's financing agreements no longer include any covenant requirements.

Equity

Share capital

The share capital of CHF 0.331 million (previous year: CHF 0.331 million) consists of 33,110,364 registered shares at a par value of CHF 0.01 each and is fully paid in. The shareholder structure breaks down as follows:

	Stakes in % at 31 Dec 2024	Stakes in % at 31 Dec 2023
EOS HOLDING SA	33.33	33.33
Schweizer Kraftwerksbeteiligungs-AG	33.33	33.33
EBM (Genossenschaft Elektra Birseck)	19.91	19.91
EBL (Genossenschaft Elektra Baselland)	6.44	6.44
Eniwa Holding AG	2.12	2.12
Aziende Industriali di Lugano (AIL) SA	1.79	1.79
IBB Holding AG	1.12	1.12
Regio Energie Solothurn	1.00	1.00
WWZ AG	0.96	0.96

At the Annual General Meeting on 15 May 2025, the Board of Directors of Alpiq Holding Ltd. will propose a dividend distribution of CHF 4.90 per share (totalling CHF 162.2 million) for the financial year 2024. In the previous year, the dividend was CHF 3.50 per share, totaling CHF 115.9 million.

Hybrid capital

In 2013, Alpiq issued a CHF 650.0 million public hybrid bond on the Swiss capital market. The bond had no maturity date and was classified as equity under IFRS Accounting Standards. Alpiq retained the option to repay the bond annually on 15 November. In September 2024, Alpiq announced its decision to exercise this option, and on 15 November 2024 the notional amount of CHF 650.0 million, along with interest of CHF 40.7 million, was repaid. In the previous year, interest payments of CHF 29.5 million were made and accrued interest amounted to CHF 5.0 million. Interest after tax attributable to 2024 amounted to CHF 35.6 million (previous year: CHF 30.7 million).

Non-controlling interest put option

Alpiq and the minority shareholders of P2X have included a put option in the shareholder agreement, allowing the minority shareholders to sell their shares to Alpiq at the beginning of 2028 at a predefined price, subject to the achievement of certain milestones. The present value of the purchase price, amounting to CHF 35.1 million, is recognised as a non-current financial liability, with a corresponding reduction in retained earnings.

4 Operating assets and liabilities

4.1 Property, plant and equipment

In 2024, Alpiq acquired two companies and integrated them into the consolidated financial statements. For detailed information, see note 5.1.

CHF million	Land and buildings	Power plants	Others[1]	Assets under construction and prepayments	Right-of-use assets	Total
Net carrying amount at 1 January 2024	**110.3**	**1,495.2**	**32.4**	**78.7**	**31.5**	**1,748.1**
Acquisition of subsidiaries	0.2			47.4		47.6
Investments		0.7	6.9	96.4	1.8	105.8
Own work capitalised				1.5		1.5
Reclassifications	– 0.6	47.7	6.9	– 57.0		– 3.0
Reclassified to “Assets held for sale”				– 0.1		– 0.1
Disposals		– 4.0		– 1.1	– 0.5	– 5.6
Depreciation	– 2.4	– 88.4	– 6.5		– 5.2	– 102.5
Impairment		– 0.5		– 0.3		– 0.8
Currency translation differences	0.1	1.2	1.8	0.2	0.2	3.5
Net carrying amount at 31 December 2024	**107.6**	**1,451.9**	**41.5**	**165.7**	**27.8**	**1,794.5**
Of which, cost value	170.2	4,754.1	88.6	182.8	65.7	5,261.4
Of which, accumulated depreciation	– 62.5	– 3,302.3	– 47.1	– 17.1	– 37.9	– 3,466.9

1 Includes transmission assets, machinery, equipment and vehicles as well as decommissioning, restoration and maintenance costs

In 2024, investments categorised as “Others” amounted to CHF 6.9 million, reflecting the revaluation of an existing decommissioning provision in Italy. In 2023, investments in this category amounted to CHF 13.4 million, including a CHF 4.6 million increase in decommissioning provisions and a CHF 8.8 million revaluation of an existing provision. These transactions were non-cash effective.

CHF million	Land and buildings	Power plants	Others[1]	Assets under construction and prepayments	Right-of-use assets	Total
Net carrying amount at 1 January 2023	**110.8**	**1,525.2**	**21.8**	**88.2**	**36.4**	**1,782.4**
Investments			13.4	66.1	3.7	83.2
Own work capitalised				1.7		1.7
Reclassifications	2.3	69.6	0.9	–72.2		0.6
Reclassified to “Assets held for sale”				–2.8	–0.7	–3.5
Disposals					–0.4	–0.4
Depreciation	–2.3	–87.9	–3.7		–5.9	–99.8
Currency translation differences	–0.5	–11.7		–2.3	–1.6	–16.1
Net carrying amount at 31 December 2023	**110.3**	**1,495.2**	**32.4**	**78.7**	**31.5**	**1,748.1**
Of which, cost value	176.4	4,755.2	75.3	95.5	64.6	5,167.0
Of which, accumulated depreciation	–66.1	–3,260.0	–42.9	–16.8	–33.1	–3,418.9

1 Includes transmission assets, machinery, equipment and vehicles as well as decommissioning, restoration and maintenance costs

Leases

Alpiq is lessee in various contracts particularly in connection with power plants, land, building and IT infrastructure rentals. These leases are concluded for a fixed term of one month to 20 years and may contain renewal or termination options. The table below shows the change in net carrying amounts of the right of use assets capitalised in the balance sheet line item “Property, plant and equipment”:

CHF million	Rights of use buildings	Rights of use power plants	Rights of use others	Total
Net carrying amount at 1 January 2024	**15.6**	**15.4**	**0.5**	**31.5**
Investments	1.7		0.1	1.8
Divestments / early termination	–0.5			–0.5
Depreciation	–2.7	–2.2	–0.3	–5.2
Currency translation differences	0.4	–0.1		0.2
Net carrying amount at 31 December 2024	**14.5**	**13.1**	**0.3**	**27.8**
Of which, cost value	27.2	33.5	5.0	65.7
Of which, accumulated depreciation	–12.7	–20.4	–4.8	–37.9

CHF million	Rights of use buildings	Rights of use power plants	Rights of use others	Total
Net carrying amount at 1 January 2023	**17.0**	**18.2**	**1.2**	**36.4**
Investments	3.5		0.2	3.7
Divestments / early termination	– 0.4			– 0.4
Reclassified to “Assets held for sale”	– 0.7			– 0.7
Depreciation	– 2.8	– 2.3	– 0.8	– 5.9
Currency translation differences	– 1.1	– 0.5		– 1.6
Net carrying amount at 31 December 2023	**15.6**	**15.4**	**0.5**	**31.5**
Of which, cost value	27.1	33.0	4.5	64.6
Of which, accumulated depreciation	– 11.5	– 17.6	– 4.0	– 33.1

The change in carrying amounts of the lease liabilities included under financial liabilities can be seen in note 3.3.

Contractual obligations

At the reporting date, the Group had contractual commitments of CHF 59.1 million (previous year: CHF 78 million) for the construction and acquisition of property, plant and equipment.

Pledged assets

The power plants of En Plus S.r.l., Milan/IT, Enpower 3 S.r.l., Milan/IT and Società Agricola Solar Farm 4 S.r.l., Milan/IT, are funded through common project financing arrangements with banks. The related liabilities are reported on the consolidated balance sheet. The Alpiq Group has pledged CHF 105.5 million of its interest in these power plants to the financing banks as collateral (previous year: CHF 118.3 million). In addition, Alpiq has pledged all its shares in the associate Tormoseröd Vindpark AB, Karlstad, SE, of CHF 4.6 million in the context of project financing for the construction of a wind farm in Sweden (CHF 3.5 million). For information about pledged cash and cash equivalents, see note 4.6.

Accounting policies

Property, plant and equipment is stated at cost, net of accumulated depreciation and any impairment losses. Obligations to restore land and sites after licence expiry or decommissioning are accounted for individually in accordance with the contract terms.

Depreciation is applied to property, plant and equipment on a straight-line basis over their estimated useful lives, or to the expiry date of power plant licences. Assets under construction and prepayments are not subject to depreciation until they are completed or in working condition and have been reclassified to the corresponding asset category. The estimated useful lives of the various classes of assets is as follows:

- Power plants: 20 – 80 years
- Transmission assets: 15 – 40 years
- Buildings: 20 – 60 years
- Machinery, equipment and vehicles: 3 – 20 years

- Land: only in case of impairment
- Assets under construction and prepayments: if impairment is already evident

The residual value and useful life of an asset are reviewed regularly, but at least at each financial year end, and adjusted where required. At every reporting date, an analysis is performed to determine whether there is any indication that items of property, plant and equipment are impaired.

The calculation of the useful life, residual value and recoverable amount involves estimates. The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs of disposal and its value in use. If an asset does not generate cash inflows that are independent of those from other assets, the recoverable amount of the individual asset is estimated for the cash-generating unit to which the asset belongs. Value in use is calculated by discounting the estimated future cash flows based on budget figures approved by management, business assumptions and other relevant factors. These assumptions are based on historical empirical data and current market expectations, and therefore contain significant estimation uncertainties. These assumptions relate largely to wholesale prices on European forward markets and forecasts of medium-term and long-term energy prices, foreign currencies (in particular EUR/CHF and EUR/USD exchange rates), inflation rates, discount rates, regulatory conditions and investment activities relating to the company. The estimates made are reviewed periodically using external market data and analyses. To calculate the terminal values, the cash flows were extrapolated by a growth rate of 2.0% (previous year: 2.0%). This growth rate corresponds to the long-term average growth that Alpiq expects and represents a forecast. The discount rates applied reflect the current market estimate for the specific risks to be allocated to the assets and represent a best estimate. Actual results may differ from these estimates, assumptions and forecasts, resulting in significant adjustments in subsequent periods.

4.2 Intangible assets

CHF million	Energy purchase rights[1]	Goodwill	Software and other intangible assets	Assets under development and prepayments	Total
Net carrying amount at 1 January 2024	**23.4**	**0.0**	**46.6**	**2.9**	**72.9**
Acquisition of subsidiaries		11.2	5.3		16.5
Investments			6.0	6.6	12.6
Own work capitalised				2.8	2.8
Reclassifications			8.0	–5.0	3.0
Amortisation	–0.7		–10.7		–11.4
Currency translation differences	–0.3	–0.1	0.7	–0.4	0.0
Net carrying amount at 31 December 2024	**22.4**	**11.1**	**55.9**	**6.9**	**96.4**
Of which, cost value	1,484.3	11.1	536.3	6.9	2,038.6
Of which, accumulated amortisation	–1,461.9		–480.4		–1,942.3

1 Includes prepayments for rights to purchase energy in the long term, including capitalised interest, as well as long-term energy purchase agreements acquired in business combinations.

CHF million	Energy purchase rights[1]	Goodwill	Software and other intangible assets	Assets under development and prepayments	Total
Net carrying amount at 1 January 2023	**25.3**	**0.0**	**49.4**	**5.9**	**80.6**
Investments				3.7	3.7
Own work capitalised				3.3	3.3
Reclassifications			9.7	–10.0	–0.3
Amortisation	–1.2		–10.2		–11.4
Impairment			–1.2		–1.2
Currency translation differences	–0.7		–1.1		–1.8
Net carrying amount at 31 December 2023	**23.4**	**0.0**	**46.6**	**2.9**	**72.9**
Of which, cost value	1,484.4		520.6	2.9	2,007.9
Of which, accumulated amortisation	–1,461.0		–474.0		–1,935.0

1 Include prepayments for rights to purchase energy in the long term, including capitalised interest, as well as long-term energy purchase agreements acquired in business combinations.

Goodwill

The goodwill of CHF 11.1 million relates to the acquisition of P2X (see note 5.1) and was tested for impairment at year end. Goodwill is allocated to the cash-generating unit (CGU) P2X.

For impairment testing, cash flows were projected over the expected useful life of the assets based on the latest business plans approved by management, including relevant factors updated after the approval. No terminal value was considered at the end of the useful life of the assets. A pre-tax discount rate of 7.4% was applied and a post-tax discount rate of 5.7%. A change of the pre-tax discount rate to 10.8% would cause the recoverable amount to be exactly the same as the carrying amount.

Impairment losses

In the previous year, impairment losses of CHF 1.2 million were recognised in the Trading segment, because internally developed software could not be used as originally planned. No impairment losses were recognised in 2024.

Accounting policies

Intangible assets are stated at cost, net of accumulated amortisation and any impairment losses. Assets with a limited useful life are generally amortised on a straight-line basis over their estimated useful economic lives. The amortisation period and method are reviewed at each financial year end. The expected useful life of the various classes of intangible assets is as follows:

- Energy purchase rights: 35 to 80 years
- Software: 1 to 6 years
- Goodwill: indefinite (impairment only)

For significant estimation uncertainties and assumptions, see note 4.1.

4.3 Investments in partner power plants and other associates

CHF million	Partner power plants	Other associates	Total
Carrying amount at 1 January 2024	**2,126.1**	**29.3**	**2,155.4**
Dividends	– 28.3	– 0.6	– 28.9
Share of profit / (loss)	– 8.4	1.0	– 7.4
IAS 19 effects recognised in other comprehensive income	6.9	2.9	9.9
Investments		0.2	0.2
Reclassifications	– 1.4		– 1.4
Carrying amount at 31 December 2024	**2,094.9**	**32.8**	**2,127.7**

CHF million	Partner power plants	Other associates	Total
Carrying amount at 1 January 2023	**2,153.8**	**29.4**	**2,183.2**
Dividends	– 22.9	– 0.5	– 23.4
Share of profit / (loss)	– 21.9	– 1.4	– 23.3
IAS 19 effects recognised in other comprehensive income	21.6	1.0	22.6
Investments		0.5	0.5
Reclassifications	– 4.5		– 4.5
Disposals		0.3	0.3
Carrying amount at 31 December 2023	**2,126.1**	**29.3**	**2,155.4**

Summarised financial information

Under the partner agreements in force, the shareholders of partner power plants are required to take on the energy, and payment of the annual costs, allotted to their ownership interest throughout the concession period. Furthermore, nuclear power plant owners are required to pay limited additional contributions to the decommissioning and waste disposal fund, in the event a primary contributor is unable to fulfil payments. The partner agreements run through the useful life of the power plant, or the concession period, and cannot be terminated. For individual partner power plants, Alpiq assigned a portion of the energy to be granted to it due to its ownership interest, and the associated obligation to pay its annual costs, to another company. In such cases, the reported interest relevant from an economic perspective may differ from the interest held pursuant to corporate law. The Alpiq Group's share of the annual costs of all partner power plants in 2024 amounted to CHF 414.8 million (previous year: CHF 474.7 million). This amount is included in energy and inventory costs.

The merger of Atel and EOS, which formed Alpiq in 2009, led to fair value adjustments being made on the acquired assets in the course of the business combination. These fair value adjustments are amortised over the concession periods of the corresponding assets, which results in a negative impact on the share of profit and loss. In the summarised financial information the fair value adjustments are included and calculated on the basis of a weighting.

Material partner power plants 2024

CHF million	Grande Dixence SA	Nant de Drance SA	Kernkraftwerk Gösgen-Däniken AG	Kernkraftwerk Leibstadt AG	Total
Non-current assets	1,956.3	2,008.1	3,877.5	5,234.0	13,075.9
Current assets	17.5	36.1	293.7	412.6	759.9
Non-current liabilities	706.2	213.4	3,469.9	3,928.1	8,317.6
Current liabilities	158.0	1,399.0	307.0	525.2	2,389.2
Total equity	**1,109.6**	**431.8**	**394.2**	**1,193.4**	**3,129.0**
Equity share	60.0%	39.0%	40.0%	27.4%	
Alpiq's share of total equity	**665.8**	**168.4**	**156.6**	**312.3**	**1,303.1**
Income	179.9	125.4	452.1	547.4	1,304.8
Expenses	– 205.0	– 104.5	– 413.6	– 562.7	– 1,285.8
Net income	**– 25.0**	**20.9**	**38.4**	**– 15.3**	**19.0**
Other comprehensive income	3.3		– 4.2	19.6	18.8
Total comprehensive income	**– 21.7**	**20.9**	**34.3**	**4.3**	**37.8**
Alpiq's share of total comprehensive income	**– 13.0**	**8.2**	**13.6**	**1.4**	**10.1**
Dividends received	**9.0**		**10.7**	**5.5**	**25.3**

Material partner power plants 2023

CHF million	Grande Dixence SA	Nant de Drance SA	Kernkraftwerk Gösgen-Däniken AG	Kernkraftwerk Leibstadt AG	Total
Non-current assets	2,014.2	2,062.1	3,565.4	4,984.6	12,626.2
Current assets	26.8	80.3	417.5	639.1	1,163.7
Non-current liabilities	675.4	1,412.9	3,400.7	4,197.3	9,686.2
Current liabilities	219.0	320.2	196.1	215.6	950.9
Total equity	**1,146.6**	**409.3**	**386.2**	**1,210.7**	**3,152.7**
Equity share	60.0%	39.0%	40.0%	27.4%	
Alpiq's share of total equity	**688.1**	**159.8**	**153.8**	**317.0**	**1,318.7**
Income	167.9	123.3	433.1	538.0	1,262.4
Expenses	–194.2	–106.4	–402.8	–534.1	–1,237.4
Net income	**–26.3**	**17.0**	**30.4**	**3.9**	**25.0**
Other comprehensive income	1.4	0.2	38.0	13.9	53.4
Total comprehensive income	**–24.9**	**17.2**	**68.5**	**17.8**	**78.4**
Alpiq's share of total comprehensive income	**–14.9**	**6.8**	**27.6**	**4.9**	**24.5**
Dividends received	**7.4**		**7.1**	**5.6**	**20.1**

The associates classified as material by Alpiq comprise only strategically significant partner power plants. Market values are not available for any of these companies.

Total partner power plants and other associates (Alpiq share)

				31 Dec 2024				31 Dec 2023
CHF million	Individually disclosed partner power plants	Other immaterial partner power plants	Other associates	Total	Individually disclosed partner power plants	Other immaterial partner power plants	Other associates	Total
Non-current assets	4,867.1	1,189.1	48.7	6,104.9	4,733.6	1,194.5	40.4	5,968.4
Current assets	248.9	27.5	12.5	288.8	380.4	20.5	16.2	417.2
Non-current liabilities	2,913.1	303.8	22.8	3,239.7	3,405.1	338.6	22.2	3,765.9
Current liabilities	899.8	121.0	5.7	1,026.4	390.3	68.9	5.0	464.2
Total equity	**1,303.1**	**791.8**	**32.8**	**2,127.6**	**1,318.7**	**807.4**	**29.3**	**2,155.4**
Income	479.7	148.0	25.1	652.8	462.5	146.5	31.6	640.6
Expenses	–475.3	–160.9	–24.1	–660.2	–458.1	–172.9	–32.8	–663.8
Net income	**4.4**	**–12.8**	**1.0**	**–7.4**	**4.6**	**–26.5**	**–1.4**	**–23.2**
Other comprehensive income	5.7	1.2	2.9	9.8	20.1	1.6	1.0	22.7
Total comprehensive income	**10.1**	**–11.6**	**4.0**	**2.5**	**24.5**	**–24.8**	**–0.2**	**–0.5**

Accounting policies

An associate is a company over which the Alpiq Group is in a position to exercise significant influence through participation in the financial and operating policy decisions of the investee, and which is neither a subsidiary nor a joint arrangement. Significant influence is generally presumed with a share of voting rights ranging from 20% to 50%. Where appropriate, a company may similarly be considered an associate in the consolidated financial statements by application of the equity method, even if the ownership interest is less than 20%. This applies in particular where the Alpiq Group is represented in the authoritative decision-making body, such as the Board of Directors, or where it participates in operating and financial policymaking. The equity method is also applied to assess companies over which Alpiq, despite having a related ownership interest of 50% or greater, has no control, as a result of restrictions in articles of association, contracts or organisational rules.

With regard to associates, Alpiq makes the distinction between partner power plants and other associates. The partner power plants are companies that construct, maintain and operate nuclear power plants or hydropower plants, or manage the energy purchase rights. Goodwill may also arise through purchase of investments in associates and corresponds to the difference between the cost of investment and the Group's share of the fair value of the identifiable net assets. Such goodwill forms part of the carrying amount at which the associate is recognised.

The reporting date of a few partner power plants (hydrological year) and other associates differs from that of the Group. The most recent available financial statements of these companies are used to prepare the consolidated financial statements of the Alpiq Group. Significant transactions and events that occur between the end of the most recent reporting period and 31 December are taken into account in the consolidated financial statements. Reconciliation statements are prepared for companies that do not prepare financial statements in accordance with IFRS Accounting Standards.

Although Alpiq holds a 60% stake in Grande Dixence SA, the company is not fully consolidated due to its governance structure, which restricts Alpiq from exercising unilateral control over key operational and financial decisions. Strategic decisions require broader shareholder agreement, thus limiting control despite the majority holding. Based on management's assessment and professional judgment, Grande Dixence SA is classified as an associate and accounted for using the equity method, reflecting Alpiq's significant influence rather than full control.

4.4 Inventories

CHF million	31 Dec 2024	31 Dec 2023
CO_2 and other certificates	76.5	10.9
Gas	8.3	10.2
Consumables, supplies and fuels	11.9	11.5
Inventory at fair value	65.9	0.1
Total	**162.6**	**32.7**

Accounting policies

Inventories held for own use comprise mainly gas used for electricity generation at thermal plants, materials for providing operating services, and certificates. Gas is initially recognised at the lower of weighted average cost and net realisable value. Certificates for own use are initially recognised at cost of purchase and further carried at the lower of cost or net realisable value. Any surplus certificates no longer needed for own use are reclassified and measured at their fair value. The other inventories are stated at the lower of cost (calculated applying the FIFO method or the average cost method) and net realisable value. Certificates held for trade with the purpose of generating profit from price fluctuations or dealer's margins are recognised at fair value through profit and loss and are presented in the line item "Inventory at fair value".

4.5 Receivables and other current assets

CHF million	31 Dec 2024	31 Dec 2023
Trade receivables [1]	1,126.3	1,256.4
Prepayments to suppliers	9.1	12.3
Other current receivables	459.0	545.7
Total	**1,594.3**	**1,814.4**

1 Of which an amount of CHF 641.7 million (previous year: CHF 749.6 million) originates from contracts with customers pursuant to IFRS 15.

Alpiq usually grants its customers a payment term of no longer than 30 days. In certain cases, the payment term may be more than 30 days. Trade receivables and trade payables with the same counterparty are offset, provided that a netting agreement exists and payment is made on a net basis. For more information, see note 3.1.

Age analysis of trade receivables

	31 Dec 2024			31 Dec 2023		
CHF million	Gross	Allowance for ECL	Net (balance sheet)	Gross	Allowance for ECL	Net (balance sheet)
Not past due	1,047.8	– 0.1	1,047.7	1,213.3	– 0.2	1,213.1
1 – 90 days past due	65.4	– 0.5	64.9	35.9	– 2.1	33.8
91 – 180 days past due	2.8	– 0.2	2.6	1.6	– 0.3	1.3
181 – 360 days past due	5.1	– 0.8	4.3	5.4	– 1.2	4.2
Over 360 days past due [1]	112.2	– 105.5	6.7	213.4	– 209.4	4.1
Total	**1,233.4**	**– 107.2**	**1,126.3**	**1,469.6**	**– 213.2**	**1,256.4**

1 Overdue trade receivables related to the years 2021 to 2023

Allowance for expected credit loss (ECL) on trade receivables

CHF million	31 Dec 2024	31 Dec 2023
Carrying amount before impairment	1,233.4	1,469.6
Of which, impaired	– 107.2	– 213.2
Impairment at beginning of year	– 213.2	– 233.2
Impairment charge for the year [1]	– 0.7	– 3.5
Amounts written off as uncollectible	108.8	9.5
Unused amounts reversed	2.5	0.6
Currency translation differences	– 4.5	13.5
Impairment at end of year [2]	– 107.2	– 213.2

1 Of which an amount of CHF – 0.7 million (previous year: CHF – 3.4 million) originates from contracts with customers pursuant to IFRS 15.

2 Of which an amount of CHF – 23.4 million (previous year: CHF – 27.0 million) originates from contracts with customers pursuant to IFRS 15.

The impairment comprises specific bad debt allowances of CHF 107.2 million (previous year: CHF 213.2 million) that were recognised for receivables with concrete indications of a default risk (e.g. insolvency). In accordance with the expected credit loss model, it also includes general bad debt allowances of CHF 0.1 million (CHF 0.2 million) due to the inherent default risk in receivables. For this, individual probabilities of default are calculated for each counterparty amounting to between 0.0% and 3.04% (previous year: between 0.0% and 3.56%), depending on the maturity of the trade receivables.

Trade receivables classified by credit rating

CHF million	31 Dec 2024	in %	31 Dec 2023	in %
Counterparties classified in risk category AAA to A	302.0	26.8	312.9	24.9
Counterparties classified in risk category BBB to B	770.7	68.4	672.2	53.5
Counterparties classified in risk category CCC and below	106.4	9.4	187.4	14.9
Counterparties unrated	54.3	4.8	297.1	23.6
Expected credit losses	– 107.2	– 9.5	– 213.2	– 17.0
Total	**1,126.3**	**100.0**	**1,256.4**	**100.0**

4.6 Cash and cash equivalents

CHF million	31 Dec 2024	31 Dec 2023
Cash at bank and in hand	1,332.3	1,235.8
Term deposits with a maturity of 90 days or less	228.8	337.1
Total	**1,561.1**	**1,572.9**

Cash at bank and in hand include foreign subsidiaries' bank accounts with a total balance of EUR 17.5 million, converted CHF 16.5 million, (previous year: EUR 25.4 million, converted CHF 23.6 million), which is pledged in accordance with regulations in local finance agreements. These funds are therefore not freely available in full for the Alpiq Group.

4.7 Provisions

CHF million	Onerous contracts	Decommis-sioning own power plants	Other	Total
Non-current provisions at 1 January 2024		63.8	45.4	109.2
Current provisions at 1 January 2024	1.0		28.7	29.7
Provisions at 1 January 2024	**1.0**	**63.8**	**74.1**	**138.9**
Increase	0.7	0.4	37.0	38.1
Unwinding of discount		0.9	0.3	1.2
Utilised	– 1.3		– 29.2	– 30.5
Unused amounts reversed		– 1.2	– 2.7	– 3.9
Revalued		6.5		6.5
Currency translation differences	1.2	0.1	– 0.3	1.0
Provisions at 31 December 2024	**1.6**	**70.5**	**79.2**	**151.2**
Non-current provisions at 31 December 2024	0.1	70.5	74.7	145.2
Current provisions at 31 December 2024	1.5		4.5	6.0

Onerous contracts
These provisions comprise the present value of the onerous contracts in place at the reporting date.

The amount of the provisions for onerous contracts depends on various assumptions, relating in particular to the development of wholesale prices on European forward markets and forecasts of medium-term and long-term energy prices. These assumptions associated with uncertainties are made at the reporting date, some of which may result in significant adjustments in subsequent periods.

Decommissioning provision
The provision for decommissioning the Group's own power plant portfolio covers the estimated costs of decommissioning and restoration obligations associated with the Group's existing power plants.

Other provisions
Other provisions include obligations arising from the human resources area, existing and pending obligations from litigation and other operating risks deemed probable.

Please refer to Note 5.2 for information about the legal proceedings related to the sold Kraftanlagen Group.

Provisions for pending obligations from litigation are based on information available in each case and estimates made by management as to the outcome of the litigation. Depending on the actual outcome, the effective cash outflow may differ significantly from the provisions.

4.8 Contingent liabilities / assets and guarantees

ANAF's tax audit at Alpiq Energy SE
Following a tax audit for the period from 2010 to 2014, the Romanian tax authority ANAF (Agenția Națională de Administrare Fiscală) had requested from Alpiq Energy SE contested VAT, corporate income tax, interest and penalties amounting to RON 589.0 million (approximately CHF 111.0 million). On 19 October 2021, the competent Romanian administrative court of first instance followed the arguments of Alpiq Energy SE and revoked ANAF's decision as unlawful. ANAF subsequently appealed this decision to Romania's Supreme Court. On 27 March 2024, the Supreme Court confirmed the decision of the first instance. The decision is final and Alpiq Energy SE fully prevailed in this case. Detailed information about this legal case is disclosed in the Annual Report 2023.

In the context of ANAF's tax claim, Alpiq Energy SE filed a claim against ANAF seeking compensation for damages incurred due to alleged unlawful precautionary measures and the costs associated with a bank guarantee. On 12 December, 2022, the first-instance court ruled in favour of Alpiq Energy SE, awarding damages of approximately RON 10.5 million (approximately CHF 2.0 million). ANAF's appeal was subsequently dismissed by the appellate court, although ANAF retains the right to pursue a higher appeal against this decision. Additionally, in October 2024, Alpiq Energy SE filed an additional administrative damage claim against ANAF for an amount of RON 55.0 million (approximately CHF 10.0 million).

Compensation review proceedings against Alpiq Holding Ltd.
In 2020, appraisal claims were filed against Alpiq Holding Ltd. by two investors Knight Vinke (KVIP International V L.P.) and Merion Capital (Merion Capital LP, Merion Capital ERISA LP and Merion Capital II LP) pursuant to Sec. 105 of the Swiss Merger Act (FusG). The claims seek a review of the compensation of CHF 70.00 per share approved by the Annual General Meetings of Alpha 2020 AG (current Alpiq Holding Ltd.) and former Alpiq Holding AG ("Former Alpiq") and paid to minority shareholders thereof in the squeeze-out merger in 2020.

In February 2023, Alpiq Holding Ltd. and Merion Capital reached an out-of-court settlement and Merion Capital withdrew its appraisal claim in the proceedings started at the Chambre patrimoniale cantonale of canton Vaud, Switzerland, and waived any right to claim any additional payment from Alpiq in relation to Merion's shares acquired as part of the squeeze-out merger.

The proceedings initiated by Knight Vinke are still ongoing, whereby Knight Vinke is seeking a compensation based on a value per share amounting to at least CHF 140.0. Such an amount would correspond to an additional aggregate liability of about CHF 73.0 million to be paid by Alpiq Holding Ltd. to all relevant minority shareholders (excluding Merion Capital). The proceedings are currently pending in the competent court of canton Vaud.

In the context of the voluntary public purchase offer by SKBAG, PricewaterhouseCoopers (PwC) was engaged as an independent expert to prepare and submit a fairness opinion on the appropriateness of the offer price from a financial perspective. At the time, PwC concluded that the offer price was fair and appropriate from a financial perspective. In connection with the squeeze-out merger, Alantra Ltd. was engaged to compile an independent valuation report for the Board of Directors of Alpiq Holding Ltd. (Former Alpiq) and Alpha 2020 Ltd. (current Alpiq Holding Ltd.). Alantra's valuation report determined a value range of CHF 63.30 to CHF 72.50 per share in Former Alpiq and therefore confirmed that the agreed compensation of CHF 70.00 per share was appropriate.

Based on the facts and circumstances known at this time, in particular the two independent valuation reports that deemed the amount of compensation per share to be appropriate, Alpiq considers it unlikely that this litigation will result in a negative outcome for the company.

Other matters
In the previous year, Alpiq had been in negotiations with a contracting party on the termination of a long-term energy sales contract, as Alpiq considered it to be null and void in view of the market conditions. In 2024, a settlement agreement was reached that resulted in the payment of CHF 50.0 million from Alpiq to the contracting party.

There were no significant contingent liabilities from pledges, guarantees and other commitments to third parties in favour of third parties at the reporting date, as was also the case at 31 December 2023. For additional obligations in connection with partner power plants, see note 4.3.

4.9 Other current liabilities

CHF million	31 Dec 2024	31 Dec 2023
Trade payables	547.1	964.8
Hedged firm commitments		24.6
Other current liabilities	117.5	140.4
Advances from customers	11.6	12.9
Total	**676.1**	**1,142.7**

Trade payables to suppliers that are also customers are settled with trade receivables, provided that a netting agreement exists and payment is made on a net basis. For more information, see note 3.1.

5 Group structure

5.1 Business combinations

In 2024, the following companies were acquired and integrated into the consolidated financial statements:

On 12 April 2024, Alpiq acquired a 54.9% stake in P2X Solutions Oy for CHF 45.1 million (EUR 46.8 million). P2X Solutions Oy is a leading Power-to-X developer in the production and sale of green hydrogen and synthetic fuels. The company is currently constructing the first industrial-scale green hydrogen production facility in south-west Finland, in the town of Harjavalta. Scheduled to be operational in early 2025, the facility will boast an electrolysis capacity of 20 MW, positioning it as one of the largest of its kind in Europe.

On 19 June 2024, Alpiq acquired 100% of the shares in Pispantallin Tasapainotus Oy, based in Vantaa, Finland, from Merus Power Oy for CHF 0.72 million (EUR 0.75 million). The company is constructing one of the largest battery energy storage systems in Finland; the 30 MW large-scale battery is set to become operational in Valkeakoski by mid-2025.

The following allocation of fair values was applied in the balance sheet:

CHF million	Fair value
Property, plant and equipment	47.7
Intangible assets	5.3
Deferred income tax assets	1.0
Receivables and other current assets	0.3
Cash and cash equivalents	22.1
Total assets excl. Goodwill from acquisition	**76.4**
Deferred income tax liabilities	0.9
Non-current financial liabilities	10.5
Other current liabilities	3.0
Accruals and deferred income	0.1
Total liabilities	**14.5**
Net assets	**61.9**
Non-controlling interests	27.6
Net assets acquired (Shareholder's of Alpiq Holding AG)	34.3
Acquisition costs for acquired stake	**45.5**
Goodwill from acquisition	**11.2**
Net cash flow arising from acquisition activities:	
Acquisition costs	– 45.5
Cash and cash equivalents acquired with subsidiaries	22.1
Net cash flow	**– 23.4**

5.2 Companies sold

Sale of three Bulgarian companies

The sale of the three Bulgarian companies (Alpiq Energia Bulgaria EOOD, Vetrocom EOOD and Alpiq Wind Services EAD) to Renalfa IPP was conducted in the first half of 2023. The sale price amounted to CHF 76.3 million, which resulted in a net inflow of cash and cash equivalents of CHF 65.7 million. In total, net assets of CHF 70.2 million were disposed of. The loss on disposal amounted to CHF 27.9 million and was recognised in other operating expense.

CHF million	2024	2023
Inflow of cash and cash equivalents		76.3
Selling expenses		– 0.4
Cash and cash equivalents disposed of with subsidiaries		– 10.2
Net cash flow from disposal	**0.0**	**65.7**

CHF million	2024	2023
Inflow of cash and cash equivalents		76.3
Sale of net assets		– 70.2
Selling expenses		– 0.4
Gain / (loss) on disposal (before reclassification of cumulative translation adjustment)	**0.0**	**5.7**
Reclassification of cumulative translation adjustment		– 33.6
Gain / (loss) on the disposal in other operating income / expenses	**0.0**	**– 27.9**

CHF million	2024	2023
Property, plant and equipment		48.0
Intangible assets		7.4
Inventories		1.4
Derivative financial instruments		4.5
Receivables		3.8
Prepayments and accrued income		0.1
Cash and cash equivalents		10.2
Total assets	**0.0**	**75.4**
Non-current provisions		0.8
Deferred income tax liabilities		2.2
Non-current financial liabilities		0.1
Current provisions		0.6
Current financial liabilities		0.1
Other current liabilities		1.2
Accruals and deferred income		0.2
Total liabilities	**0.0**	**5.2**
Net assets	**0.0**	**70.2**

Sale of the Engineering Services business

In 2018, Alpiq sold the Engineering Services business, which comprised the Alpiq InTec Group and the Kraftanlagen Group. As part of the sale of the Engineering Services business, Alpiq must bear any fines and costs of Kraftanlagen Energies & Services SE ("Kraftanlagen") resulting from the proceedings started by the state prosecutor of Munich I and the German Federal Cartel Office in the first quarter of 2015.

In the course of these proceedings, in December 2019, the German Federal Cartel Office imposed a fine of EUR 47.5 million (CHF 44.7 million) on Kraftanlagen. Kraftanlagen refuted the allegations and filed an appeal against the administrative order imposing the fine. In 2022, after several hearings at the Higher Regional Court of Düsseldorf, Kraftanlagen was deemed guilty on two of the indictments and the fine was reassessed at EUR 21 million (CHF 19.8 million). Both the Federal Cartel Office and Kraftanlagen appealed to the Federal Court of Justice.

As of 31 December 2023, Alpiq deemed the risk of Kraftanlagen being convicted along the lines of the decision of the Higher Regional Court of Düsseldorf to be higher than 50% and recogniszed a provision of EUR 21 million (CHF 19.8 million). In its verdict of 17 September 2024, the Federal Court of Justice confirmed the conviction of Kraftanlagen by the Higher Regional Court of Düsseldorf and herewith the fine of EUR 21 million (CHF 19.8 million) became final. Consequently, the existing provision of EUR 21 million (CHF 19.8 million) was utilized. In addition, the Federal Court of Justice rejected the acquittal decision of the remaining projects and sent the case back to the Higher Regional Court of Düsseldorf for reassessment.

Alpiq deems the risk of Kraftanlagen being convicted along the lines of the decision of the Federal Court of Justice to be higher than 50% for a part of the projects subject to reassessment and has recognized a provision of EUR 25.8 million (CHF 24.3 million) as of 31 December 2024.

5.3 Assets held for sale

In the second half of 2023, Alpiq decided to sell 75% of its share in the Spanish project company Novagavia Business S.L and classified the assets and liabilities of the company as held for sale. A buyer was identified. However, due to contractual milestones that must be fulfilled before the transfer of ownership, the sale could not be completed in 2024 but is expected to be finalised in 2025. Despite the delay, the criteria for classification as held for sale under IFRS 5 are fulfilled, as the sale remains highly probable and is actively being pursued within a reasonable timeframe.

Assets

CHF million	31 Dec 2024	31 Dec 2023
Property, plant and equipment	3.5	3.5
Other non-current assets	0.4	0.1
Receivables and other current assets	1.0	0.2
Total assets held for sale	**4.9**	**3.8**

Liabilities

CHF million	31 Dec 2024	31 Dec 2023
Non-current financial liabilities	0.6	1.0
Total liabilities held for sale	**0.6**	**1.0**

Accounting policies

An asset or group of assets and related liabilities (disposal group) is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than continuing use. The Alpiq Group measures non-current assets and disposal groups classified as held for sale at the lower of carrying amount and fair value less costs of disposal. These assets or disposal groups, once classified as held for sale, are no longer depreciated or amortised. They are presented separately from the Group's other assets and liabilities.

5.4 Group companies and investments

Unless otherwise stated in the footnote, the direct ownership interest has not changed compared to the previous year.

Group companies	Place of incorporation	Assets	Trading	Origination	Corporate	Direct ownership interest in %
Alpiq Holding Ltd.	Lausanne, CH				X	100.0
Aare-Tessin Ltd. for Electricity (Atel)[1]	Olten, CH				X	100.0
Aero Rossa S.r.l.	Milan, IT	X				100.0
Almolina H2 S.L.	Madrid, ES	X				100.0
Alpiq Ltd.[1]	Olten, CH	X	X	X	X	100.0
Alpiq Csepel Kft.	Budapest, HU	X				100.0
Alpiq Csepeli Szolgáltató Kft.	Budapest, HU	X				100.0
Alpiq Deutschland GmbH[1]	Munich, DE				X	100.0
Alpiq Digital Austria GmbH[2]	Vienna, AT				X	0.0
Alpiq EcoPower Ltd.[1]	Olten, CH	X				100.0
Alpiq EcoPower France S.A.S.	Toulouse, FR	X				100.0
Alpiq EcoPower Switzerland Ltd.	Olten, CH	X				100.0
Alpiq Energía España S.A.U.	Madrid, ES	X		X	X	100.0
Alpiq Energia Italia S.p.A.	Milan, IT	X		X	X	100.0
Alpiq Energie Deutschland GmbH	Berlin, DE			X	X	100.0
Alpiq Energie France S.A.S.	Paris, FR			X	X	100.0
Alpiq Energija BH d.o.o	Sarajevo, BA		X			100.0
Alpiq Energija Skopje DOOEL[3]	Skopje, MK		X			100.0
Alpiq Energy Albania SHPK[2]	Tirana, AL		X			0.0
Alpiq Magyarország Kft.	Budapest, HU	X				100.0
Alpiq Energy SE	Prague, CZ		X	X	X	100.0
Alpiq Energy Ukraine LLC[3]	Kyiv, UKR		X			100.0
Alpiq Finland Oy	Vantaa, FI			X		100.0
Alpiq Hydro Aare AG	Boningen, CH	X				100.0
Alpiq Hydro Italia S.r.l.	Milan, IT	X				90.0
Alpiq Italia S.r.l.	Milan, IT				X	100.0
Alpiq Le Bayet S.A.S.	Paris, FR	X				100.0

1 Interest held directly by Alpiq Holding Ltd.
2 Fully owned subsidiary liquidated during 2024.
3 In liquidation
4 Newly founded
5 Newly acquiered, see note 5.1
6 Indirect interest held via Entegra with non-controlling interests of 69.6%.

Group companies	Place of incorporation	Assets	Trading	Origination	Corporate	Direct ownership interest in %
Alpiq Les Marronniers[4]	Paris, FR	X				100.0
Alpiq Norway AS	Oslo, NO			X		100.0
Alpiq Re (Guernsey) Ltd.	Guernsey, GB				X	100.0
Alpiq Retail France S.A.S.	Paris, FR			X		100.0
Alpiq RomIndustries S.R.L.[3]	Bucharest, RO			X		100.0
Alpiq Services CZ s.r.o.	Prague, CZ		X	X	X	100.0
Alpiq Solutions France S.A.S.	Paris, FR			X		100.0
Alpiq Suisse Ltd.[1]	Lausanne, CH	X			X	100.0
Alpiq Sverige AB[4]	Malmö, SE	X				100.0
Alpiq Turkey Enerji Toptan Satis Limited Sirketi[2]	Istanbul, TR			X		0.0
Alpiq Wind Italia S.r.l.	Milan, IT	X				100.0
Alres Sur 3 S.L.	Madrid, ES	X				100.0
Bel Coster SA	L'Abergement, CH	X				100.0
Birs Wasserkraft AG	Olten, CH	X				100.0
C.E.P.E. Des Gravières S.A.S.	Paris, FR	X				100.0
Cotlan Wasserkraft AG	Glarus Süd, CH	X				60.0
Dixence-Cleuson SA[4]	Hérémence, CH	X				100.0
EESP European Energy Service Platform GmbH[2]	Berlin, DE				X	0.0
Électricité d'Émosson SA	Martigny, CH	X				50.0
En Plus S.r.l.	Milan, IT	X				100.0
Energie Electrique du Simplon SA (E.E.S.)	Simplon, CH	X				82.0
Enpower 2 S.r.l.	Milan, IT	X				100.0
Enpower 3 S.r.l.	Milan, IT	X				100.0
Entegra Wasserkraft AG	St Gallen, CH	X				59.6
Eole Jura SA	Muriaux, CH	X				100.0
EolJorat Nord SA	Lausanne, CH	X				100.0
Horizen GmbH[3]	Berlin, DE			X		100.0
Hydro-Solar Energie AG	Niederdorf, CH	X				65.0
Isento Wasserkraft AG	St Gallen, CH	X				100.0

1 Interest held directly by Alpiq Holding Ltd.
2 Fully owned subsidiary liquidated during 2024.
3 In liquidation
4 Newly founded
5 Newly acquiered, see note 5.1
6 Indirect interest held via Entegra with non-controlling interests of 69.6%.

Group companies	Place of incorporation	Assets	Trading	Origination	Corporate	Direct ownership interest in %
Kraftwerke Gougra AG	Sierre, CH	X				54.0
Motor-Columbus Ltd.[1]	Olten, CH				X	100.0
NOVAGAVIA BUSINESS, S.L.	Madrid, ES	X				100.0
Novel S.p.A.	Milan, IT	X				51.0
P2X Solutions Oy[5]	Espoo, FI	X				54.9
Pispantallin Tasapainotus Oy[5]	Vantaa, FI	X				100.0
Salanfe SA	Vernayaz, CH	X				100.0
Società Agricola Solar Farm 2 S.r.l.	Milan, IT	X				100.0
Società Agricola Solar Farm 4 S.r.l.	Milan, IT	X				100.0
Tous-Vents SA	Lausanne, CH	X				100.0
Wasserkraftwerk Hüscherabach AG	Splügen, CH	X				60.0
Wasserkraftwerk Peist AG[6]	Arosa, CH	X				51.0
Wasserkraftwerk Tambobach AG	Splügen, CH	X				70.0

1 Interest held directly by Alpiq Holding Ltd.
2 Fully owned subsidiary liquidated during 2024.
3 In liquidation
4 Newly founded
5 Newly acquiered, see note 5.1
6 Indirect interest held via Entegra with non-controlling interests of 69.6%.

Partner power plants and other associates	Place of incorporation	Licence / agreement expiry	Assets	Trading	Origination	Corporate	Direct ownership interest in %
Blenio Kraftwerke AG	Blenio, CH	2042	X				17.0
CERS Holding SAS	Toulouse, FR		X				15.0
Cleuson-Dixence[1]	Sion, CH	2044	X				31.8
Electra-Massa AG	Naters, CH	2048	X				34.5
Engadiner Kraftwerke AG	Zernez, CH	2050/2074	X				22.0
ETRANS AG	Baden, CH					X	33.3
Forces Motrices de Martigny-Bourg S.A.	Martigny, CH	2080	X				18.0
Forces Motrices Hongrin-Léman S.A. (FMHL)	Château-d'Oex, CH	2051	X				39.3
Glattstrom Buchholz AG	St. Gallen, CH		X				23.4
Grande Dixence SA[2]	Sion, CH	2044	X				60.0
Hydrogen Höfe Freienbach AG	Freienbach, CH		X				25.0
HYDRO Exploitation SA	Sion, CH		X				26.2
HyWay S.A.S.	Paris, FR		X				49.0
Kernkraftwerk Gösgen-Däniken AG	Däniken, CH	2039	X				40.0
Kernkraftwerk Leibstadt AG	Leibstadt, CH	2044	X				27.4
Kernkraftwerk-Beteiligungsgesellschaft AG (KBG)	Bern, CH	2041/2043	X				33.3
KohleNusbaumer SA	Blonay, CH		X				35.0
Kraftwerk Ryburg-Schwörstadt AG	Rheinfelden, CH	2070	X				13.5
Kraftwerke Hinterrhein AG	Thusis, CH	2048	X				9.3
Kraftwerke Zervreila AG	Vals, CH	2037	X				21.6
Maggia Kraftwerke AG	Locarno, CH	2035/2048	X				12.5
Nant de Drance SA	Finhaut, CH	2102	X				39.0
Ouvra Electrica Lavinuoz Lavin SA (OELL)	Lavin, CH		X				25.0
ToesStrom AG	Freienstein, CH		X				17.7
Tormoseröd Vindpark AB	Karlstad, SE		X				30.0
Unoenergia S.r.l.	Biella, IT		X				28.0
Wasserkraftwerke Weinfelden AG	Weinfelden, CH	2068	X				49.0

1 Simple partnership
2 Although Alpiq holds direct ownership of 60%, it has no control. For more explanations on accounting policies, see note 4.3

Joint venture	Place of incorporation	Assets	Trading	Origination	Corporate	Direct ownership interest in %
Hydrospider Ltd	Niedergösgen, CH	X				45.0
HyMove S.A.S.	Paris, FR	X				50.0
SC Produccion Renovable S.L.	Barcelona, ES	X				25.0

5.5 Related party transactions

Related parties include partner power plants, other associates and major shareholders with significant influence on the Alpiq Group, employee pension schemes, the Board of Directors and the Executive Board. EOS Holding SA, Schweizer Kraftwerksbeteiligungs-AG, Genossenschaft Elektra Baselland and Genossenschaft Elektra Birseck have significant influence over the Alpiq Group and are referred to below as “Other related companies”.

Transactions between the Group and related companies

			2024			2023
CHF million	Partner power plants	Other associates	Other related companies [1]	Partner power plants	Other associates	Other related companies [1]
Total revenue and other income						
Net revenue [2]	80.3	2.3	434.2	73.2	2.7	821.6
Other operating income	3.5	0.5	0.1	4.4	0.4	0.1
Operating expenses						
Energy and inventory costs	– 414.8	– 27.8	– 46.9	– 474.7	– 18.8	– 87.5
Other operating expenses	– 0.4			– 0.4		
Financial result						
Interest income	0.2	0.6	0.1	0.1	0.3	
Other finance costs					0.4	

1 In addition to the shareholders from the previous year, Alpiq has classified Genossenschaft Elektra Baselland and Genossenschaft Elektra Birseck as other related companies. The classification is based on ownership and other relevant factors. The previous year's figures have been adjusted for comparability.

2 Net revenue also contains changes in fair value measurement of energy derivatives, which are presented in net revenue. For further explanation of accounting policies, refer to note 2.2.

Outstanding balances with related companies at the reporting date

			31 Dec 2024			31 Dec 2023
CHF million	Partner power plants	Other associates	Other related companies[1]	Partner power plants	Other associates	Other related companies[1]
Assets						
Other non-current assets	0.9	4.6	0.6	0.9	3.8	1.0
Derivative financial instruments			32.8			115.6
Receivables	6.7	0.1	71.6	14.2	0.2	62.4
Prepayments and accrued income[2]	168.3	1.0	0.2	79.6	0.6	0.2
Current term deposits	9.0	7.6	0.5	3.5	7.3	
Liabilities						
Non-current financial liabilities			0.1		0.2	0.1
Current financial liabilities		0.2	0.1			0.1
Other current liabilities	6.7	0.3	1.9	6.4	0.5	13.7
Derivative financial instruments			0.2			1.0
Accruals and deferred income[2]	12.8	3.7	0.1	11.8	1.9	

1 In addition to the shareholders from the previous year, Alpiq has classified Genossenschaft Elektra Baselland and Genossenschaft Elektra Birseck as other related companies. The classification is based on ownership and other relevant factors. The previous year's figures have been adjusted for comparability.

2 Includes mainly accruals related to fund performance and annual costs for Kernkraftwerk Gösgen-Däniken AG and Kernkraftwerk Leibstadt AG.

Investments in partner power plants and other associates are presented in note 4.3. The Alpiq Group has contractual power offtake arrangements with partner power plants. Electricity is purchased according to the ownership interest, although no volumes are agreed contractually. Power generation capacity depends on optimum utilisation of the power plants. The costs of power production at the partner power plants are assumed on a cost-plus basis.

Non-financial energy trading contracts outstanding with other associates and other related companies comprised a contract volume of 165 GWh at 31 December 2024 (previous year: 31 GWh) and a gross value of CHF 8.0 million (CHF 1.2 million).

Members of the Board of Directors and the Executive Board

The total compensation for the Board of Directors and the Executive Board breaks down as follows:

	Board of Directors		Executive Board	
CHF million	2024	2023	2024	2023
Fixed and variable remuneration	1.7	1.9	6.7	6.6
Social security contributions[1]	0.1		1.0	1.1
Total	**1.8**	**1.9**	**7.7**	**7.7**

1 Including employer contributions to AHV / IV, the company pension fund, occupational and non-occupational accident insurance, and sick pay insurance.

The total compensation for the Board of Directors and the Executive Board includes only short-term employee benefits. No share-based payments, severance payments or other long-term benefit payments were made to the members of the Board of Directors or the Executive Board.

Statutory Auditor's Report

To the General Meeting of Alpiq Holding Ltd., Lausanne

Report on the Audit of the Consolidated Financial Statements

Opinion
We have audited the consolidated financial statements of Alpiq Holding Ltd. and its subsidiaries (the Group or ALPIQ), which comprise the consolidated balance sheet as at 31 December 2024, the consolidated income statement, the statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 55 to 119) give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for Opinion
We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, as well as those of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

CLASSIFICATION, RECOGNITION AND MEASUREMENT OF ENERGY CONTRACTS

VALUATION OF PROPERTY, PLANT AND EQUIPMENT, PURCHASE RIGHTS AND INVESTMENTS IN PARTNER POWER PLANTS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

CLASSIFICATION, RECOGNITION AND MEASUREMENT OF ENERGY CONTRACTS

Key Audit Matter

As of 31 December 2024, fair values of energy contracts classified as financial instruments are disclosed in the line item "Derivative financial instruments" in non-current assets and in current assets (CHF 242.3 million and CHF 446.7 million), as well as in non-current liabilities and in current liabilities (CHF 140.2 million and CHF 286.2 million).

Fluctuations of the fair values as well as the settlement of corresponding contracts have an impact on the income statement and equity, depending on their classification as "own use contracts" or "energy trading transactions". Furthermore, the classification of derivative financial instruments affects the presentation and disclosure requirements of such contracts.

Models with observable and unobservable input parameters are used in the measurement of energy derivatives as of the balance sheet date. The determination of such input parameters and the application of the appropriate valuation models are subject to significant judgment. The assessment of the intention of an energy contract is also crucial for its correct classification and is subject to significant judgment.

The valuation is based on the complete and accurate recording of all contract parameters. The corresponding contract recording is subject to operational risks in the business processes resulting from the organizational structure of ALPIQ and the large number of energy products traded.

Our response

We have performed the following audit procedures, among others, with respect to the reported derivative financial instruments:

- Testing of controls implemented to ensure the complete and accurate recording of energy contracts; we thereby focused on the segregation of duties and reconciliation of internal contractual data with external confirmations as well as on the IT controls relevant to the business workflows for energy derivatives;
- Involving valuation specialists to test the appropriateness and consistency of the underlying valuation methods. Furthermore, we involved our valuation specialists to review the adequacy of the underlying energy price curves;
- Performing a re-calculation of the valuation of energy derivatives of material components of the portfolio. We used our Data & Analytics Tool (Commodity Valuation Tool) to challenge the valuation methods with the use of independent market data:
- For derivative financial instruments which are not covered by the Data & Analytics technology, testing the correct valuation methodology and the respective input parameters on a sample basis.

For further information on classification, recognition and measurement of energy contracts refer to the following:

— Notes 3.1 and 3.2 to the consolidated financial statements

VALUATION OF PROPERTY, PLANT AND EQUIPMENT, PURCHASE RIGHTS AND INVESTMENTS IN PARTNER POWER PLANTS

Key Audit Matter

As of 31 December 2024, the carrying amounts of "Property, plant and equipment (PPE)", "Purchase rights" (included in the line item "Intangibles") and "Investments in Partner power plants" amount to CHF 1,794.5 million, CHF 22.4 million respectively CHF 2,094.9 million.
In 2024, depreciation, amortization and impairment amounting to CHF 114.5 million are recognized in the consolidated income statement. With reference to the "Investments in Partner power plants" and the application of the equity method, energy purchases are recorded in the line item "Energy and inventory costs" (CHF 4,854.4 million) and the net change in the investment in the "Share of results of partner power plants and other associates" (loss of CHF 7.4 million).

ALPIQ owns significant assets resulting from PPE, energy purchase rights and investments in partner power plants which interdependently operate as cash-generating units (CGU) whose profitability and valuation is a result of various valuation parameters. Especially future energy prices, volatility of energy prices, expected production costs and output, development in foreign currency exchange rates, useful lives, weighted average cost of capital (WACC) and inflation rates are subject to significant estimates.

In this respect, Management assesses every year whether there are indications for impairments or impairment reversals due to significant changes that could influence the relevant valuation parameters. Should there be such indications, the carrying amount of the CGU is compared to its recoverable amount (value in use). Differences are recognized as impairment losses or reversals in the income statement. The value in use of the CGU is determined by modelling the discounted cash flows based on the estimated valuation parameters.

As described above, significant judgments and estimates are involved in the assessment of the appropriate valuation. Changes in value (impairment/reversals) might have a material impact on ALPIQ's financial statements.

Our response

Our audit procedures consisted, among others, of assessing the methodological and mathematical accuracy of the model used for the valuation and of determining the adequacy of the assumptions made for material valuation parameters. In this regard, we involved our own valuation specialist.

We critically reviewed the definition of the cash-generating units and Management's assessment regarding indicators for impairment and impairment reversals. In particular, we assessed the robustness of the critical valuation parameters used for the indicator assessment such as the price curves, WACCs per CGU, foreign exchange rates and inflation rates.

For CGUs with indicators for impairments or impairment reversals we performed the following audit procedures:

- Assessing the robustness of the most important parameters used to calculate the recoverable amount of the CGU, especially by comparing the future expected energy prices, the volatility of energy prices, foreign currency exchange rates, WACCs and inflation rates with data of external studies and market data;
- Reconciling the income and cost estimates used with budget figures, and assessing the accuracy of the income and cost estimates based on a retrospective analysis of prior-year income and cost estimates;
- Verifying the useful lives and contract respectively contractual concession durations used for the assets included in the CGU by reconciling these with ALPIQ's internal accounting policies;
- Recalculating the differences between carrying value and recoverable amount of the CGU and assessing whether any resulting impairment or impairment reversal has been recognized correctly in the financial statements.

For further information on valuation of property, plant and equipment, purchase rights and investments in partner power plants refer to the following:

— Notes 4.1, 4.2 and 4.3 to the consolidated financial statements

Other Information
The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the company, the compensation report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Consolidated Financial Statements
The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Swiss law, ISA and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions

that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

— Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
— Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG AG

Daniel Haas Licensed Audit Expert Auditor in Charge	Corina Wipfler Licensed Audit Expert

Zurich, 25 February 2025

5-year Overview

Income Statement

CHF million	2024	2023	2022[1]	2021	2020
Net revenue	6,643.0	8,958.8	14,631	7,177	3,905
Other operating income	24.3	24.3	38	81	124
Total revenue and other income	6,667.3	8,983.1	14,669	7,258	4,029
Operating expenses	–5,280.4	–7,177.1	–14,323	–7,335	–3,747
Earnings before interest, tax, depreciation and amortisation (EBITDA)	1,386.9	1,806.0	346	–77	282
Depreciation, amortisation and impairment[2]	–114.5	–112.4	–97	–126	–80
Earnings before interest and tax (EBIT)	1,272.3	1,693.6	249	–203	202
Share of results of partner power plants and other associates	–7.4	–23.3	–59	–35	–35
Financial result	–88.2	–96.8	–74	–61	–55
Income tax (expense) / income	–233.3	–237.9	–5	28	43
Earnings after tax from continuing operations	943.4	1,335.6	111	–271	155
Earnings after tax from discontinued operations	0.0	0.0	0	0	–56
Net income / (loss)	943.4	1,335.6	111	–271	99
Net income attributable to non-controlling interests	1.6	2.9	2	1	3
Net income attributable to equity investors of Alpiq Holding Ltd.	941.8	1,332.7	109	–272	96

1 For the years 2022 and earlier, the decimal place was not adjusted. See note 1.4 of the notes to the consolidated financial statements for more details.

2 In 2022 and 2020, including reversals of impairment losses

Balance sheet

CHF million	2024	2023	2022[1]	2021	2020
Total assets	8,543.2	10,474.5	15,077	13,557	7,368
Assets					
Non-current assets	4,376.0	4,534.6	5,285	4,432	4,440
Current assets	4,167.2	5,939.9	9,792	9,125	2,928
Equity and liabilities					
Total equity	4,976.8	4,811.0	3,529	3,558	3,761
As % of total assets	58.3	45.9	23.4	26.2	51.0
Liabilities	3,566.5	5,663.5	11,548	9,999	3,607

1 For the years 2022 and earlier, the decimal place was not adjusted. See note 1.4 of the notes to the consolidated financial statements for more details.

Other key performance indicators

	2024	2023	2022 [1]	2021	2020
Adjusted EBITDA in CHF million	962.4	1,183.8	473	312	262
Net debt (cash) in CHF million	– 428.4	– 346.6	107	675	249
Net debt (cash) / adjusted EBITDA	– 0.4	– 0.3	0.2	2.2	1.0
Number of employees at the reporting date	1,350	1,221	1,180	1,266	1,258

1 For the years 2022 and earlier, the decimal place was not adjusted. See note 1.4 of the notes to the consolidated financial statements for more details.

Per share data

	2024	2023	2022	2021	2020
Par value in CHF	0.01	0.01	0.01	0.01	0.01
Weighted average number of shares outstanding	33,110,364	33,110,364	33,110,364	33,110,364	33,110,364
Net income in CHF	27.37	39.32	2.41	– 9.10	2.01
Dividend in CHF [1]	4.90	3.50	2.80	0.00	1.40

1 2024: to be proposed to the Annual General Meeting / 2022: Extraordinary dividend distributed in September 2023

Financial Statements of Alpiq Holding Ltd.

Income statement

CHF thousand	Note	2024	2023
Income			
Dividend income	2	800,000	
Finance income	3	540,116	580,065
Gain on sale of investments			13,164
Reversal of impairment losses on loans receivable		3,796	507
Reversal of impairment losses on investments		3,812	
Other income	4	1,504	126,786
Extraordinary income	5		122,500
Total income		**1,349,229**	**843,022**
Expenses			
Finance costs	6	– 501,528	– 673,680
Impairments on loans receivable		– 21,243	– 3,453
Impairments on investments			– 5,100
Other expenses	7	– 49,038	– 34,353
Direct taxes		– 1,714	– 4,862
Total expenses		**– 573,522**	**– 721,448**
Net income		**775,706**	**121,575**

Balance sheet

Assets

CHF thousand	Note	31 Dec 2024	31 Dec 2023
Cash and cash equivalents		1,290,280	1,272,732
Trade receivables	8	1,565	1,719
Other current receivables	9	338,194	658,031
Prepayments and accrued income		3,082	144,977
Current assets		**1,633,122**	**2,077,459**
Loans receivable	10	629,000	1,526,730
Investments	11	4,295,109	4,291,296
Non-current assets		**4,924,109**	**5,818,026**
Total assets		**6,557,230**	**7,895,485**

Equity and liabilities

CHF thousand	Note	31 Dec 2024	31 Dec 2023
Trade payables	12	13,280	189
Current interest-bearing payables	13	2,030,427	3,031,575
Other current liabilities	14	56	10,211
Accruals and deferred income		107,643	240,138
Current provisions	15	34,551	21,918
Current liabilities		**2,185,957**	**3,304,032**
Interest-bearing loans payable			30,000
Bonds	16	625,000	1,475,000
Non-current liabilities		**625,000**	**1,505,000**
Share capital		331	331
Capital contribution reserves		1,740,949	1,740,949
Other capital reserves		3,631	3,631
Legal retained earnings		170	170
Retained earnings carried forward		1,225,486	1,219,797
Net income		775,706	121,575
Equity	**17**	**3,746,274**	**3,086,454**
Total equity and liabilities		**6,557,230**	**7,895,485**

Notes to the Financial Statements

1 Preliminary note

Basis of preparation

The financial statements of Alpiq Holding Ltd., Lausanne, have been prepared in accordance with the provisions of Swiss accounting legislation (Title 32 of the Swiss Code of Obligations). As in the previous year, the company employed no staff during the financial year.

The figures reported in the tables are rounded. Therefore, totals may deviate slightly from the sum of the individual values.

The following section describes the main valuation principles applied that are not specified by law.

Loans receivable / hedges

Loans receivable that are denominated in foreign currencies are measured at the closing rate on the reporting date, whereby unrealised losses are recognised, and unrealised gains are not reported. In the case of derivatives deployed in hedges, too, unrealised losses are recognised, but unrealised gains are not recognised.

Investments

The investments are recognised at cost considering the effect of impairment losses.

Bonds

Bonds are recognised at nominal amount. The discount and issue costs of bonds are recognised as finance costs in the year of issue. Any premium (less issue costs), if material, is recognised as a deferred income and amortised on a straight-line basis over the bond's maturity.

Changes in the presentation of the financial statements

Compared to previous year, figures are rounded to CHF thousand. For consistency and comparability, previous year figures have been adjusted. The layout has been updated to align with Alpiq's refreshed corporate design.

2 Dividend income

Income from investments includes dividend income from subsidiaries.

3 Finance income

CHF thousand	2024	2023
Interest income from group companies	78,831	69,318
Interest income from third parties	17,365	12,280
Other finance income from group companies	4,929	5,583
Other finance income from third parties	34	9
Foreign exchange gain	438,958	492,876
Total	**540,116**	**580,065**

4 Other income

In the previous year, other income included the compensation payment of CHF 103 million for the transfer of the operational treasury business to Alpiq Ltd. and licence fees for a period of six months.

5 Extraordinary income

In the previous year, Alpiq Holding Ltd. sold the trademarks and trademark rights of the Alpiq brand to Alpiq Ltd.

6 Finance costs

CHF thousand	2024	2023
Interest expense to group companies	– 50,740	– 35,387
Interest expense to third parties	– 61,577	– 61,585
Other finance costs to shareholders	– 3,660	– 3,650
Other finance costs to third parties	– 38,883	– 26,726
Foreign exchange loss	– 346,667	– 546,332
Total	**– 501,528**	**– 673,680**

7 Other expenses

Other expenses include the compensation payment of CHF 30 million for the transfer of the operational treasury business to Alpiq Ltd.

8 Trade receivables

CHF thousand	31 Dec 2024	31 Dec 2023
Due from group companies	1,565	1,719
Total	**1,565**	**1,719**

9 Other current receivables

CHF thousand	31 Dec 2024	31 Dec 2023
Due from group companies	232,715	294,993
Due from third parties	105,479	363,038
Total	**338,194**	**658,031**

Other current receivables comprise cash pool balances, loans and term deposits with a maximum term of 12 months as well as receivables from withholding tax and VAT.

10 Loans receivable

CHF thousand	31 Dec 2024	31 Dec 2023
Due from group companies	629,000	1,526,730
Total	**629,000**	**1,526,730**

11 Investments

A list of direct and significant indirect investments is disclosed in note 5.4 of the notes to the consolidated financial statements.

12 Trade payables

CHF thousand	31 Dec 2024	31 Dec 2023
Due from third parties	13,280	189
Total	**13,280**	**189**

13 Current interest-bearing payables

CHF thousand	31 Dec 2024	31 Dec 2023
Due to group companies	1,830,427	2,672,496
Due to third parties	200,000	359,079
Total	**2,030,427**	**3,031,575**

Current interest-bearing payables include cash pooling payables and bonds due for repayment in the next 12 months.

14 Other current liabilities

CHF thousand	31 Dec 2024	31 Dec 2023
Due from third parties	56	10,211
Total	**56**	**10,211**

Other current liabilities include withholding tax and social security contributions.

15 Provisions

Provisions include a provision for the recapitalisation of Alpiq Deutschland GmbH that may become necessary. As part of the sale of the Engineering Services business, Alpiq Deutschland GmbH, for which Alpiq Holding Ltd. has subsidiary liability, must bear any fines and costs of Kraftanlagen Energies & Services SE (formerly Kraftanlagen München GmbH) resulting from the proceedings started by the state prosecutor of Munich I and the German Federal Cartel Office in the first quarter of 2015. The German Federal Court of Justice confirmed on 17 September 2024 the conviction of Kraftanlagen by the Higher Regional Court of Düsseldorf, making the fine of EUR 21 million (CHF 19.8 million) final. Consequently, the existing provision of EUR 21 million (CHF 19.8 million) was utilised. In addition, the Federal Court of Justice rejected the acquittal decision for the remaining projects and referred these back to the Higher Regional Court of Düsseldorf for reassessment. Alpiq considers the risk of further convictions for parts of these projects to be higher than 50% and has therefore recognised an additional provision of EUR 25.8 million (CHF 24.3 million). The recapitalisation provision was therefore also increased at Alpiq Holding Ltd. For more information about this matter, please refer to note 5.2 of the notes to the consolidated financial statements.

16 Bonds

CHF thousand	Maturity	Earliest repayment date	Interest rate in %	Nominal amount at 31 Dec 2024	Nominal amount at 31 Dec 2023
Fixed-rate bond issued by Alpiq Holding Ltd.[1]	2014 / 2024	29 Jul 2024	2,6250		260,000
Fixed-rate bond issued by Alpiq Holding Ltd.[2]	2022 / 2025	30 May 2025	1,6250	200,000	200,000
Fixed-rate bond issued by Alpiq Holding Ltd.	2022 / 2026	24 Jun 2026	1,7500	250,000	250,000
Fixed-rate bond issued by Alpiq Holding Ltd.	2023 / 2027	29 Apr 2027	3,1250	220,000	220,000
Fixed-rate bond issued by Alpiq Holding Ltd.	2023 / 2030	29 Apr 2030	3,3750	155,000	155,000
Public hybrid bond issued by Alpiq Holding Ltd.		15 Nov 2024	6,2541		650,000

1 At 31 December 2023 bond is recognised under "Current interest-bearing payables".

2 At 31 December 2024 bond is recognised under "Current interest-bearing payables".

17 Equity

CHF thousand	Share capital	Capital contribution reserves	Other capital reserves	Legal retained earnings	Retained earnings	Total equity
Balance at 31 December 2022[1]	**331**	**1,740,949**	**3,631**	**170**	**1,312,506**	**3,057,588**
Extraordinary dividends					– 92,709	– 92,709
Net income					121,575	121,575
Balance at 31 December 2023	**331**	**1,740,949**	**3,631**	**170**	**1,341,372**	**3,086,454**
Dividends					– 115,886	– 115,886
Net income					775,706	775,706
Balance at 31 December 2024	**331**	**1,740,949**	**3,631**	**170**	**2,001,192**	**3,746,274**

1 At 31 December 2022, CHF 3,631 thousand was transferred from capital contribution reserves to other capital reserves. The full amount of CHF 1,740,949 thousand of the capital contribution reserves was confirmed by the Swiss Federal Tax Administration.

18 Collateral provided for third-party liabilities

Guarantees in favour of group companies and third parties totalled CHF 919 million at 31 December 2024 (previous year: CHF 1,183 million). Of this, an amount of CHF 373 million (CHF 679 million) relates to bank guarantees and CHF 546 million (CHF 504 million) to guarantees issued by Alpiq Holding Ltd.

19 Contingent liabilities

In 2020, appraisal claims were filed against Alpiq Holding Ltd. by the two investors Knight Vinke (KVIP International V L.P.) and Merion Capital (Merion Capital LP, Merion Capital ERISA LP and Merion Capital II LP) pursuant to Sec. 105 of the Swiss Merger Act (FusG). In 2023, Alpiq Holding Ltd. and Merion Capital reached an out-of-court settlement and Merion Capital withdrew their appraisal claim while the proceeding initiated by Knight Vinke continues. Alpiq considers it unlikely that this litigation will result in a negative outcome for the company and has therefore not recorded a provision. For more information about this matter, please refer to note 4.8 of the notes to the consolidated financial statements.

20 Events after the reporting period

There were no reportable events after the reporting date of 31 December 2024.

Proposal of the Board of Directors

Appropriation of retained earnings

The Board of Directors proposes to the Annual General Meeting to allocate the retained earnings as follows:

CHF	
Net income for 2024 reported in the income statement	775,706,295
Retained earnings carried forward	1,225,485,870
Retained earnings	**2,001,192,165**
Dividend of CHF 4.90 per share	–162,240,784
Balance to be carried forward	**1,838,951,381**

Statutory Auditor's Report

To the General Meeting of Alpiq Holding Ltd., Lausanne

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alpiq Holding Ltd. (the Company), which comprise the balance sheet as at 31 December 2024, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 128 to 135) comply with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

IMPAIRMENT OF INVESTMENTS AND LOANS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG

IMPAIRMENT OF INVESTMENTS AND LOANS

Key Audit Matter

As of 31 December 2024, Alpiq Holding Ltd. holds investments for a total amount of CHF 4,295.1 million and recognizes respective impairment reversals for a total amount of CHF 3.8 million. In addition, Alpiq Holding Ltd. holds loans to group companies for a total amount of CHF 861.7 million and recognizes an impairment of loans receivable of CHF 21.2 million and a reversal of impairment losses on loans receivable of CHF 3.8 million.

Management assesses every year whether there are indications for impairments or impairment reversals due to significant changes that could influence the relevant valuation parameters. Should there be such indications, the carrying amount of the investment / loans is compared to its recoverable amount (value in use). Differences are recognized as impairment losses or reversals in the income statement. The value in use of the investment is determined by modelling the discounted cash flows based on the estimated valuation parameters.

The impairment assessment requires significant estimates and assumptions related to future energy prices, volatility of energy prices, expected production costs and output, development in foreign currency exchange rates, weighted average cost of capital (WACC) and inflation rates. Changes in estimates or assumptions may have a material impact on the result of the year.

Our response

Our audit procedures consisted, among others, of assessing the methodological and mathematical accuracy of the model used for the valuation and of determining the adequacy of the assumptions made for material valuation parameters. In this regard, we involved our own valuation specialist.

We critically reviewed Management's assessment regarding indicators for impairment and impairment reversals. In particular, we assessed the robustness of the critical valuation parameters used for the indicator assessment such as the price curves, WACCs, foreign exchange rates and inflation rates.

For investments / loans with indicators for impairments or impairment reversals we performed the following audit procedures:

- Assessing the robustness of the most important parameters used to calculate the recoverable amount of the investments / loans, especially by comparing the future expected energy prices, the volatility of energy prices, foreign currency exchange rates, WACCs and inflation rates with data of external studies and market data;
- Reconciling the income and cost estimates used with budget figures, and assessing the accuracy of the income and cost estimates based on a retrospective analysis of prior-year income and cost estimates;
- Recalculating the differences between carrying value and recoverable amount of the investment / loans and assessing whether any resulting impairment or impairment reversal has been recognized correctly in the financial statements.

Other Information
The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the Company, the compensation report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Financial Statements
The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

— Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposal of the Board of Directors complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG AG

Daniel Haas Licensed Audit Expert Auditor in Charge	Corina Wipfler Licensed Audit Expert

Zurich, 25 February 2025

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Sustainability Report

Introduction

Alpiq’s Sustainability Focus

Foreword

In 2024, Alpiq highlighted the need for a unified approach to climate change, recognising that geopolitical tensions and economic fluctuations had shifted global focus and resources away from sustainability. Even strong advocates recognise the need to balance sustainability ambition with practical regulation.

While the EU Omnibus may introduce changes to the scope of the mandatory Corporate Sustainability Reporting Directive (CSRD), Alpiq remains proactive in adapting to current regulations. As part of the preparation, the Sustainability Report 2024 already has the structure of CSRD reporting and includes the first CSRD disclosures.

A key focus in 2024 was the Double Materiality Assessment (DMA), a cornerstone of CSRD. Following an in-depth analysis, Alpiq applied an average rating on “Impact, risk and opportunity (IRO)” level and a threshold of 4.2, (on a scale from 1 to 5) identifying four material topics:

- E1 Climate Change Mitigation
- E3 Water and Marine Resources
- E4 Direct Impact Drivers of Biodiversity Loss
- S1 Working Conditions

The Sustainability Report also covers the necessary disclosures as per Swiss law (OR 964 Art a-c/j-l and associated ordinances) such as:

- Pollution
- Equal treatment (Diversity metrics)
- Business Conduct (Corporate Culture and Corruption & Bribery)
- Supply Chain Due Diligence
- Security of Supply

Finally, the following sections are voluntarily disclosed due to their significant importance to Alpiq:

- Training and skills development metrics
- Business conduct steering

Beyond the DMA, Alpiq also achieved key sustainability milestones:

- TCFD Risk Assessment: A physical risk assessment identified river flooding and landslides as the most critical hazards across Alpiq’s asset locations. Transition risks linked to a lower-carbon economy were also evaluated and integrated into the company’s financial model and risk management system, reinforcing resilience against climate risks.
- Supply Chain Due Diligence: In 2024, Alpiq reviewed its Code of Conduct for Suppliers and the associated risk assessment, which further strengthened its supply chain risk management.
- New Sustainability Organization: To enhance coordination and implementation, Alpiq established a sustainability matrix organization, with a Sustainability Committee serving as the central oversight body.

In addition to navigating regulatory complexities in 2024, Alpiq strengthened security of supply while also reducing the environmental impact of its operations, particularly in thermal assets. Alpiq remains committed to investing in employee growth and development while actively supporting society through various initiatives and financial support.

26 February 2025

Johannes Teyssen	**Antje Kanngiesser**
Chairman of the Board of Directors	CEO Alpiq Group

CSRD journey

Alpiq's Sustainability Report 2023 was prepared in accordance with the Global Reporting Initiative (GRI). However, as compliance with the Corporate Sustainability Reporting Directive (CSRD) becomes mandatory for Alpiq as from the financial year 2025, a transition is currently under way to prepare for the creation of a fully CSRD-compliant Sustainability Report 2025 (to be issued in 2026). Alpiq is therefore already making a voluntary effort to follow the European Sustainability Reporting Standards (ESRS) structure in its Sustainability Report 2024, but by no means claims to be fully CSRD-compliant. As part of the ongoing transition, Alpiq is developing a series of metrics, targets, policies and actions, many of which are currently largely missing and therefore not yet included in the Sustainability Report 2024, but which will be disclosed in the CSRD-compliant Sustainability Report 2025. The ESRS Index in the Appendix gives an overview of the CSRD requirements that are already addressed in the Sustainability Report 2024.

Reporting boundaries

On its journey towards a CSRD-compliant Sustainability Report, Alpiq needs to adapt its reporting boundaries. The following section explains how these reporting boundaries are changing.

CSRD requires companies to report on the basis of operational control, therefore Alpiq has introduced an operational control logic to its Sustainability Report 2024. According to this logic, the environmental KPIs for assets over which Alpiq has operational control (fully consolidated assets) need to be calculated as if Alpiq owned 100% of the respective assets (in line with the financial consolidation process under IFRS and Alpiq's Financial Statement), rather than based on Alpiq's exact ownership share (as was the case in 2023). The emissions figures calculated under the new methodology therefore differ from the figures calculated based on the exact ownership share. Figures calculated using both methodologies are displayed in this year's report to ensure a transparent transition from the old to the new methodology.

In Alpiq's case, operational control is generally exercised over entities in which Alpiq holds a majority stake, with two exceptions:

1. Grande Dixence hydropower plant: With an ownership share of 60%, Alpiq is the majority shareholder of the legal entity that holds the Grande Dixence hydropower plant. However, Alpiq does not have operational control over the Grande Dixence hydropower plant, therefore this asset is not fully consolidated.
2. Emosson hydropower plant: With an ownership share of 50%, Alpiq is not the majority shareholder of the legal entity that holds the Emosson hydropower plant. However, Alpiq does hold 100% of the energy rights and operational control of the Emosson hydropower plant, therefore this asset is fully consolidated.

Due to the complex partner power plant structure in Switzerland and Alpiq's many minority shareholdings in partner plants, as well as the special case of Grande Dixence, which is not fully consolidated, the strict operational control approach does not truly reflect Alpiq's energy production portfolio and thus creates an incomplete picture of the company's business. Therefore, Alpiq has also voluntarily decided to provide information on environmental KPIs for assets not under its operational control (minority shareholdings and Grande Dixence), as from the Sustainability Report 2025, even though this is not required by CSRD. This is also in line with Alpiq's Financial Statement, which reports in accordance with IFRS.

A list of all Group companies (fully consolidated assets) and minority shareholdings that are reported as investments in partner power plants (non-consolidated assets) can be found in the Notes to the Consolidated Financial Statements (5.4 Group companies and investments) of the Financial Report.

RES portfolio

Alpiq has a diverse national and international power generation portfolio from renewable resources, which comprise hydropower, wind and photovoltaics. Alpiq's services in many European countries also support large and industrial customers in selling electricity from renewable energy source (RES) assets or in their efforts to reduce the environmental footprint of their own business activities.

The following table provides an overview of Alpiq's RES portfolio:

	Installed Capacity (on 31 Dec 2024) [MW]	Production 2024 [GWh]
Hydropower	**3,327**	**6,774**
Switzerland	3,027	5,692
France	300	1,082
Small-scale hydropower, wind, photovoltaics	**255**	**427**
Switzerland	18	70
France [1)]	13	38
Italy	224	319
Sweden [2)]	22	52

1 Long-term contract (no energy share - not included in GHG calculation)

2 Alpiq has a minority interest of 30% in Tormoseröd power plant, but no energy rights. This plant is therefore not consolidated.

Flexible or RES integration assets

Alpiq is fully supportive of the energy transition and actively contributes to the transition in three ways, by: (1) generating low-carbon electricity with a focus on hydropower and nuclear power, (2) enabling the integration of intermittent renewable energy (wind, photovoltaics) by providing flexibility to the electricity system through flexible generation and energy storage, and (3) enabling the integration of third-party renewable energy and flexible generation assets by providing risk and portfolio management solutions through its origination activities.

However, without flexibility, the energy transition is not possible. This issue is becoming apparent in most markets in which Alpiq operates, where the successful expansion of intermittent renewable energy capacity is increasingly causing system challenges and the integration of additional variable renewable energy will be restricted, if there is no increase in flexibility.

Flexibility assets therefore have a significant positive impact on the speed of decarbonisation of the overall energy system and support energy transition objectives. Therefore, in addition to Alpiq's flexible hydro asset base, Alpiq is strongly expanding its activities in the space of storage assets such as battery energy storage systems (BESS) and hydrogen, the flexibility of which is complementary to the increasing production of intermittently producing RES assets.

Furthermore, the need for flexibility is the reason why Alpiq's thermal assets play an important role. The combined-cycle gas turbine (CCGT) and open-cycle gas turbine (OCGT) power plants, which represent one type of thermal asset in Alpiq's portfolio, offer a high degree of flexibility and are ideally suited to balance fluctuations in the electricity grid. They thus play an important role in maintaining system stability and thereby contribute to the energy transition while ensuring security of supply.

CCGT power plants are among the most efficient conventional power plants. Alpiq has shareholdings of up to 100% in CCGT power plants in Hungary, Italy and Spain. In addition to producing electricity, these plants fulfil other requirements such as supplying district heating or black-start capability. Alpiq's San Severo plant in Italy has been upgraded to enable a 25% intake of hydrogen in the future, but hydrogen input is not currently an option due to the restricted supply of hydrogen and the associated high prices.

OCGT power plants, such as Alpiq's Vercelli plant in Italy, are less efficient than CCGT power plants in terms of GHG emissions but can be ramped up much faster and enable several starts per day, which makes them ideal in providing flexibility.

Nuclear power plants, the second type of thermal asset in Alpiq's portfolio, also make an important contribution to security of supply. They complement Alpiq's portfolio with a share of 40% in Kernkraftwerk Gösgen-Däniken AG (KKG), 27.4% in Kernkraftwerk Leibstadt AG (KKL), and 33% in Centrales Nucléaires en Participation SA (CNP). To actively support the energy transition and continue making an important contribution to security of supply, Alpiq is preparing to expand the operational lifetime of its nuclear power plants, while placing the highest priority on guaranteeing safety. Comprehensive sustainability information for KKG and KKL can be found in their respective Sustainability Reports, which are expected to be published in summer 2025.

Trading and Origination business

In addition to the energy production and trading activities associated with the above-described assets, which create value in Alpiq's Asset business, the company's Trading and Origination businesses also contribute significantly to security of supply by providing flexibility. In addition, these businesses play an important role in easing financial pressure on owners and operators of power plants and maximising the value of their operations.

Besides the asset-trading activities that are part of Alpiq's Asset business, Alpiq's Trading business comprises proprietary power trading and gas trading. The Trading business increases Alpiq's profit by leveraging the balance sheet, taking market risks and providing market access. The CO_2 emissions associated with physical deliveries related to the Trading business are included in the Scope 3 emissions disclosed under Climate Change [ESRS E1].

Alpiq's Origination business focuses on risk management solutions for third-party assets, covering short-term flexibility management, risk management services for industrial customers, sales activities to end consumers and power purchase agreements (PPAs). The PPA business, in particular, allows investors and other asset owners to minimise risks and sustain their investments in renewable assets as well as enabling industrial customers to decarbonise their value chain. Alpiq's Origination business thus contributes to enabling climate-friendly investments.

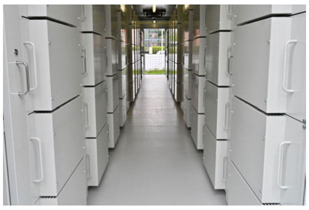
Sustainable business statements

The following section presents some specific examples of Alpiq's actions and achievements in the area of sustainability in order to illustrate its commitment to sustainability and back up its sustainable business statements.

“Alpiq wants to make a significant contribution to security of supply by providing storage capacity and flexible power production.”

Example 1 (see also Key Moments in the Annual Review):

Alpiq continues to invest in flexibility and acquires a 100 MW battery project in France (25 November 2024)



Alpiq is strengthening its position as a provider of flexibility to the energy system with the acquisition of Harmony Energy France’s battery project in the department of Oise, north of Paris. The 100 MW battery energy storage system (BESS), with a capacity of 200 MWh, is scheduled to be commissioned in autumn 2026. This investment is in line with Alpiq’s strategy of focusing on flexibility and its commitment to integrating renewable energy and strengthening security of supply. Further acquisitions of battery storage are envisaged in Switzerland, Germany, France and the Nordics.

Alpiq continues to invest in flexibility and acquires a 100 MW battery project in France | Alpiq

Example 2:

Vercelli 2.0 – more flexible, efficient and climate-friendly (24 June 2024)

Over recent months, Alpiq has completely overhauled the Vercelli gas-fired power plant in the northern Italian region of Piedmont, making it fit for the energy future. Thanks to its flexibility, the plant will provide valuable services for electrical system adequacy and for security of supply in Italy.

Vercelli 2.0 – more flexible, efficient and climate-friendly | Alpiq

Example 3 (see also Key Moments in the Annual Review):

Alpiq acquires 30 MW battery project in Finland and strengthens its position as a flexibility supplier (19 June 2024)

Alpiq has expanded its flexibility portfolio by acquiring one of the largest battery energy storage systems (BESS) in Finland. The 30 MW large-scale battery from Merus Power, a leading Finnish technology company, will have one of the highest capacities in Finland and will become operational in Valkeakoski in mid-2025. The battery energy storage system is primarily used to stabilise the grid. It therefore contributes directly to security of supply and enables additional renewable energy projects. This strategic investment strengthens Alpiq’s commitment to paving the way towards the energy transition.

Alpiq acquires 30 MW battery project in Finland and strengthens its position as a flexibility supplier | Alpiq

"Our goal is to make energy available whenever needed, in various forms, in sufficient quantity at an affordable price."

Example 1 (see also Key Moments in the Annual Review):

Alpiq acquires 10% of Forces Motrices D'Orsières SA (13 September 2024)

In connection with the renewal of the hydropower concessions of Forces Motrices d'Orsières SA, the primary assemblies of the municipalities of Orsières and Liddes have authorised the sale of 10% of the company to Alpiq from 19 January 2027, for a duration of 80 years. Alpiq submitted a convincing tender and this acquisition will enable it to expand its portfolio of hydropower plants. Between the Orsières and Niollet power plants, the facility produces approximately 110 GWh per year, which is enough to supply 24,500 households with electricity.

Alpiq acquires 10% of Forces Motrices d'Orsières SA | Alpiq

Example 2:

The Hongrin dams in the solar age (21 August 2024)

The Forces Motrices Hongrin-Léman (FMHL) have commissioned a new photovoltaic installation. Located on the crest of the Hongrin dams, the 720 solar modules will supply around 70 households with electricity, mainly in winter, when Switzerland's energy needs are at their highest. This is part of the FMHL's ongoing efforts to improve energy efficiency.

The Hongrin dams in the solar age | Alpiq

"By pushing the energy transition and minimising the impact on the planet, we are shaping the future world of energy."

Example 1:

Tormoseröd wind farm: Another step forward for renewables in Sweden (17 September 2024)

Alpiq has held an official inauguration to announce the successful completion of the Tormoseröd wind farm, the state-of-the-art renewable energy project in south-west Sweden. The wind farm, which Alpiq co-owns with Fu-Gen, marks a significant milestone in Sweden's green energy transition and reinforces the partnership's commitment to sustainable energy solutions across Europe.

Wind Park Tormoseröd: Another step forward for renewables in Sweden | Alpiq

Example 2:

Norvento Enerxía strengthens its alliance with Alpiq for the representation of six of its wind farms in Galicia (9 January 2024)

Madrid – Norvento Enerxía and Alpiq have reached a new agreement for the provision of market access services in 2024.

Norvento Enerxía strengthens its alliance with Alpiq for the representation of six of its wind farms in Galicia | Alpiq

“We are committed to transforming into a sustainable business.”

Example 1:

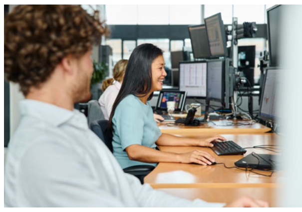
Commissioning of a new low-head turbine (30 September 2024)

Forces Motrices de Martigny-Bourg (FMMB) officially commissioned Switzerland’s first very low head (VLH) turbine. Installed in the tailrace of the Martigny-Bourg run-of-river power plant, the new turbine will generate some 850,000 kWh per year, equivalent to the average annual consumption of almost 200 households. It will therefore optimise the hydropower available on the site, with no additional impact on the environment.

Commissioning of a new low-head turbine | Alpiq

Example 2:

Reuse of replaced laptops and desktop computers (3 July 2024)



Alpiq replaced all PCs (laptops and desktop computers) in its locations in Switzerland, the Czech Republic, Italy and the Nordics. The replaced devices were thoroughly checked and securely wiped of all data and then offered for purchase to Alpiq employees in the locations at a discounted price. Devices not sold to employees were reintroduced into the lifecycle for sustainable use, contributing to the efficient use of valuable resources and a better climate.

Example 3 (see also Key Moments in the Annual Review):

Alpiq acquires a majority stake in the Finnish hydrogen pioneer P2X Solutions (12 April 2024)

Photo: P2X Solutions

Alpiq has emphasised its commitment to climate protection and strengthening the security of supply by acquiring a majority stake (54.9%) in the Finnish hydrogen pioneer P2X Solutions, which is headquartered in Espoo. The partnership-based participating interest is effective immediately, although P2X Solutions will remain an independent company. This acquisition shows that Alpiq is strengthening its position in the Nordic countries and becoming one of the leading companies in Northern Europe in the production of green hydrogen.

Alpiq acquires a majority stake in the Finnish hydrogen pioneer P2X Solutions | Alpiq

“In our projects, we carefully weigh up the protection of nature and the use of natural resources.”

Example 1 (see also Key Moments in the Annual Review):

#prixalpiq 2024 – The circular economy at the heart of water management (31 October 2024)

For the fourth year running, the #prixalpiq has recognised two projects that promote sustainable water management with the support of municipalities in the Swiss canton of Valais. The municipality of Grimisuat has been chosen as the 2024 winner, with its project entitled “Grimisuat irrigation network – sustainable water storage and management”. The jury gave its “Coup de Cœur” to the association for water management and development planning in the Aletsch region, for its project entitled “Sustainable water supply planning in the Aletsch region”. To enhance the awards ceremony and facilitate debate on subjects beyond water management, a panel discussion on the topic of “The circular economy: utopia or reality?” took place at the University of Applied Sciences and Arts (HES-SO) Valais-Wallis in Sion.

#prixalpiq 2024 – The circular economy at the heart of water management | Alpiq

Example 2:

Alpiq to help prevent forest fires in Sicily by installing special cameras on wind turbines (21 October 2024)

The summer fires that rage in Sicily destroy nature and often cost lives. As part of a pilot project with Sicilian authorities, Alpiq Energia Italia will install special fire-detecting cameras on selected turbines with the repowering at its Monte Mele wind farm. This serves as an early warning system and helps identify the source of the fires.

Alpiq to help prevent forest fires in Sicily by installing special cameras on wind turbines | Alpiq

Example 3:

Raising awareness of invasive plants among the younger generation (27 June 2024)

On 17 June 2024, primary school pupils enthusiastically uprooted invasive plants that threatened the stability of the banks along the Trient watercourse in the municipality of Salvan (canton of Valais). Xavière Schröder, Environmental Project Manager at Alpiq, organised this action to raise awareness among the younger generation of the importance of preserving local biodiversity and playing an active part in protecting the environment.

Raising awareness of invasive plants among the younger generation | Alpiq

“Alpiq offsets the impact of its projects on the environment with compensation measures.”

Example 1:

The Trient: balancing flood protection and biodiversity (14 November 2024)

Nant de Drance SA is implementing 14 environmental compensation measures in connection with the construction of its pumped storage power plant. These include ecological restoration and flood protection on part of the Trient watercourse at Vernayaz. The first phase of the work – enlarging the Trient – is a key step in the flood control programme. Following the flooding in the canton of Valais in November 2023, which was caused by a rise in the levels of several watercourses including the Trient, the municipalities of Vernayaz and Martigny welcome this project. It aligns with their commitment to addressing flood protection for the local population as an urgent priority.

The Trient: balancing flood protection and biodiversity | Alpiq

Example 2:

Environmental measures bear fruit (23 January 2024)

The realisation of the Nant de Drance pumped storage power station in the municipality of Finhaut in the Valais, like any construction project, has had a certain impact on nature. Xavière Schröder, Environmental Project Manager at Alpiq, supported by Grenat Sàrl environmental bureau, is working closely with nature conservation organisations (WWF and Pro Natura) and the federal, cantonal and municipal authorities to offset these impacts and enhance local biodiversity.

Environmental measures bear fruit | Alpiq

"With the Alpiq eco-fund, we are supporting the creation of more habitats to preserve or revive biodiversity."

Example 1:

Breeding pool enhancements keep the toads singing (27 May 2024)

A 1-hectare pool landscape in Härkingen in the canton of Solothurn that serves as a vital spawning ground for endangered toads has been restored and enhanced with the support of the Alpiq Eco Fund. The habitat will also benefit several other species that have become rare to the region.

Breeding pool enhancements keep the toads singing | Alpiq

Example 2:

11 kilometres of river renaturalised to enhance biodiversity (2 April 2024)

Eleven kilometres of small and medium-sized rivers have been revitalised in the canton of Solothurn thanks to the support of the Alpiq Eco Fund. Natural and local materials were used to slow down the flow of the rivers and promote the development of aquatic flora and fauna.

11 kilometres of river renaturalised to enhance biodiversity | Alpiq

"It is important to Alpiq that its employees remain mentally and physically healthy."

Example 1:

Assessment of Health & Safety Culture

Alpiq has undergone an external assessment of its Health & Safety culture, with the objective of reviewing and improving the Health & Safety culture in order to lower the probability of incidents that have an impact on employee health and safety. The assessment is a voluntary addition to the ISO certifications of the organisations in Alpiq's International division, which was conducted based on an anonymous self-perception safety survey covering people mindset and behaviours, thereby identifying potential areas of concern and establishing the basis for an industry benchmark. By constantly improving Health & Safety standards, Alpiq protects its most valuable assets – its employees – and contributes to an increase in employee satisfaction, trust and engagement, creating a positive impact on employee well-being.

"Inclusion of diversity is key for success."

Example 1 (see also Key Moments in the Annual Review):

Alpiq is certified as "Great Place to Work"

After receiving the renowned "Great Place to Work" certification, Alpiq officially became a certified employer in Switzerland and its other company locations in Spain, Italy, Germany, France, Czech Republic, Finland and Hungary for the first time in December 2024. This certification is largely based on a positive assessment of the workplace culture by the employees themselves, so Alpiq has demonstrated its commitment to promoting a workplace in which employees feel valued and can develop professionally. The certification also strengthens Alpiq's employer brand and its profile as an attractive employer.

Example 2:

Alpiq offers internship to engineering student from Burkina Faso

In collaboration with the Burkina Institute of Technology (BIT), Alpiq offered a 4-month online internship to an engineering student from Burkina Faso, allowing him to get an insight into the world of energy, gain international experience and write his bachelor thesis about solar plant reliability. After the successful completion of his internship and defence of his bachelor thesis, it was decided that Alpiq will continue the collaboration with the BIT, offering one internship space per year to one of their students, and thereby contributing to the education of new generation engineer leaders in Burkina Faso.

General Disclosures

Basis of Preparation

General basis of preparation of the Sustainability Report – consolidation and scope

ERSR 2 BP-1 5 (a)

The sustainability statement (hereinafter referred to as the "Sustainability Report") was prepared on a consolidated basis at the Alpiq Group level, including all legal entities in Switzerland and the European countries where Alpiq is present.

Nevertheless, some requirements contain information on specific countries, due to one of the following two reasons:

1. The information available at a country level cannot be summarised on Group level without compromising its meaningfulness, given country-specific circumstances such as differences in countries' asset portfolios and local regulations. In this case, reporting at a country level is preferred in order to create an unbiased picture.
2. The information is only available for certain countries but not for all countries in which Alpiq operates. In order to report as transparently as possible, the information is disclosed for the countries for which it is available.

ESRS 2 BP-1 5 (b)

The scope of consolidation for Alpiq's Sustainability Report is the same as for the Alpiq Financial Report. All subsidiary undertakings, over which Alpiq Holding Ltd. has operational control, are fully in scope for the consolidated Sustainability Report. However, subsidiary undertakings of which Alpiq is a majority shareholder but does not have operational control (i.e. the Grande Dixence hydropower plant) or of which Alpiq Holding Ltd. is a minority shareholder (and over which Alpiq does not have operational control) are treated as an investment. The GHG emissions are therefore reported under Scope 3 according to the respective ownership share.

A list of Alpiq Group companies and investments can be found in the Notes to the Consolidated Financial Statements in the chapter Group companies and investments of the Financial Report.

ESRS 2 BP-1 5 (c)

The Sustainability Report considers both Alpiq's upstream (suppliers) and downstream (customers) value chain. The upstream value chain mainly entails suppliers of power (including Alpiq's minority shareholding in assets), suppliers of physical trading power, and sellers of power purchase agreements (PPA). The downstream value chain entails the business-to-business relationships with transmission system operators (TSOs), distribution system operators (DSOs) and PPA buyers, as well as the business-to-customer relationships in France. Information is not provided on every actor in the value chain, but on the upstream and downstream actors identified to be material during the Double Materiality Assessment (DMA).

Disclosures in relation to specific circumstances

ESRS 2 BP-2 13 (a),(b),(c)

The Sustainability Report 2023 was prepared in accordance with the Global Reporting Initiative (GRI). However, as it becomes mandatory for Alpiq to report according to the Corporate Sustainability Reporting Directive (CSRD) by 2025, the Sustainability Report 2024 already follows the ESRS structure, and covers additional topics as compared to the previous-year report. Some metrics for the Sustainability Report 2024 have already been calculated as required by CSRD. If a metric has been replaced by a new metric to be in line with CSRD requirements, it will be clearly stated that the new metric is not comparable to the one used in the previous reporting period. In particular, the calculation of CO_2 emissions (see chapter Gross Scopes 1, 2, 3 emissions, total GHG emissions, and GHG intensity) has changed drastically due to the application of CSRD guidelines (operational control methodology), which leads to a large increase in total GHG emissions and emissions intensity. CO_2 emissions and KPIs related to CO_2 emissions have therefore also been calculated according to the previous equity share methodology, and two different figures are shown to allow for comparison with the previous reporting period.

While the Sustainability Report 2024 follows the ESRS structure, it is not fully CSRD-compliant. Alpiq's Sustainability Report 2025 will be CSRD-compliant and is currently in the development phase.

ESRS 2 BP-2 15

In addition to the topics identified as material during the DMA, which will be described in detail later in this report (see chapter Material Sustainability Matters), this Sustainability Report addresses the issue of due diligence in the supply chain in relation to “Conflict Minerals” and “Child Labour” as required by the Swiss Ordinance on Due Diligence and Transparency (DDTrO) in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour, based on article 964j paragraphs 2-4 and article 964k paragraph 4 of the Swiss Code of Obligations. This report also covers the non-financial reporting requirements of the Responsible Business Initiative (RBI) as well as the requirements of the Swiss Climate Ordinance (SCO), which were formerly covered by the requirements of the Task Force on Climate-Related Financial Disclosures (TCFD). The specific chapters related to DDTrO, RBI and SCO are listed in the respective index in the Appendix.

Governance

The composition and roles of the administrative, management and supervisory bodies

ESRS 2 GOV-1 21 (a)

Alpiq's highest governance body is the Board of Directors (BoD), which consists of seven non-executive members. The BoD has delegated operational management of the company to the CEO, in alignment with the respective laws, the Articles of Association and the Organisational Regulations. The CEO chairs the Executive Board (EB), which has five executive members, namely the CEO, the CFO (Chief Financial Officer) and three business Division Heads, to whom the CEO has delegated some of her management responsibilities. The CEO and EB have issued regulations governing the assignment of authorities and responsibilities. These regulations apply throughout the Group.

In addition to the BoD and EB, the Audit and Risk Committee (ARC) and the Nomination, Remuneration and Strategy Committee (NRSC), each of which consists of three members of the BoD, are part of Alpiq's administrative, management and supervisory bodies.

ESRS 2 GOV-1 21 (b)

In Switzerland, the PEKO/COPE represents the common interests of employees at functional levels 1 to 10 (meaning employees who are not in top management functions) to the top management of Alpiq Holding AG. The members of the PEKO/COPE are freely elected by all employees of functional levels 1 to 10 in Switzerland. All employees of functional levels 1 to 10 in Switzerland may present themselves for election. As for employee representation in other countries, Alpiq complies with the local laws and regulations.

ESRS 2 GOV-1 21 (c)

The members of the management and supervisory bodies are fully qualified for the tasks they are in charge of. Further information on the experience level of the BoD and EB is available in the chapters Board of Directors and Executive Board in the Corporate Governance section of this Annual Report.

ESRS 2 GOV-1 21 (e)

At the end of 2024, the female to male ratio in the EB was 20% vs 80% respectively, with a ratio of 14% (female) to 86% (male) in the BoD. The three shareholder groups of Alpiq (each of which represents 33.3% of the share capital) have the right to make a proposal for two board members each. Election remains with the General Assembly.

Share of female EB members

20%

ESRS 2 GOV-1 22 (a)

The BoD nominates the members of the NRSC and the ARC, including their Chairs. Further rules are laid out in detail in the Organisational Regulations. The NRSC and the ARC prepare, control and steer major decisions in terms of their strategic (including sustainability), economic, and financial impact on the company. While the NRSC is responsible for strategy and sustainability and hence ESG targets (including sustainability impact and opportunity management), the

ARC is responsible for ESG risks. Specific extraordinary meetings are regularly set up to allow pre-discussions with management. The BoD can request the Group Internal Audit to investigate or conduct a detailed audit on any subject matter at any time.

The ARC consists exclusively of non-executive members of the BoD, most of whom have finance and accounting experience. The ARC's role is to support the BoD in assessing the performance of the external auditors, monitoring and assessing the internal auditors, the internal control system, financial accounting, risk management (including the management of ESG risks), compliance and corporate governance.

ESRS 2 GOV-1 22 (b), (c) i.,(c) ii.

The NRSC is tasked with supporting the BoD in discharging its supervisory duty regarding succession planning (EB), determining and reviewing remuneration policy and guidelines as well as performance targets (including ESG targets), preparing proposals on the remuneration of the BoD and the EB on behalf of the Annual General Meeting (AGM), determining all other terms and conditions of employment of the members of the BoD and approving the other contract terms and conditions of employment for the CEO (as proposed by the Chairman of the BoD) and for the EB (as proposed by the CEO). In addition, the NRSC is in charge of pre-discussing the Group Strategy, prior to approval by the BoD, and monitoring implementation of the strategy, as well as determining sustainability targets, including implementation of suitable reporting.

In summary, economic, environmental and social issues as well as decisions regarding sustainability are taken by the committees appointed by the BoD, upon the proposal of the EB. In addition to this, they are dealt with by the committees supporting the BoD, in particular the NRSC. Clear governance and procedures are defined to deal with sustainability matters, but they are not yet aligned with the identified Impacts, Risks and Opportunities (IRO).

ESG risks are currently being integrated into the company-wide enterprise risk management (ERM). This means that ESG risks will be treated the same as any other enterprise risks and the same risk management processes will apply, including the regular monitoring and development of actions by the ARC, EB and BoD. The further integration of impact, risk, and opportunity management into already existing management processes will be defined and developed in 2025.

ESRS 2 GOV-1 22 (c) iii.

As the CSRD implementation is still ongoing, targets pertaining to Alpiq's material topics are currently under development. The setting of targets requires input from internal metric owners in the divisions. Their input is pre-discussed in the Sustainability Committee, a central coordination body for the sustainability matrix organisation, and targets are proposed based on these discussions. The Lead Group Sustainability presents the suggested targets in the EB, NRSC and BoD for approval.

ESRS 2 GOV-1 22 (d)

The Lead Group Sustainability also conducts regular trainings for the EB and BoD on the topic of sustainability. The Lead Group Sustainability is highly familiar with Alpiq's material topics and therefore relates the coaching to the relevant topics. There is no dedicated person in the EB and BoD responsible for sustainability; in each case the responsibility is shared in recognition of the fact that different members may bring different sustainability skills.

ESRS 2 GOV-1 23 (a), (b)

The Sustainability Report is compiled and edited under the lead of the EB in alignment with the Lead Group Sustainability and the NRSC, which may be involved during the editing phase. Once finalised, the EB submits the Sustainability Report to the BoD for approval.

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

At an operational level, Group Risk Management is mandated by the EB to monitor all market, credit and liquidity risks on an ongoing basis. Frequent Risk Management Committee meetings are conducted to assess the company's current risk situation and decide on the operational measures to be taken. The EB is permanently informed of ongoing discussions via an online platform and in every EB meeting (on a fortnightly basis). As part of Group Risk Management, Enterprise Risk Management assesses risks for the going concern in a broader context. The ARC and BoD are informed twice per year of the current risk situation, or at any time as required by the current evolution of the business. ESRS 2 GOV-2 26 (a)

For each business opportunity, the potential and related risks are assessed by the relevant entities, such as Risk Management, Tax, Sustainability, Legal & Compliance, and a Know-Your-Customer (KYC) check is performed as standard and prior to any formal decision taken. Strategic opportunities are tracked by the EB in the context of the corporate strategy. Discussions on potential opportunities and the way forward take place on a weekly basis.

Specific policies, actions, metrics and targets needed to address material IROs are currently under development.

For each business decision to be taken, the Regulation of Authority determines the level of required approval. In any case, whether the decision is taken by the Division Head, the EB or the BoD, a fully-fledged business plan and an assessment of all related risks and opportunities has to be available, including financial, tax, legal & compliance, sustainability and reputational risks and opportunities. For business cases to be approved by the relevant bodies, the prior consent and recommendation of the corresponding experts in Finance, Tax, Legal & Compliance, and Sustainability is required. ESRS 2 GOV-2 26 (b)

Integration of sustainability-related performance in incentive schemes

Sustainability considerations serve as a basis for the company's strategic plan, the execution of which is a factor considered in the incentive schemes for the EB. As of 2024, the remuneration of the EB is linked to Long-Term Incentives (LTI), which include ESG criteria. The sustainability target "Successfully set up our sustainability organisation according to CSRD roadmap for 2024, incl. KPIs, targets etc." is part of the EB's targets for 2024. As sustainability is considered in the setup of the strategic plan and the execution of this plan has an impact on the ESRS 2 GOV-3 29 (a), (b),(c),(d),(e)

BoD's performance assessment, the assessment of the BoD's performance is also indirectly linked to sustainability targets.

The terms of incentive schemes are approved and/or updated in the EB and NRSC, and, if required, by the BoD.

Further information on LTI and remuneration at Alpiq can be found in the chapter Remuneration in the Corporate Governance section of this Annual Report.

Risk managemen and internal controls over sustainability reporting

ESRS 2 GOV-5 36 (a), (b),(c),(d),(e)

Alpiq is currently developing a framework for risk management in sustainability reporting, to be finalised in 2025. This is to ensure that the risk assessments and controls are in line with the prioritised risks and that the results are integrated into internal processes.

Oversight of the Sustainability Report will involve both the ARC and the NRSC. The ARC will focus on the adequacy of risk management and controls, while the NRSC will ensure compliance with ESG standards before approving the report. Periodic updates will be provided to management and supervisory bodies to ensure transparency and accountability.

Strategy

Strategy, business model and value chain

ESRS 2 SBM-1 40 (a)

Alpiq is a generator of electricity, steam and heat, and optimises its generation assets through asset trading. In addition, Alpiq is active in proprietary energy trading and origination (providing energy-related risk and portfolio management services to other generators and energy off-takers, mainly in a business-to-business context). It is represented by subsidiaries in various European countries.

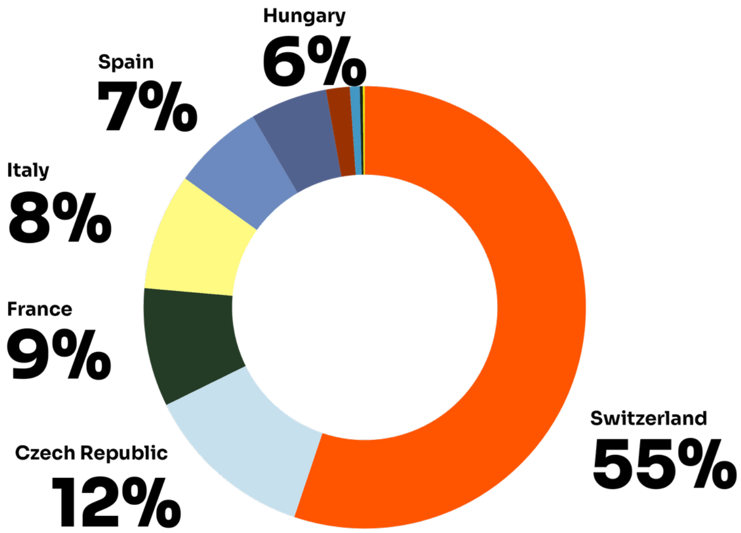
The core of Alpiq's generation portfolio is flexible hydropower generation in Switzerland. The characteristics of these generation assets make Alpiq a natural provider of flexible generation and energy storage. Besides the production stemming from the CO_2-free technologies of hydropower (Switzerland), and nuclear power (Switzerland) and the small share from wind and solar (in Italy and France), Alpiq generates energy from natural gas (in Italy, Spain and Hungary). The flexible gas-fired combined-cycle and open-cycle power plants operated in Italy, Spain and Hungary strengthen system flexibility and security of supply.

Recognising its strength in operating and optimising flexible generation, Alpiq's strategy focuses on providing flexibility to the energy system and by doing so enabling the energy transition through the integration of variable renewable energy sources like wind and solar. Alpiq is pursuing investments in flexible hydropower, BESS and flexible gas-fired thermal generation. These investments contribute to the energy transition by increasing the flexibility Alpiq can provide to the energy system. In 2024, Alpiq acquired a 30-megawatt battery project in Finland, a 100-megawatt battery project in France, and a majority stake in the Finnish hydrogen pioneer P2X Solutions.

As per 31 December 2024, Alpiq has 1,385 employees, split by geographical areas as follows:

Country	Headcount of employees
Switzerland	764
Czech Republic	174
France	120
Italy	118
Spain	92
Hungary	78
Germany	24
Finland	10
Norway	3
Bosnia	2
Total	**1,385**

The following pie chart illustrates the distribution of Alpiq employees by country in 2024:



The above figures do not include employees who work for fully-consolidated Alpiq entities but do not have Alpiq work contracts, as is the case for P2X Solutions, Entegra Wasserkraft AG and Isento Wasserkraft AG employees. P2X Solutions has 18 employees in Finland, while Entegra and Isento have six and one employee(s) respectively.

Alpiq developed a new corporate strategy in 2023, in which sustainability was anchored as an integral part. The company has set the overarching goal of achieving the net-zero target for Scope 1 and 2 by 2040. The emissions path to reach this target depends to a large extent on the progress of the energy transformation and technological development and is therefore currently still under development. However, since 99% of Alpiq's emissions stem from gas-fired combined-cycle power plants in Italy, Spain and Hungary, these plants have the highest potential for emissions reduction through optimisation / efficiency measures such as the measures that were implemented for the Vercelli plant (see the success story in the Introduction section of the Sustainability Report). ESRS 2 SBM-1 40 (e)

Share of emissions from CCGT power plants

99%

As mentioned previously, Alpiq offers its customers comprehensive and efficient services in the fields of energy generation and market access, as well as energy portfolio management. These services are mainly offered to industrial and business customers throughout Europe. Thanks to digital tools and Alpiq's expertise in flexibility management and cross-border trading, energy generation and asset trading are optimised to support the TSOs in stabilising the electricity grids. In addition, Alpiq operates in Trading and Origination in its core markets in Europe. In France, Alpiq has also been active in the business-to-customer retail business for electricity consumers since 2020. ESRS 2 SBM-1 40 (f)

While the transition towards becoming a more sustainable company may affect Alpiq's asset portfolio, the core products / services offered, and the target customer type will remain the same. However, the markets served may be expanded depending on where future sustainability-related projects are located.

Apart from thermal assets (gas-fired power plants and nuclear power plants), Alpiq has a diverse national and international power-generation portfolio from renewable resources comprising hydropower, wind and photovoltaics. The services offered in many European countries also support large and industrial customers in selling electricity from RES assets or in their efforts to reduce the environmental footprint of their own business activities.

As electrification advances across various sectors, Alpiq is driving the sustainable energy transition by making strategic investments in flexible assets, such as battery projects. The company's CCGT power plants, which play a crucial role in maintaining system stability, will reach their end-of-life before 2040. These plants contribute to reliable power generation, which is vital for Alpiq's customers, including TSOs. They directly influence the company's economic performance and the security of the energy supply, which are key pillars of sustainability. However, with 99.9% of Alpiq's total Scope 1 GHG emissions stemming from CCGT power plants, these assets remain the primary source of direct emissions. Embracing the "best owner principle", Alpiq continuously invests in upgrading projects to enhance CCGT efficiency and explore green gas blending capabilities until the plants' end-of-life.

ESRS 2 SBM-1 40 (g)

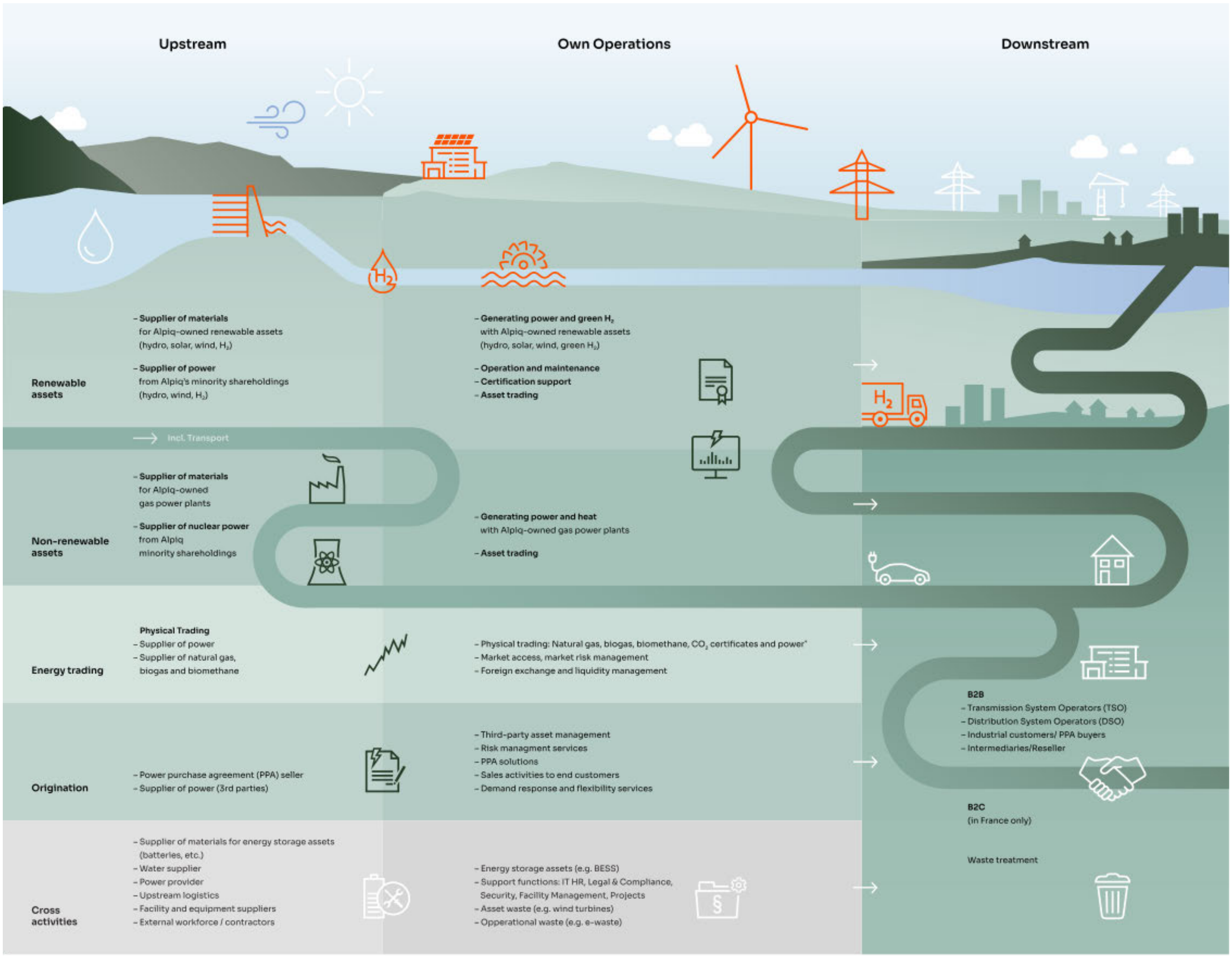
After having explained Alpiq's strategy and business model, the following section focuses on the company's value chain. As part of the DMA, which will be described in detail at a later stage (see chapter Material Sustainability Matters), Alpiq's value chain has been analysed in detail to identify Impacts, Risks and Opportunities (IROs) created throughout the whole value chain.

ESRS 2 SBM-1 42 (a), (b),(c)

It is important to note that when talking about value chain in the context of CSRD and the DMA, the term value chain is to be understood in line with the definition provided by the European Commission: "A value chain encompasses the activities, resources and relationships the undertaking uses and relies on to create its products or services from conception to delivery, consumption and end-of-life. Relevant activities, resources and relationships include: i. those in the undertaking's own operations, such as human resources; ii. those along its supply, marketing and distribution channels, such as materials and service sourcing and product and service sale and delivery; and iii. the financing, geographical, geopolitical and regulatory environments in which the undertaking operates. Value chain includes actors upstream and downstream from the undertaking. Actors upstream from the undertaking (e.g., suppliers) provide products or services that are used in the development of the undertaking's products or services. Entities downstream from the undertaking (e.g., distributors, customers) receive products or services from the undertaking." (European Commission, 2023).

This use of the term "value chain" is not to be confused with Alpiq's internal definition and use of the term, which refers to the elements that generate value for the company and includes the "value chain elements" Assets, Trading and Origination. In order to avoid confusion with Alpiq's internal use of the term "value chain", these are referred to as "value chain elements" in the remainder of this chapter.

The complete Alpiq value chain looks as follows:



*Financial trading was assessed as not relevant for CSRD or the EU Taxonomy and therefore excluded

As shown in above illustration, Alpiq's own-operations part of the value chain contains the company's three main elements of value creation – Assets, Trading and Origination – as well as activities that span across these three elements. The Alpiq value chain is completed by the upstream and downstream parts.

ESRS 2 SBM-1 42 (a), (b),(c)

The upstream value chain consists of partner agreements with minority shareholdings, for both renewable and non-renewable energies. Under the partner agreements in force, the shareholders of partner power plants are required to take on the energy and pay the annual costs allotted to their ownership interest throughout the concession period. Furthermore, nuclear power plant owners are required to pay certain additional contributions to the decommissioning and waste disposal fund, in case a primary contributor is unable to fulfil payments. The partner agreements run throughout the useful life of the power plant, or throughout the concession period, and can only be terminated under exceptional circumstances and with the unanimous decision of all the parties. In some cases, the shareholding may differ from the right to energy and therefore from the obligation to pay the annual costs. In such cases, the reported interest from an economic perspective may differ from the interest held pursuant to corporate law.

In addition, Alpiq's upstream value chain entails some Trading and Origination activities. Upstream trading entails the physical trading of power, natural gas, biogas and biomethane, while upstream origination entails mainly the engagement in power purchase agreements (PPAs) and the supply of power via third parties.

Similarly to Alpiq's upstream value chain, the company's own operations can be divided into activities belonging to the Asset, Trading, or Origination element, or to cross-element activities. Own-operation activities in the Asset element include power generation through renewable and non-renewable assets, as well as asset trading. The own-operation Trading element consists of the financial trading of fossil commodities, power and CO_2 certificates, and the physical trading of natural gas, biogas, biomethane, CO_2 certificates and power. Activities related to market access and market risk management, foreign exchange and liquidity management are also part of own-operations trading. Own-operations Origination activities include third-party asset management, risk management services, PPA solutions, sales activities to end customers, and ancillary services. Cross-activities include energy storage, support functions (IT, HR, Legal & Compliance, Security, Facility Management, Projects), asset waste management and operational waste management.

Alpiq's downstream value chain entails primarily the business-to-business sale of power to TSOs, DSOs, industrial customers and PPA buyers, as well as to intermediaries or resellers. In addition, it includes Alpiq's business-to-customer retail activities in France.

Stakeholders, stakeholder engagement, and the management of stakeholder views and interests

ESRS 2 SBM-2 45 (a), SBM-2 AR 4

Alpiq's most relevant internal and external stakeholders are employees, shareholders, banks, customers, suppliers, business partners, associations, politicians and government groups, as well as civil society, including NGOs.

Stakeholder engagement has a high priority at Alpiq and takes place with all stakeholder groups via different channels and at various intensities and frequencies, depending on the specific stakeholder group and the situational circumstances. The dialogue with stakeholders, i.e. shareholders, is generally conducted via the Chairman and the Annual General Meeting. The administrative contact is the Secretary of the Board. Furthermore, public affairs, investor relations and other specialists in different departments and business units are dedicated to stakeholder engagement.

Internal stakeholder engagement is guaranteed by using various channels and platforms for informal and formal direct dialogue with and among employees.

As for the employee stakeholder group specifically, and in accordance with the Alpiq Code of Conduct and the company's respectful and Secure Base Leadership-compliant behaviours, Alpiq adheres to the following principles:

- Provision of appropriate working conditions (compliance with the applicable labour law at all times)
- No discrimination, and celebration of diversity (a dedicated Inclusion of Diversity team ensures that HR / workforce-related processes run according to inclusion standards)
- No bullying and no tolerance for harassment (performance management weights and assesses performance equally according to results and expected behaviours)

The purpose of internal stakeholder engagement is to foster commitment and motivation, which are crucial for running a successful business. In order to understand employees' interests, needs and expectations, two employee surveys were conducted during the reporting period. The first survey was a short "pulse check" conducted in the first half of the reporting year, while the second one was a more extensive survey conducted in cooperation with the organisation Great Place to Work in the second half of the reporting year. The results of the first pulse check survey were published in the summer and some actions have been implemented as a consequence. The results of the survey conducted with Great Place to Work were published in January 2025 and actions based on the outcome are currently under development.

As for external stakeholder engagement, Alpiq is actively involved in professional associations through committees, commissions and working groups with the aim of working towards sustainable economic framework conditions for the Swiss electricity sector at political and administrative levels. The company is also in direct and continuous dialogue with political decision-makers (members of parliament, energy and environmental commissions) and government administration with the aim of mitigating and minimising risks and uncertainties in the political process. Alpiq continuously monitors and analyses political events and intervenes in specific legislative proposals to secure good framework conditions in the long term.

In addition, Alpiq works closely with NGOs, particularly in infrastructure projects and regarding the mitigation of environmental impacts, e.g. compensation measures related to Nant de Drance, which have been implemented in collaboration with WWF and Pro Natura.

The outcome of Alpiq's stakeholder engagement is taken into account in various ways. For example, Alpiq has taken actions in response to the results of the pulse survey conducted in 2024. First, the desire expressed by employees for more clarity on the details of the company strategy was taken into consideration during the Targets 2025 EB workshop, by linking the strategy more clearly to daily activities and translating it into yearly goals. Second, a need to improve Alpiq's meeting culture was identified. To achieve this, it was decided that a meeting guideline would be added by default to every meeting to enable more consistency and structure and make meetings more efficient and productive.

Furthermore, as previously mentioned, impacts on Alpiq's own workforce are identified by means of regular surveys (conducted twice a year). The company strategy is adapted based on these impacts. One of Alpiq's strategic pillars for organisational goals is based on people, and the outcome of the surveys is instrumental in setting related organisational goals. These goals help define actions to adapt the strategy and thus mitigate the negative impacts on the workforce. Progress towards the goals is continuously monitored to ensure that the workforce's needs are properly addressed.

In addition, the interests and views of internal and external stakeholders were taken into consideration in the DMA. This was accomplished by conducting surveys and interviews with representatives of the relevant stakeholder groups.

Based on the surveys that were sent out and the interviews conducted with stakeholders as part of the DMA, the interests and views of Alpiq's stakeholders and the engagement with these stakeholders can be summarised as follows: ESRS 2 SBM-2 45 (b)

Stakeholder	Interests and views	Engagement
Employees	Fair compensation Career growth Job security Work-life balance	Internal contact with employees is guaranteed through various channels and platforms for informal and formal direct dialogue with and amongst employees. In Switzerland, for example, Alpiq has a personnel committee in place that represents the employees' interests towards the management of the Alpiq Holding AG. In addition, regular surveys (e.g., pulse checks and Great Place to Work surveys) are conducted, providing deeper insights into Alpiq employees' interests and needs. Through various channels, e.g., through Alpiq's SpeakUp mechanism, all employees can hand in cases of misconduct to be investigated internally by Alpiq's Compliance team.
Suppliers	Reliable payments Long-term relationships	Alpiq's central procurement team for Switzerland and Prague maintains regular dialogue with suppliers. The dialogues conducted in other Alpiq locations are maintained in a more decentralised manner by Alpiq's local Procurement specialists.
Customers	Increasingly require sustainable business and a clear commitment to the reduction of negative impacts on environment and society as a condition for closing a deal	Customers were consulted in the creation of Alpiq's DMA and their interests are recorded and represented by Alpiq's employees in Sales & Origination. Alpiq's SpeakUp tool is also open to the public, allowing customers to hand in compliance concerns for internal investigation.
Business partners	Long-term relationships	Important business partners for Alpiq are the co-owners of the "Partnerwerke" constructs, pertaining mainly to Alpiq's hydro power plants. Close collaboration and dialogue is maintained with said co-owners.
Shareholders	Profitability Long-term growth	Dialogue is maintained via the Secretary of the Board and Annual General Meetings and through contact with the BoD. In addition, shareholders were consulted in the creation of Alpiq's DMA.
Banks	Financial stability Low-risk investments Increasingly interested in investing in companies with clear decarbonisation targets and paths	Dialogue is maintained through regular exchange between the Lead Group Sustainability and Alpiq's key banks. Banks were also consulted in the creation of Alpiq's DMA.
Associations	Advocacy for industry issues	Alpiq is actively involved in professional associations through committees, commissions and working groups with the aim of working towards sustainable economic framework conditions for the Swiss electricity sector at the political and administrative levels.
Politicians/government groups	Regulatory compliance Environmental protection Ensuring security of supply (e.g. Federal Act on a Secure Electricity Supply in Switzerland)	Alpiq is also in direct and continuous dialogue with political decision-makers (members of parliament, energy and environmental commissions) and government administration with the aim of mitigating and minimising risks and uncertainties in the political process. Alpiq continuously monitors and analyses political events and intervenes in specific legislative proposals to secure good framework conditions in the long term.
NGOs	Minimising environmental/social impacts Ethical business practices	Alpiq works closely with NGOs, particularly in infrastructure projects and in connection with the impact on the environment (e.g. close cooperation with WWF and Pro Natura in the area of compensation measures relating to Nant de Drance). In addition, NGOs were consulted in the creation of Alpiq's DMA.

ESRS 2 SBM-2 45 (c)

In addition to the stakeholder engagement activities described above, regular exchanges between the Lead Group Sustainability and various stakeholder groups (e.g. banks, investors, NGOs) take place to understand the stakeholder's interests and needs. The Lead Group Sustainability represents their needs in the EB and NRSC meetings and provides support by ensuring alignment of the strategy with those needs. Some interests that have already been taken into account from these stakeholder groups include the following:

1. Investors' interest in reduced Scope 1 and 2 emissions, since these emissions appear in their Scope 3 balance.
2. Banks' increasing interest in companies with low CO_2 emissions, as they have set thresholds to decarbonise their portfolios or accept gas investments only if there is a link to renewables development.
3. NGOs' negative perception of companies that operate with fossil fuels. This is a critical issue for Alpiq, since NGO support for new projects is essential. Alpiq took these interests into consideration when formulating the net-zero targets for Scope 1 and 2 as part of its strategic direction until 2040.

Alpiq is currently defining clear guidelines for sustainability transition plans, actions and targets in alignment with its strategy, in which the interests and views of stakeholders play an important role. These guidelines will be completed in 2025, and the resulting transition plans, actions and targets will be integrated into the Sustainability Report 2025.

While Alpiq's corporate strategy, introduced in 2023, makes sustainability an integral part of all strategic decisions, no sustainability-related amendments have been made to the corporate strategy since 2023. The sustainability-related transition plans, actions and targets that are currently under development will be integrated into Alpiq's strategy and will have a positive impact on stakeholders' views and interests.

Stakeholders' views and interests with regard to the company's sustainability-related impacts are provided to the BoD, EB and NRSC by the Lead Group Sustainability in the form of regular written or oral information. ESRS 2 SBM-2 45 (d)

Material Sustainability Matters

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

ESRS 2 SBM-3 48

In 2024, Alpiq conducted a CSRD-aligned DMA for the first time. For this reason, it is not possible to make a comparison to IROs from previous reporting periods.

According to the DMA conducted in 2024, Alpiq's IROs are concentrated on the environment dimension, but are also present in the social dimension. The sub-topics identified to be material are the following:

- E1 Climate change mitigation
- E3 Water and marine resources
- E4 Direct impact drivers of biodiversity loss
- S1 Working conditions

Even though IROs were found to be relevant for the whole value chain, they are concentrated in Alpiq's own operations, in particular when it comes to environmental risks linked to energy production.

In conducting the DMA, Alpiq identified sustainability topics of high relevance to the company, taking into account both the impact of Alpiq's business on the environment and people (inside-out/impact perspective), as well as the risks and opportunities (outside-in/financial perspective) Alpiq is facing due to external effects such as climate change.

The following tables illustrate the findings of the DMA. There are two tables showing material actual or potential impacts (positive and negative), one table showing material opportunities, and one table showing material risks.

Material positive impacts

Material impact	ESRS topic (level 1)	Description	Time horizon [1]	Value chain location	Stakeholders affected (category)
Renewable energy portfolio	E1 Climate Change	Providing renewable electricity (from hydropower, wind and photovoltaics) to customers helps reducing customers' Scope 2 emissions.	S, M, L	Downstream	Nature
Renewable energy portfolio	E1 Climate Change	Contributing to the green energy transition by supporting the development of local renewable energy and flexible power plants in line with the Confederation's 2050 and EU Energy Targets and through participation in round tables organised by the federation.	S, M, L	Own operations	Nature
Energy efficiency	E1 Climate Change	Reducing environmental impact through energy-efficiency measures and investments that reduce energy use in own buildings.	M, L	Own operations	Nature
Environmental management system	E1 Climate Change	Systematic control and reduction of environmental impacts, e.g. through hydro sanitation, impact studies for new projects, certification by the Eco-Management and Audit Scheme (EMAS), installation of on-site electric car charging stations, or efficiency increases in thermal assets.	S, M, L	Own operations	Nature
Certified renewable energy consumption	E1 Climate Change	Reduction of environmental impact by using certified renewable electricity consumption for plants and office buildings.	S, M, L	Own operations	Nature
Energy transition investment	E1 Climate Change	Supporting energy transition by participating in and working on hydrogen and battery storage projects.	S, M, L	Own operations	Nature
Electrification	E4 Biodiversity and Ecosystems	Energy use contributes to electrification and reduces the negative impact on biodiversity and nature in diverse sectors, such as the transport industry.	S, M, L	Downstream	Nature
Awareness training	S1 Own Workforce	Positive impact on employees by spreading awareness, training employees, and maintaining processes for managing near misses, unsafe conditions and unsafe behaviour.	S, M, L	Own operations	Own workforce
Employment of external temporary staff	S1 Own Workforce	Bridging short-term staff shortages with external temporary staff and employees working on consultancy mandates to ensure employee's work-life balance.	S, M	Own operations	Own workforce
Social dialogue	S1 Own Workforce	Social dialogue impacts employees' well-being, work-life balance and mental health. Impact on own workforce as well as potential spill-over effect on peers.	S, M, L	Own operations	Own workforce

1 S = Short Term, M = Medium Term, L = Long Term

Material negative impacts

Material impact	ESRS topic (level 1)	Description	Time horizon [1]	Value chain location	Stakeholders affected (category)
Scope 1 and 2 GHG emissions	E1 Climate Change	Scope 1 and 2 GHG emissions (e.g. CO_2, NO_x, SF_6 etc.), mainly from the operation of own power plants, i.e. CCGT power plants.	S, M, L	Own operations	Nature
Scope 3 GHG emissions upstream	E1 Climate Change	Scope 3 GHG emissions in the upstream supply chain mainly caused by drilling, the extraction of gas and biogas, the production of capital goods for renewable energies, energy production for energy trading, upstream transportation and the production of energy storage (batteries).	S, M, L	Upstream	Nature
Scope 3 GHG emissions downstream	E1 Climate Change	Scope 3 GHG emissions in the downstream supply chain mainly caused by the consumption of fossil fuel energy traded by Alpiq, transmission and distribution losses, and end-of-life treatment of energy storages and power plants.	S, M, L	Downstream	Nature
Scope 3 GHG emissions upstream and downstream	E1 Climate Change	Scope 3 GHG emissions in the upstream and downstream supply chain due to the transportation of gas, biogas, and hydrogen, e.g. the leakage of methane during transportation.	S, M, L	Upstream and downstream	Nature
Water use in supply chain	E3 Water and Marine Ressources	Significant water withdrawal, consumption and discharge which affects water availability and the state of habitats, with potentially negative impacts on local communities.	S, M, L	Upstream	Affected communities
Water use in own operations	E3 Water and Marine Ressources	Significant water withdrawal, consumption and discharge which affects water availability and the state of habitats, with potentially negative impacts on local communities.	S, M, L	Own operations	Affected communities
Nurturing life on water in own operations	E4 Biodiversity and Ecosystems	Construction in areas occupied by natural environments worthy of protection. Hydropower plants and wind turbines are often located in biodiversity-critical areas.	S, M, L	Own operations	Nature
Nurturing life on water upstream	E4 Biodiversity and Ecosystems	Building new power plants, production facilities or mines has negative impacts on the environment, e.g. loss of surface area usable by flora and fauna, and changes to the soil on this surface area.	S, M, L	Upstream	Nature
Light pollution	E4 Biodiversity and Ecosystems	Energy production and use, as well as construction work, create light pollution, disrupting species' light-dark cycle and affecting their survival.	S, M, L	Downstream	Nature
Occupational safety and health incidents in own workforce	S1 Own Workforce	Occupational safety and health incidents can negatively impact workers by creating physical harm, psychological distress and a lower sense of security in the workplace.	S, M, L	Own operations	Own workforce

1 S = Short Term, M = Medium Term, L = Long Term

Material opportunities

Material opportunity	ESRS topic (level 1)	Description	Time horizon [1]	Value chain location
H&S awareness	S1 Own Workforce	Opportunity to reduce workplace accidents and absenteeism rate by improving H&S awareness.	S, M, L	Own operations

1 S = Short Term, M = Medium Term, L = Long Term

Material risks

Material risk	ESRS topic (level 1)	Description	Time horizon [1]	Value chain location
Direct risks of climate change	E1 Climate Change	Less efficient cooling systems for CCGT power plants if river water temperature rises above standard and extreme hydro intakes occur due to variations in precipitation, lower total precipitation in the long term, glacier retreat, and more sediment.	S, M, L	Own operations
Physical and transition climate change risks	E1 Climate Change	Risks of downtime, higher insurance costs, reputational damage, increased operational expenses for damage mitigation and compliance measures, e.g. due to flooding, strong winds, heavy rainfall, and high temperatures.	S, M, L	Own operations

1 S = Short Term, M = Medium Term, L = Long Term

The identified material IROs as presented in the above tables are taken up in Alpiq's yearly strategy review and thus serve as a basis for decision-making and inform strategic initiatives, business plans etc.

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

The process and methodology applied for conducting the DMA can be described as a set of successive steps:

ESRS 2 IRO-1 53 (a),(b),(c),(d),(e),(f),(g),(h)

Understanding phase:

- Mapping of the value chain: the value chain (including own operations, upstream and downstream activities) was identified and mapped to Alpiq's internally used principle of value chain elements (Asset, Trading and Origination) and business segments (Asset Renewable Energies, Asset Non-Renewable Energies, Energy Trading, Origination and Cross-Activities).
- Site and asset-level assessment considerations: identification of subsidiaries, sites and assets where specific material topics are applicable.
- Identification and classification of stakeholders: Alpiq stakeholders were identified and classified to inform the selection of stakeholders (or

stakeholder representatives), to be involved in the DMA and engaged with on a regular basis.
- Creation of long list of sustainability matters: sustainability matters were identified based on the sector-agnostic sustainability matters covered in the ESRS, sector-specific topics from the Sustainability Accounting Standard Board's (SASB) internal documentation, external sources and peer benchmarking.
- Creation of short list of sustainability topics: the list was reduced to only include relevant topics. If a topic from the long list was identified as not relevant a reasoning was included.

Identification phase:

- Definition of IROs: Topics on the short list were further broken down into sub-topics and sub-sub-topics, in order to define IROs at a more granular level. IROs were pre-identified by the DMA project team and mapped to ESRS and SASB sub-(sub)-topics. The DMA project team consisted of the Alpiq Lead Group Sustainability Team and Alpiq's advisor. For the pre-identification of IROs, internal analysis (e.g. ERM or impact assessments) as well as external documents (e.g. industry reports, scientific research) were used. The IROs were then reviewed by Alpiq internal experts, and review outputs were discussed during two workshops, leading to a final list of IROs.

Assessment phase:

- Establishment of assessment criteria: criteria and scores for assessing the scale, scope, irremediability and likelihood (of impacts) and likelihood and magnitude of the potential financial impact (for risks and opportunities) were defined. For the financial assessment, Alpiq's ERM was used to inform the scale.
- Assessment of IROs: Alpiq's internal experts assessed the IROs based on their topic expertise. Their assessments were verified by the DMA project team and potential assessment discrepancies were discussed in order to arrive at a final assessment.

Determination phase:

- External stakeholder engagement: Alpiq conducted surveys and interviews with external stakeholder groups, namely banks, business partners, customers, NGOs (WWF and Pro Natura), shareholders and suppliers, in order to include the perspective of external stakeholders in the assessment. The following topics were analysed: affected communities, biodiversity & ecosystems, business conduct, business model resilience, child labour and forced labour, circular economy, climate change, consumers and end-users, critical incident risk management, equal treatment and opportunities for all, grid resilience, health & safety, pollution, security of supply, waste, water & marine resources, and working conditions for workers in the value chain.
- Alpiq asked the BoD and EB to provide a financial and impact assessment of all topics under discussion. The result served as an indication as to which topics are material for Alpiq.
- Determining material sub-topics: Alpiq decided to set the threshold at 4.2 (on a scale from 1 to 5), enabling the company to focus on the key impacts, risks and opportunities. The materiality outcome was presented to and approved by the EB and the NRSC.

- Documentation of the DMA process: the process used to conduct the DMA was documented.

In order to ensure that Alpiq stays up to date with regard to material IROs, the Sustainability Committee will review the DMA and resulting IROs once a year and decide on potential changes to them. If material IROs change, the Sustainability Committee will inform the EB.

Disclosure Requirements in ESRS covered by the undertaking's sustainability statement

Material topics and sub-topics identified through the DMA were displayed in a double materiality matrix in accordance with their ratings for financial materiality and impact materiality. It was then decided where to set the materiality threshold above which a topic or sub-topic should be considered material and therefore be reported on in the Alpiq Sustainability Report going forward. In order to be able to make an informed decision regarding the threshold, benchmarking, practices followed by peers, the company's strategic directions and previous DMA outcomes were taken into consideration. ESRS 2 IRO-2 59

After identifying material topics and sub-topics, a scoping exercise was conducted in order to determine materiality at a requirements level (for material topics and sub-topics). Some requirements were deemed not to be in scope due to missing materiality, even if the topic/sub-topic as a whole was considered to be in scope. The result of the scoping exercise served as the basis for the disclosure requirements included in this Sustainability Report. However, material requirements for which data is missing were omitted in this year's report but will be included in the Sustainability Report 2025 to ensure CSRD-compliance.

A list of the disclosure requirements complied with in the Sustainability Report 2024 can be found in the ESRS Index in the Appendix. ESRS 2 IRO-2 56

After covering the general disclosures, the Sustainability Report follows by disclosing information belonging to the environment, social and governance spheres as well as sector-specific information.

Environment

Climate Change

Integration of climate-related performance in incentive schemes

The chapter on climate change starts by disclosing how climate-related considerations are factored into the remuneration of members of the administrative, management and supervisory bodes. In Alpiq's case, no climate-related considerations are directly factored into the remuneration of members of the EB and BoD. ESRS E1 GOV-3 13

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

The following section describes how Alpiq assessed physical and transition risks related to climate change. Based on the usage by the Task Force on Climate-Related Financial Disclosures (TCFD), physical risks are defined as risks related to the physical impacts of climate change and can be event-driven (acute) or due to longer-term shifts (chronic) in climate patterns. Physical risks may have financial implications for organisations such as direct damage to assets and indirect impacts from supply chain disruption, damage of premises, interrupted operations etc. On the other hand, transition risks are risks related to the transition to a lower-carbon economy, created by policy, legal, technology and market changes established to address mitigation and adaptation requirements related to climate change. Transitional risks may pose financial as well as reputational risk to organisations. Gross risks are existing risks prior to the implementation of any mitigation measures, while net risks are residual risks remaining after mitigation measures have been taken.

Alpiq conducted a climate scenario analysis to assess physical and transition risks (further details on the scenario analysis can be found under **ESRS E1 IRO-1 20**). Physical risks were assessed for Alpiq's own operations and parts of the upstream value chain (for assets in which Alpiq has a minority shareholding), while the assessment of transition risks comprised the full value chain, including all upstream and downstream parts. The scenario analysis that was conducted can be seen as the first step towards a resilience analysis. ESRS E1 SBM-3 19

To ensure resilience with regards to climate change, Alpiq's strategy is constantly being reviewed and adapted. More concretely, in order to stay resilient or become even more resilient in the context of climate change challenges, Alpiq has already taken the following strategic decisions and actions:

- Focusing on flexibility by investing in flexible plants as well as storage capacity (flexibility becomes more important as RES capacity is added to the energy system and weather becomes potentially more extreme and unpredictable)

- Investing in hydropower plants to take advantage of potentially different water inflow patterns due to glacier melting and changes in precipitation and to contribute to security of supply, especially in winter.
- Investing in new technologies which have minimal impact on the climate (i.e. BESS).
- Strengthening the Trading divisions to allow for fast reaction to changing circumstances, thereby limiting market risks
- Closing PPA deals with industrial clients to decarbonise their businesses and guarantee power supply.

The results of the scenario analysis show that Alpiq is well protected against physical risks, since its plants already fulfil very high safety standards and Alpiq invests continuously in maintaining these standards at a very high level. For example, Alpiq's hydropower plants are already constructed and protected in such a way as to withstand floods which, statistically speaking, only happen once in a thousand years (a 1,000-year flood has a 0.1% change of occurring in any given year). Taking into consideration the uncertainty related to climate change and given the many floods that occurred in 2024, Alpiq will challenge its approach to flood protection and, if assessed to be necessary, make adaptations to ensure protection against potential future impacts caused by climate change. In addition, short plant outages due to potential disruption by a flood or similar events can be balanced by Alpiq's Trading division.

In contrast, transition risks are expected to have a bigger impact on Alpiq, as transition events may influence energy and CO_2 prices, which in turn have a direct impact on the company's cash flow. Transition risks are described in more detail under **IRO-1 20 (c)**.

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

Climate-related IROs, including the impact of Alpiq's GHG emissions, were identified by conducting the DMA as described under **ESRS 2 SBM-3 48**.

ESRS E1 IRO-1 20 (a)

As part of this process, climate-related material hazards in Alpiq's own operations and for parts of the upstream value chain (for minority shareholdings) were identified with the aid of the MunichRe Location Risk Intelligence Tool, which assesses the hazard probability over four different time horizons (current, 2030, 2050, 2100) and three different climate scenarios (SSP1, SSP2 and SSP5), based on the asset type and asset location (latitude and longitude). From this data, covering 126 Alpiq locations with a building or construction (e.g. dam, transformation station, water withdrawal unit), the 31 locations with the highest risk scores were identified and further assessed. Alpiq has identified the following current and potential future climate-related hazards to which its assets and business activities could be exposed over the short, medium and long term: cold stress, drought stress, extratropical storm, fire weather stress, flash floods, hail, landslide, river floods, precipitation stress, and water stress. Flooding and landslides were identified to be the most relevant potential hazards for Alpiq. Each Alpiq asset has been assessed in terms of its exposure to these current and potential future hazards to determine the physical risk.

ESRS E1 IRO-1 20 (b)

Number of Alpiq locations assessed regarding climate-related material hazards

126

Three climate scenarios were used to assess material hazards and estimate physical risk:

1. IPCC SSP1 (low-emissions scenario, global warming below 2 degrees Celsius)
2. IPCC SSP2 (mid-emissions scenario, global warming 2 to 3 degrees Celsius)
3. IPCC SSP5 (high-emissions scenario, global warming 3.3 to 5.7 degrees Celsius)

These Shared Socio-Economic Pathways (SSPs) were used in the Sixth Assessment Report on Climate Change by the Intergovernmental Panel on Climate Change (IPCC) and serve as a well-known scenario standard. It is plausible to use these three different emissions scenarios to determine physical risks, as the probability and severity of potential hazards change depending on how much temperatures increase and, having two scenarios, SSP1 and SSP5, at opposite ends of the potential temperature increases the spectrum that is covered.

In Alpiq's case, the calculation of gross physical risk is challenging, since many measures taken during asset construction already mitigate a large proportion of the gross physical risk. The following description of the calculation of physical risk therefore refers to the risk already mitigated to a certain extent due to the measures taken during asset construction.

The physical risk in Alpiq's own operations and upstream minority shareholdings was calculated per asset, using the MunichRe Location Risk Intelligence Tool, which assesses climate-related risks based on the location of the asset. The probability of occurrence of different climate events and the estimated number of shutdowns of each asset served as an input to estimate the financial impact of the physical risks.

Physical risk was assessed for Alpiq's own operations as well as for part of the upstream value chain, i.e. for assets in which Alpiq holds minority shareholdings, since an outage of one of these assets could have major implications for Alpiq's business. However, other parts of the upstream value chain, such as the supply chain and the downstream value chain, were not included in the physical risk assessment, as they are of comparatively lower relevance for business continuity.

The following physical risks were found to be material:

Physical risk	Description	Time horizon [1]	Impact	Sensitivity (expert opinion) [2]
Flooding (acute)	Potential intensification of flood events due to climate change	M, L	Potential damage to Alpiq's operations, including potential infrastructure damage, and business interruption in affected regions. Recovery costs, operational shutdowns, and difficulty in meeting customer demands for electricity and services.	Very low
Landslide (acute)	Extreme weather events such as excessive rainfall and increasing temperature can trigger landslides	M, L	Potentially strong impact on Alpiq's operational portfolio, particularly in areas where the company has critical infrastructure, facilities, or employees. Infrastructure damage and potential extended business interruption periods could result. Loss of revenues, increased maintenance costs, and lower production capacity and services in affected areas.	Medium
Precipitation stress (chronic)	High precipitation volumes due to climate change	L	Adverse effects on Alpiq's regional operations. Excessive rainfall may induce floods and landslides or hail events that may cause damage to equipment and power transmission lines.	Very low

1 S = Short Term, M = Medium Term, L = Long Term

2 The expert opinion regarding sensitivity is based on inputs from Alpiq internal experts as well as the independent external advisor.

The impacts described in the table could lead to a situation of reduced production capacity and production rates, increased overhead costs, deterioration of market position (which in turn could lead to a high employee turnover), all of which could affect the company's profitability.

However, as mentioned previously, many adaptation measures are inherent to Alpiq assets and therefore the overall physical risk for Alpiq remains moderate.

In the section below, we turn from looking at the physical risks to considering the transition risks and opportunities.

ESRS E1 IRO-1 20 (c)

Climate-related transition events and the related gross risks and opportunities in Alpiq's own operations and along the value chain were identified for a climate scenario in line with limiting global warming to 1.5°C by the year 2050 (IEA Net Zero 2050). It was decided to work with a 1.5°C scenario since this creates the potentially biggest transition risk and it is of interest to the regulator to see the impact of a worst-case scenario.

The gross transition risks and opportunities were identified through a qualitative assessment of potential transition events in the following clusters: Political & Legal, Technology, Market and Reputation (for risks); Resource Efficiency, Energy Source, Products & Services, Markets and Resilience (for opportunities). The assessment was conducted by experts attributing scores to the estimated impact and likelihood of occurrence of the different risks and opportunities created by transition events. The risks and opportunities were evaluated for a short-, medium- and long-term time horizon (short-term = 1 year, medium-term = 2 to 5 years, long-term = more than 5 years).

The following transition events and related gross transition risks were identified to be material (by cluster):

Transition risk cluster	Description	Time horizon [1]	Impact	Sensitivity (expert opinion[2])
Market	The market risk in the energy sector is influenced by a shift towards cleaner energy sources, a decrease in fossil fuel energy demand, and the establishment of new energy companies solely focused on clean energies.	L	The transition affects the return on investment (ROI) and compliance costs, as companies may need to decommission existing fossil fuel infrastructure and adhere to strict environmental standards. It may also impact market share, potentially leading to a reduction in the market share of existing companies. Shifting investment patterns may occur as investors prioritise companies with strong sustainability credentials.	High
Policy & Legal	The policy and legal risks are associated with evolving regulatory frameworks targeting GHG emissions. These include stricter emissions regulations, reduced government support for fossil fuels, and mandates for transitioning to low-carbon energy systems.	L	Changed regulation may impact operational compliance requirements and compliance costs, influence energy market dynamics, shift customer and stakeholder expectations toward more sustainable practices, and lead to subsidy reductions and regulatory penalties.	Medium to high
Reputation	Reputation risks stem from the public perception of fossil fuel reliance, lagging sustainability efforts and slow adaptation to new technologies.	L	Negative public sentiment can lead to the erosion of trust, a diminished brand value, difficulties attracting customers and investors, and a failure to attract talent, which in turn negatively impacts the market position.	Medium to high
Technology	Technological challenges may arise due to (and not limited to) implementation of new technologies, uncertainty in renewables technology, energy storage technology limitations and interoperability and compatibility issues of assets.	L	Technological challenges may lead to increased costs and lower cost effectiveness, as well as a competitive disadvantage.	Medium to high

1 S = Short Term, M = Medium Term, L = Long Term

2 The expert opinion regarding sensitivity is based on inputs from Alpiq internal experts as well as the independent external advisor.

The potential impacts described in the table could lead to a decrease in revenues and profitability.

The following transition events and related opportunities were identified to be material (by cluster):

Transition opportunity cluster	Description	Example	Time horizon [1]	Impact
Products & Services	Leverage innovation in energy storage, renewable energy trading, and AI-driven solutions to lead the sustainable energy market and drive revenue growth.	Deploy advanced storage solutions, expand renewable trading platforms, and integrate AI to enhance trading efficiency and drive revenue growth.	M to L	Very high
Markets	Expand capacity to meet growing demand for renewable and green energy while capitalising on the market shift toward low-carbon solutions and green investments.	Expand hydropower, wind and photovoltaic capacities and other green energy sources, issue green bonds to attract sustainable investment and drive project growth.	L	Very high
Resilience	Position climate resilience as one of the most important aspects in business strategy to adapt proactively, build trust and align with emerging sustainability trends for long-term growth.	Embed climate risk assessment into planning processes, align capital expenditure with sustainability goals, and partner with governments and organisations to drive regional adaptation initiatives and strengthen market positioning.	L	High
Ressource Efficiency	Further invest in leading sustainable resource management practices and continuously enhance operational efficiency by implementing advanced technologies and optimising processes.	Adapt advanced technologies such as smart grids, optimise water usage, reduce waste, collaborate with stakeholders in the value chain, and educate staff on best practices in resource management.	L	High
Energy Source	By expanding the renewable energy portfolio, including making further investments in hydropower, wind, solar and flexibility projects, Alpiq can align more closely with global decarbonisation goals and sustainability targets, save costs and grow revenue from energy sources.	Ongoing investment in the latest technologies and processes to continuously improve the efficiency of all renewable energy operations.	L	High

1 S = Short Term, M = Medium Term, L = Long Term

The above table illustrates that transition events not only present risks but can also create a lot of opportunities for Alpiq, which may positively impact market valuation, financing conditions, costs and revenues.

A qualitative assessment of transition risks serves as a good baseline to better understand the potential impacts of transition risks and to explore the potential opportunities arising from the transition to net zero. However, due to the complexity of transition risks and to gain a more comprehensive understanding of the financial implications these transition risks might entail, Alpiq is currently in the process of quantifying both the risks and opportunities associated with a transition to net zero. The impact on the company's financials was modelled using a complex, Alpiq internal financial model for three different climate scenarios (base case, RCP2.6, RCP8.5). The model results indicate that climate change has an impact on financials; however, the magnitude and direction of this impact is largely dependent on price trends in the market.

Transition plan for climate change mitigation

Alpiq has set itself the target of reaching net zero for Scope 1 and 2 emissions by 2040, but no further sub-targets/milestones have been defined yet. In accordance with the Swiss Climate Ordinance (see SCO index in the Appendix), Alpiq acknowledges the obligation to disclose a transition plan and is currently developing such a plan.

ESRS E1-1 16, 17

Socpe 1 and 2 emissions net zero goal by year

2040

Decarbonisation levers mainly exist for CCGT power plants, as these are the plants that create the main part of the company's direct GHG emissions. Alpiq strives to continuously optimise CCGT power plants by implementing the latest available technology to maximise efficiency (e.g. by installing new turbines), which makes further efficiency gains challenging. However, Alpiq remains committed to exploring innovative solutions such as H_2 blending, demonstrating its commitment to achieving future GHG emissions reduction targets.

Despite CCGT power plants creating a major part of Alpiq's GHG emissions, Alpiq also assumes responsibility for reducing GHG emissions from other sources, by continuously analysing new solutions and technologies that could contribute to the goal of fossil-free power production. Alpiq deploys certified management systems in accordance with each specific production technology and country regulations framework to track the effectiveness of its progress in limiting emissions and monitors its activities and performance in limiting GHG and nitrogen oxides emissions by means of specific environmental key performance indicators.

Policies related to climate change mitigation

Alpiq is currently developing a Group-level environmental policy to harmonise its environmental principles and objectives across locations and activities. This policy and the related guidelines will be further developed to manage the material IROs identified.

ESRS E1-2 24, 25

Alpiq's energy production assets in Hungary, Italy and Spain as well as its hydropower plants in Switzerland implement Environmental Management Systems such as ISO 14001 and EMAS. These currently address long-term environmental management practices in the context of climate change mitigation, with a key focus on continuous improvement.

Gross Scopes 1, 2, 3 emissions, total GHG emissions, and GHG intensity

Consolidation method

Alpiq has reported its GHG emissions, covering Scopes 1, 2 and 3, since 2020. Until the reporting year 2023, the methodology was based on Alpiq's equity share in each of its assets according to the GHG Protocol, following these principles:

- All direct emissions were reported as Scope 1.
- For all majority assets (> 50% share), indirect emissions were reported as Scope 2.
- For all minority assets (< 50% share), indirect emissions were reported as Scope 3.

In all cases, values were taken as being proportional to the shares of asset ownership.

ESRS guidelines define an alternate consolidation principle, based on operational control. Assets under operational control are defined as fully consolidated entities, for which Alpiq has the full authority to introduce and implement operating policies. The consolidation method therefore requires consideration:

- All fully consolidated assets, to be reported in Scopes 1 and 2 (100% of the emissions values).
- All non-fully consolidated assets, to be reported in Scope 3 (values proportional to ownership shares).

The ESRS consolidation method, particularly the GHG emissions boundaries, affects the reported GHG balance in the context of Alpiq activities. Indeed, most of Alpiq's assets in Switzerland are partner plants (so-called "Partnerwerke" in German) and are minority shareholdings, in some cases owned through specific contracts, which, according to the ESRS operational control logic, are not fully consolidated, even in cases where Alpiq has the management mandate. Moreover, this principle leads to a notable reporting gap, as some major energy production assets fall out of any shareholder's direct scope.

Alpiq considers that all its assets under management are core parts of its activities. Therefore, the equity share consolidation method is far more representative of Alpiq's overall business. Alpiq intends to carry on reporting GHG emissions according to its equity shares, in addition to the strict ESRS consolidation per operational control.

Therefore, both consolidation methods are presented in the following sections.

Standards, methodologies, assumptions and calculation tools used

The 2024 calculation process and GHG declaration were conducted according to the GHG protocol and ESRS E1 requirements. Furthermore, they were checked externally by a third-party expert. Scope 3 values relative to energy trading (physical deliveries of power and gas) were recalculated for the year 2023, following a deeper assessment of the correct allocation of Alpiq's trading activities to Scope 3 emissions. This results in significant effects on the total reported Scope 3 emissions. No other recalculation has been applied.

GHG emissions of CCGT power plants are based on indirect site measurements and are reported in the relevant national registries. The other principal sources of GHG emissions are based on power plants' energy consumption as well as owned offices. Vehicle emissions based on reported kilometres travelled by Alpiq staff are considered. Upstream and downstream emissions relative to trading activities (physical deliveries of power and gas) are based on reported sale values.

Emissions coefficients are updated annually, based on the most recent and approved references in consultation with the external expert, as follows:

1. Emissions factor, fuel consumption: BAFU, Faktenblatt CO_2-Emissionsfaktoren des Treibhausgasinventars der Schweiz, April 2024 – Greenhouse gas inventory of Switzerland (admin.ch)
2. National average emissions factors, European Residual Mixes 2023 Association of Issuing Bodies: Table 4: Total Supplier Mix 2023 – 2023 | AIB
3. Emissions factor by technology, power generation: Treibhausgas-Emissionsfaktoren für den Gebäudesektor, intep, 26.02.2024, V2.0 – Emissionsfaktoren für den Gebäudesektor (intep.com)
4. Conversion factor for mobility, km to energy: Mobitool 3.0 – Facteurs mobitool v3.0 - mobitool
5. Scope 3 emission factor, nuclear – IPCC values, Technology-specific Cost and Performance Parameters, 2014, Tab A.III.2 – ipcc_wg3_ar5_annex-iii.pdf
6. Location-based emission factor for Swiss electricity mix 2023 – REIDA Treibhausgasemissionsfaktoren
7. Electricity generation mix for certain European countries – Our world in data – electricity 2023

For internal purposes, to guarantee consistency from year to year, energy consumption and the respective GHG emissions are evaluated for each production site, office building and business unit. However, emissions are not declared per site or per country in the public report.

Base data is collected through various internal data owners, using specific checklists. Calculations are made in an Excel tool, initially developed by our external consultant and internally updated yearly to include all new documented emissions sources.

The declaration is provided in CO_2 equivalents, including all applicable greenhouse gases. The emissions are based on the most recent and approved reference coefficient factors, which include all main gases with known GHG effects, according to the requirements of the UNFCCC/Kyoto Protocol: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6).

As stated above, Alpiq considers that all its assets under management are integral to its activities. Therefore, the equity share consolidation method is far more representative of the entire business. Alpiq intends to continue reporting GHG emissions according to its equity share in addition to the ESRS methodology.

Scope 1 GHG emissions inclunding share in emissions trading schemes (ETS)

ESRS E1-6 48, AR 40

Scope 1 emissions cover direct emissions from fossil fuels. Regarding Alpiq's activities, electricity production from CCGT power plants is the main source of direct emissions. Scope 1 emissions of Alpiq CCGT power plants are aligned with their respective national registry declarations. Emissions resulting from the fuel consumption of buildings and vehicles owned by the company are also included.

Alpiq is reporting its GHG emissions according to the ESRS standards for the first time in 2024. According to ESRS E1-6 AR 40, 100% of the GHG emissions of the entities it operationally controls are considered, regardless of the effective ownership share.

	ESRS consolidation (operational control)	Equity share		
Scope 1: direct GHG emissions [T CO_2 eq]	2024	2024	2023	2022
Gas-fired combined cycle power plants	1,558,126	1,415,480	1,313,498	2,057,654
Other power plants (operatonal control) [1]	1	552	470	
Mobility in Europe (vehicle fleet owned or leased by Alpiq, fossil fuelled)	229	229	294	309
Administrative buildings in Europe owned by Alpiq (operational control)	431	431	417	434
Direct (Scope 1) GHG emissions gross	**1,558,787**	**1,416,692**	**1,314,679**	**2,058,397**
Share included in regulated Emission Trading Schemes [%]	100.0%	99.9%	99.9%	100.0%

1 Fuel consumption (diesel generators, heating) reported for nuclear and hydropower assets since 2023, for RES assets since 2024

Change in Scope 1 emissions (vs 2023)

+8%

2024 CCGT power plant production values are in line with 2023, increasing by approximately 8%, resulting in a proportional increase of Scope 1 GHG emissions. The running hours of the CCGTs depend on local market conditions, which differ each year. In 2024, the running hours of the Italian CCGTs increased compared to 2023, while the Hungarian running hours were lower than 2023. The increase in Italy is attributed to the exceptionally dry summer in southern Italy in 2024, which resulted in higher energy demand and nearly continuous operation of the San Severo power plant for four months. Additionally, the San Severo plant experienced a 60-day maintenance shutdown in 2023, compared to only 15 days in 2024. Furthermore, the new gas turbine in Vercelli became operational in 2024, enabling the plant to increase its operation time to approximately 1000 hours, up from around 350 hours in 2023. This increased production is due to the higher activation by Terna (Italy's TSO), through which Vercelli contributes to the security of supply in Italy. In terms of GHG intensity, CCGT-related emissions are stable compared to 2023.

Likewise, Scope 1 emissions of owned administrative buildings show values in line with the previous two years. Conversely, mobility-linked emissions show a decrease, mainly benefiting from the switch to hybrid or fully electric vehicles instead of petrol or diesel in countries where the longest distances are carried out (mainly Italy and France).

Direct biogenic CO_2 emissions

ESRS E1-6 AR 43 (c)

Alpiq activities include no significant combustion or biodegradation of biomass. Nevertheless, a few hydropower production sites use wood pellets for heating, which falls within the scope of biogenic emissions (out of scope). These sites are not within Alpiq's operational control and are thus not included in the ESRS consolidation.

Scope 1: direct biogenic CO2 emissions [T CO_2 eq]	ESRS consolidation (operational control) 2024	2024	2023	Equity share 2022
Pellets heating [1]	0	149	194.1	169.8

1 Direct biogenic emissions reported since 2024, 2022 and 2023 values being calculated retrospectively

Biogenic emissions total 149 T CO_2 eq for the reporting period, 23% lower than the previous year's value. Year-on-year variations are due to fluctuating heating demand (building occupancy, weather conditions) as well as changing monitoring methods, which are based on fuel deliveries, not directly on the amounts consumed.

Scope 2 GHG emissions

Scope 2 covers indirect emissions from electricity consumption and district heating of majority shareholding power plants, leased buildings and all-electric vehicles. The declaration of Scope 2 emissions generally considers the location-based approach, which reflects the average emissions intensity of grids in which energy consumption occurs (using country or grid-average emissions factor data). ESRS E1-6 49

An effective market-based approach derives emissions factors from contractual instruments, which include any type of contract between two parties for the sale and purchase of energy bundled with attributes about the energy generation energy mix (through certificates or delivery contracts).

Alpiq's electricity procurement, especially for its production assets, involves various and complex contracts, the majority of which do not specify a guarantee of origin. Consequently, only a marginal part of the electricity used to run Alpiq's assets can be linked to a specific market-based energy mix and corresponding emissions factors. For this reason, only location-based data is reported below, with total market-based reductions according to documented guarantees of origin.

Gross energy indirect (Scope 2) GHG emissions in metric tons of CO_2 equivalents:

Scope 2: indirect GHG emissions - location-based[1] [T CO_2 eq]	ESRS consolidation (operational control) 2024	2024	2023	Equity share 2022
Energy procurement for standby operation of gas-fired combined-cycle power plants (operational control)	9,939	9,275	8,172	5,565
Energy procurement for run-of-river, photovoltaic and wind power plants (operational control)	1,502	1,475	1,447	1,543
Energy for storage power plants (partner power plants with operational control)	1,424	4,473	6,108	3,894
Mobility in Europe (vehicle fleet owned or leased by Alpiq, electrically driven)	5	5	2.6	2.0
Electricity consumption of administrative buildings in Europe owned or rented by Alpiq	167	167	131	158
Indirect (Scope 2) GHG emissions gross	**13,037**	**15,394**	**15,860**	**11,162**
Market-based reductions[2]	– 32	– 32	– 45	– 27

1 Location-based: the calculations are based on reference country supplier mix

2 Market-based: the market-based reductions are based on the effective energy mix when origination guarantee is available (certifications or chosen specific energy mix)

Global Scope 2 emissions show a 3% decrease compared to 2023 but do not reveal a clear trend.

The main drivers of Scope 2 emissions variations are:

- Stand-by electricity consumption by CCGT power plants, which depends indirectly on the total running hours.
- Hydropower pumping consumption, which depends on the yearly natural intakes and production planning.
- Variations of the average electricity consumption mix in countries with significant consumption, and related emissions factors.

Change in Scope 2 emissions (vs 2023)

–3%

Scope 3 emissions per category

ESRS E1-6 51

Scope 3 covers all other indirect emissions that occur in Alpiq's value chain, according to the GHG protocol framework. A full assessment of Alpiq Scope 3 GHG emissions was conducted with the support of an external consultant in 2023. Based on this comprehensive assessment, this report addresses the most relevant emitting categories, which encompass over 98% of Group Scope 3 emissions. This includes the following categories:

- Emissions of not fully consolidated power plants.
- CAT 3.3 – Upstream emissions relative to Alpiq's own energy consumption as well as energy sold to end users
- CAT 3.6 – Business travel emissions (flights, rented vehicles for all business units, personal vehicles and trains for business unit Switzerland)
- CAT 3.11 – Emissions originating from the end use of goods and services sold by Alpiq (gas sold to end users).

Business travel CAT. 3.6 is included for internal environmental awareness even though it is not very impactful in terms of relative magnitude.

Gross other indirect (Scope 3) GHG emissions in metric tons of CO_2 equivalents:

	ESRS consolidation (operational control)			Equity share
Scope 3: indirect GHG emissions - location-based [1] [T CO_2 eq]	2024	2024	2023	2022
Energy procurement for nuclear power and hydropower plants as well as hydrogen facilities not fully consolidated	15,125	11,402	11,844	10,948
Pump energy for pumped storage power plants (partner power plants) not fully consolidated	8,983	8,983	12,392	6,561
Cat 3.3 [2] Other fuel and energy-related activities				
Upstream emissions - own energy consumption (fuel and electricity)	365,893	365,893	344,998	493,342
Upstream emissions - energy sale to end users (electricty) [3]	2,174,959	2,174,959	2,421,297	1,423,778
Cat 3.6 [2] Business mobility				
Flights - Switzerland and Europe	911	911	624	323
Use of rented (CH & Europe) and personal cars (CH) for business activities	58	58	93	78
Train journeys (Switzerland)	25	25	22	10
Cat 3.11 [2] Use of sold products				
Sale of purchased gas to end users [4]	2,592,832	2,592,832	2,872,999	3,245,959
Indirect (Scope 3) GHG emissions gross	**5,158,787**	**5,154,982**	**5,664,269**	**5,180,999**

1 Location-based: the calculations are based on reference countries' consumption mix
2 Cat 3.3, 3.6, 3.11 are relative to Alpiq's corporate business activities, and are therefore not influenced by the production asset consolitation method
3 Recalculation of the 2023 value (+914'062 T CO2eq, 32% of total Scope 3) due to a more comprehensive classification of power sold to end users and allocation to Scope 3.3
4 Recalculation of the 2023 value (+72'172 T CO2eq, 1.5% of total Scope 3) due to the reallocation of gas sold in Switzerland to Scope 3.11

Overall, Scope 3 emissions show a 9% decrease compared to 2023 (incl. recalculation), but with significant variations in some categories. The main drivers of the variations are the following:

Change in Scope 3 emissions (vs 2023)

–9%

Energy procurement – minority / non-controlled assets: –16%

- Update of the average emissions factor for electricity consumption in Switzerland for 2023, from 18.0 g CO_2eq/kWh to 13.4 g CO_2eq/kWh (–26%), leading to a decrease in the calculated emissions of energy procurement from nuclear, storage and pump storage power plants.

CAT 3.3: Upstream emissions of energy-related activities: –9%

- Limited increase in the amount of natural gas used in our CCGT power plants and associated upstream emissions, in line with the increase in production compared to 2023.

– Limited decrease in the total amount of electricity sold to end users and associated upstream emissions, including a more comprehensive integration of the energy sales of all Alpiq country branches and an update of the 2023 values.

CAT 3.6: Business mobility: +34%

– Significant increase in the number of business flights and associated emissions in 2024 compared to 2023.
– Decrease in emissions linked to rented and personal car use, both due to an ongoing shift from fuel to hybrid and electric vehicle use and unreported data from some country branches.

CAT 3.11: Downstream emissions of energy-related activities: –10%

– Decrease in the total amount of gas sold to end users.

Total GHG emissions and intensity

By consolidating the total GHG emissions values, including Scopes 1, 2 and 3, as well as Alpiq's overall net revenue, a global GHG intensity per net revenue can be calculated according to ESRS requirements, as follows:

ESRS E1-6 53, 54

	ESRS consolidation (operational control)
Alpiq total GHG emissions and intensity per net revenue [T CO_2 eq]	2024
Scope 1 - direct GHG emissions gross	1,558,787
Scope 2 - indirect GHG emissions gross	13,037
Scope 3 - indirect GHG emissions gross	5,158,787
Total GHG emissions gross	**6,730,611**
Global net revenue [CHF million]	6,643.0
GHG intensity per net revenue [T CO_2 eq/CHF million]	**1,013**

GHG intensity per net revenue – reference to financial statements

The net revenue used to calculate GHG emission intensity per net revenue is the net revenue as presented in the chapter Consolidate Income Statement of the Financial Report.

ESRS E1-6 55

Complementary GHG emissions intensity ratios

In addition to the ESRS-aligned total emissions per net revenue presented above, two complementary GHG intensity ratios are reported here. These values provide interesting insights into the emissions intensity of CCGT production as well as Alpiq's overall electricity production.

GHG intensity of CCGT power plants, Scope 1 and 2 emissions:

The CCGT power plant production in 2024 is largely in line with the 2023 values, with the 8% increase in total production resulting in a proportional increase in total direct emissions. In terms of intensity, the CCGT emissions do not show a significant variation (–1.4 g CO_2 eq/kWh) from the previous year, as the global load factors did not change much.

	ESRS consolidation (operational control)			Equity share
GHG intensity - CCGT power plants [1]	2024	2024	2023	2022
CCGT emissions [T CO_2 eq]	1,568,065	1,424,755	1,321,669	2,063,219
Overall CCGT electric production [GWh]	3,679	3,375	3,121	4,997
GHG emission intensity [g CO_2 eq/KWh]	**426.2**	**422.1**	**423.5**	**412.9**

1 Calculation includes CCGT power plants Scope 1 and 2 emissions (direct and indirect energy procurement of production asset) and net electricity production as reported in the chapter "Abut us" in the Annual Review

GHG intensity of electricity production at the Alpiq Group level, including all power plants:

At the Alpiq Group level, our renewable and nuclear assets contribute significantly lower greenhouse gas intensity than electricity produced from natural gas. The ESRS consolidation approach considers only the production and emissions of assets under operational control (Scope 1 and 2) and shows significant differences with the equity share consolidation approach, which considers both production and emissions values based on Alpiq's shares, including minority assets. Other Scope 3 emissions in Alpiq's value chain not directly related to power production are not included in the production intensity.

For 2024, the 8% increase in CCGT power plant production is balanced by a 21% increase in hydropower production, due to a good hydrological year. The overall intensity value is mainly driven by the annual fossil / non-fossil production ratio and 2024 is closely aligned with 2023 in that regard. Based on the equity share method, the production intensity consequently shows a marginal decrease (–1.4g CO_2 eq/kWh). Conversely, the ESRS consolidation method results in a very different picture, with higher total emissions and all Alpiq nuclear and a significant part of hydropower production out of scope.

Change in production intensity
in g CO_2 eq/kWh

–1.4

GHG intensity - Alpiq Group	ESRS consolidation (operational control) [1] 2024	Equity share [2] 2024	2023	2022
Total emissions [T CO_2 eq]	1,596,002	1,452,426	1,354,775	2,087,375
Overall electric production [GWh] [3]	6,994	16,252	14,921	14,618
GHG emission intensity [g CO_2 eq/ KWh]	**228.2**	**89.4**	**90.8**	**142.8**

1 Calculation according to ESRS includes full Scope 1 and 2 emissions (direct and indirect energy procurement, production assets, offices and mobility), and net electricity production of fully consolidated assets

2 Calculation according to equity share includes Scope 1 and 2 emissions (direct and indirect energy procurement, production assets, offices and mobility), partial Scope 3 emissions (direct and indirect energy procurement of minority interests) according to Alpiq ownership shares and total net electricity production (including minority shares), aligned with Alpiq's production values as presented in the chapter "About us" in the Annual Review

3 The GHG reporting scope for equity share figures includes the Tormoseröd wind farm (Sweden, Alpiq share of 30%) and excludes the Hydro France base-versus-peak-exchange contract (no fixed energy right)

Pollution

Targets related to pollution

RBI only (OR Art. 964b)

Limiting air pollutant emissions is an important goal that Alpiq pursues and takes into account when making strategic decisions. Alpiq deploys certified management systems in accordance with each specific production technology and country regulation framework to track the effectiveness of its progress in limiting pollutants.

For the CCGT and OCGT power plants, the following emissions limits are in place and adhered to:

	Gas turbine emission limits [mg/NM$_3$]	
	NO_x	CO
Plana del Vent	50	100
San Severo	25	30
Novara	30	50
Vercelli	30	30
Csepel	90	50

	Auxiliary boiler emission limits [mg/NM$_3$]	
	NO_x	CO
Plana del Vent	450	100
San Severo	200	n/a
Novara	200	250
Vercelli	n/a	n/a
Csepel	200	100

Above emissions limits can vary within the same country because they depend on plant technology, age and regional authority intentions. Some authorities intend to reduce those thresholds to contribute to national emission reduction goals.

In addition, the Group companies are legally required to conduct environmental impact assessments (EIAs) for assets that are newly constructed, upgraded or modified, in order to ensure that potential pollution impacts are avoided, mitigated and addressed appropriately. Those pollution requirements are integrated into the licence conditions.

For each of Alpiq's CCGT power plants, spill and leakage prevention and mitigation/response measures are in place. Spill and leakage prevention includes the proper storage of hazardous materials and waste, regular inspections, training and awareness creation, and contention measures. These measures prevent potential negative impacts caused by the discharge of water that is too warm or that differs from the pH limit mandated by authorities. Mitigation is ensured through the use of spill response kits. For groundwater monitoring, the CCGT power plants in Italy and Hungary have installed several piezometers to determine the level, quality and flow patterns of groundwater.

At the business unit Hydro Generation Switzerland, environmental incidents (without impacts on the environment) and accidents (with impacts on the environment) are constantly being monitored, allowing Alpiq to identify, consolidate and analyse these incidents and accidents. This ensures that appropriate measures can be taken, and feedback can be used to improve practices if necessary.

However, apart from the targets already in place and adhered to, Alpiq has not yet defined any specific pollution reduction targets.

Pollution of air

In 2024, Alpiq's CCGT and OCTG power plants have emitted the following amounts of air pollutants:

RBI only (OR Art. 964b)

	CO [kg/year]	NO_x [kg/year]
Italy		
San Severo	30,730	162,430
Novara	17,690	98,860
Vercelli	2,662	4,668
Spain		
Plana del Vent	23,730	62,920
Hungary		
Csepel	30,318	247,492
Total	**105,130**	**576,370**

In order to track pollution, Alpiq applies different pollution measurement methodologies depending on the plant and the type of pollution to be measured.

For air pollution measurement of the closed-cycle and open-cycle gas-fired power plants, Spain makes use of air vector measurement methodology, whereby the meters used are subject to legal meteorological control. In Italy and Hungary, all gas-turbine plants are equipped with Continuous Emission Monitoring Systems (CEMS) that measure the levels and flow rates of the different pollutants, and an alarm is triggered if the limits are exceeded. Furthermore, a yearly analysis performed by an external certified laboratory as well as methane (CH_4) sensors and leakage detection systems are used to measure air pollution in Italy.

In Spain, carbon oxide (CO) and nitrogen oxide (NO_x are measured in real time using the company's own sensors in the stack. A third party checks for particulates and sulphur oxide (SO_x) every six months. Sulphur hexafluoride (SF_6) and fluorinated gases are checked whenever refills are necessary. Soil pollution is measured by piezometers, while sea water measurements are taken by flow meters (owned by Naturgy).

In Italy, air pollution is measured through stacks downstream of the heat recovery steam generators (HRSGs) and the auxiliary boilers of the power plants are equipped with sensors for continuous measurement of air pollutants. The data read by the sensors is processed by Continuous Emission Monitoring Systems (CEMS) and recorded by distributed control systems (DCS). Data can be read continuously by connecting to the system or can be extracted and organised into daily/monthly/annual reports. For wastewater, the pH and temperature values of the Novara wastewater basin are read by sensors that transmit the data directly to the DCS. Soil pollution is monitored by conducting analyses of water taken from piezometers. These analyses are carried out by an accredited external laboratory and the results transmitted with reports.

In Hungary, air quality is measured through stacks downstream of the gas turbines of the power plant, which are equipped with sensors for continuous measurement of pollution parameters. The data read by the sensors is processed by CEMS and recorded by DCS. Data can be read continuously by connecting to the system or can be extracted and organised into daily/monthly/annual reports. For wastewater, the pH and temperature values are read by sensors that transmit the data directly to the DCS. Groundwater is checked by an accredited external company and the results are transmitted to Alpiq, where they are stored.

Water and Marine Resources

Description of the processes to identify and assess material waste and marine resources-related impacts, risks and opportunities

To identify material IROs related to water and marine resources, Alpiq conducted a DMA as described under **ESRS 2 SBM-3 48**. With regard to water and marine resources-related IROs, Alpiq also conducted consultations as described under **ESRS 2 IRO-1 53**. ESRS E3 IRO-1 8 (a),(b)

Policies related to water and marine resources

Specific policies with regard to water and marine resources do not currently exist at Alpiq for all locations and/or assets. ESRS E3-1 11

Nevertheless, as described under **E1-2 24 and 25**, Italy has an integrated health, safety, and environmental policy in place. Spain and Hungary also have a health and safety policy and a separate environmental policy in place. These environmental policies provide high-level guidance on the management of water and marine resources. ESRS E3-1 12 (a)

As an example, based on the environmental policy in Spain, Alpiq's San Severo plant is equipped with a zero liquid discharge (ZLD) system. In a ZLD system, which is a closed-loop system, all wastewater is either recycled or evaporated, thus leaving zero liquid waste to be discharged, which allows the used water to be recycled. ESRS E3-1 12 (b)

Actions, resources and targets related to water and marine resources

As for actions related to water and marine resources, some actions have already been taken at Alpiq's plants. ESRS E3-2 19

The hydropower plants capture water from rivers to convert into energy. The water is extracted upstream of the facility, turbined and then returned downstream. In this process, the water is returned entirely to nature, without pollution or alteration. Water used for hydroelectric generation is not considered to be consumed.

Furthermore, cooling water discharges from all Alpiq's CCGT power plants are controlled by measuring temperature, salinity, turbidity, dissolved oxygen and density in order to assess the impact of these discharges. The results of the analyses of the samples show that no signs of disturbance to the water and marine environment were detected that could be attributable to the operation of the CCGT power plants.

For Plana del Vent specifically, which is located in an area with a highly sensitive marine environment, an extensive environmental monitoring and exploitation control programme is in place that ensures controls of the plant's impacts on the marine environment. The cooling water discharge area of the plant undergoes checks for temperature, salinity, turbidity, dissolved oxygen, density, inorganic nutrients, suspended matter, chlorophyll a, and microbiological indicators. According to the latest results, no signs of disturbance of the marine environment have been observed that could be attributable to the operation of the Plana del Vent CCGT power plant.

While some actions have already been taken, there are currently no targets in place at Alpiq with regard to water and marine resources.

Biodiversity and Ecosystems

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

Alpiq owns and operates production facilities that have a significant footprint on the territory in natural environments worthy of protection. Therefore, Alpiq has put measures in place to create, preserve or revitalise essential habitats for animals and plants, including financial support for many environmental revitalisation and improvement programmes. The company ensures the quality, reproducibility and sustainability of its processes in this regard by adhering to the standards issued by the International Organisation for Standardisation, including ISO 14001 (environmental management system). ESRS E4 SBM-3 16 (b)

Furthermore, Alpiq conducted a materiality assessment of potential impacts using the ENCORE (Exploring Natural Capital Opportunities, Risk and Exposure) framework to identify the company's dependencies and pressures on nature. The assessment confirms that the generation of electricity via Alpiq's production portfolio notably has very strong interdependencies with climate regulation, water resources and use, terrestrial / freshwater ecosystems and biodiversity as well as having the potential to provide flood and storm protection. These considerations are being integrated in Alpiq's Group-level biodiversity policy, which is currently under development to harmonise principles and objectives.

Ultimately, (EIAs), including the impact on biodiversity, are a key part of all Alpiq projects and play an important role in driving strategic choices. ESRS E4 SBM-3 16 (a)

Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities

In order to identify material IROs, Alpiq conducted a DMA as described under **ESRS 2 SBM-3 48**. ESRS E4 IRO-1 17 (a)

For the assessment of biodiversity and ecosystems-related IROs, internal experts reviewed business activities in Alpiq's own operations as well as in the upstream and downstream value chain and came up with a qualitative assessment of the (potential) impacts on biodiversity and ecosystems.

The DMA identified a material positive impact on biodiversity. By contributing to electrification, negative impacts on biodiversity and nature can be reduced in different sectors.

Furthermore, the DMA identified several material negative impacts on biodiversity. Alpiq builds, owns and operates production facilities whose location is strongly influenced by the natural resources used. The location of these facilities, particularly those using renewable energy, leads to construction in areas occupied by natural environments worthy of protection. In some cases, hydropower plants and wind turbines are located in areas with significant biodiversity value. Also, the building of new power plants or production facilities has a negative impact on the environment, e.g. the territorial footprint of the construction, resulting in soil loss and thus a loss of surface area usable by flora and fauna, as well as changes to the soil of this surface area. In addition, energy production and transportation facilities, as well as construction work, generate negative emissions, including air pollutants, noise, light and electromagnetic fields, which have various effects on fauna.

Further details are available in the DMA tables in the chapter Material Sustainability Matters.

Actions and resources related to biodiversity and ecosystems

ESRS E4-3 28 (b)

Alpiq manages the construction and operation of production sites proactively in order to minimise their impact and promote the existing biodiversity. This includes the collaboration with different interest groups and the implementation of remediation, renaturation and compensation measures for Alpiq's development projects and for the watercourses on which the company operates. Environmental expertise is also developed internally to improve the overall environmental quality of projects. An environmental assessment, including nature and biodiversity, is a key par of all Alpiq projects and plays an important role in driving the company's strategic choices, event at an early stage.

For hydropower plants, the impacts of water withdrawals vary from case to case. In the case of Switzerland, the impact on watercourses has been assessed in accordance with the Federal Water Protection Act. For all the facilities managed by Alpiq, remediation measures are identified and implemented. The remediation measures include the construction of specific measures to allow fish migration (fish ladder, bypass channel), sediment evacuation and management, residual flow management and re-naturalisation. Finding a good balance between energy production and nature protection is a complex process, managed in close collaboration with all stakeholders

In addition, Alpiq has been involved in the following initiatives to promote biodiversity:

- The Alpiq Eco Fund, financed through the energy produced and sold by the Alpiq Ruppoldingen hydropower plant, has been supporting environmental projects since 2010.
- The realisation of various projects to develop sustainable tourism in the region of the nature park “Vallée du Trient”, where it operates various hydropower plants.
- Cooperation with Swiss universities and universities of applied sciences to ensure a science-based approach that takes political and social aspects into account and leads to successful measures in the long run.
- Engagement with the public to promote the preservation of delicate ecosystems. The aim is to foster a harmonic interplay between human activities and ecosystems and ensure the sustainability of environmental compensation measures.

To give some concrete examples, in June 2024, Alpiq conducted an event during which primary school pupils uprooted invasive pants, with the aim of raising awareness among the younger generation of the importance of preserving local biodiversity and playing an active part in protecting the environment. The 17 pupils from Salvan primary school who participated in the event were accompanied by a biologist and learnt about local invasive plants and the dangers they pose to biodiversity. The collaboration with Salvan primary school started in 2022 as a compensation measure for the Nant de Drance power plant. This is just one of the 14 environmental measures implemented as compensation for the construction of Nant de Drance. The total investment for these compensation measures amounts to CHF 22 million.

Number of compensation measures implemented for the construction of Nant de Drance

14

Another measure that has been particularly successful is the renaturation of the Canal de la Lantze in Vernayaz in the canton of Valais. It has created favourable conditions for seasonal spawning by fish, and different plant species characteristic of temporarily flooded environments have recolonised the newly created riverbanks. The new habitats have also attracted some wildlife, including a family of castors (a protected species in Switzerland).

Social

Own Workforce

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

Based on the DMA described in the chapter Material Sustainability Matters it was found that people in Alpiq's workforce could be negatively affected by certain impacts and risks. Specific risks associated with job requirements (environment, shift work etc.) are properly observed and remunerated in workers' contracts. Moreover, Alpiq performs a continuous follow-up on health and safety outcomes, with particular attention to the blue-collar population, and includes measures to improve both the physical and mental health of its workforce. ESRS S1 SBM-3 15

Policies related to own workforce

With respect to human rights policy commitments, Alpiq respects and upholds human rights in all aspects of its operations and always complies with the applicable labour laws where people are employed. In the absence of national legislation, Alpiq applies international standards such as the conventions of the International Labour Organization. ESRS S1-1 20 (a)

In order to monitor compliance with human rights commitments, Alpiq operates the "Speak up! Line" in compliance with the EU DIRECTIVE (EU) 2019/1937 on the protection of persons who report breaches of European Union law. Alpiq wants all employees to feel free to report issues openly and ensures that employees who raise a concern in good faith do not suffer any disadvantage as a result. All Alpiq employees have access to the "Speak up! Line" and can report identified company-related irregularities and/or misconduct. ESRS S1-1 20 (b)

Alpiq has a non-tolerance approach towards the violation of human rights. In case of human rights impacts due to misconduct by an employee or manager, Alpiq conducts a thorough impartial investigation (led by Compliance) to define the most appropriate consequence, depending on the results of the investigation. The consequences can range from measures to mitigate and eradicate this misconduct to the termination of the contractual relationship with the perpetrator. ESRS S1-1 20 (c)

In alignment with internationally recognised standards, Alpiq also adheres to the OECD Guidelines for multinational enterprises on responsible business conduct as well as to the International Labour Organization Fundamental Principles and Rights at Work, which include the prohibition of forced and child labour, the prohibition of discrimination in employment and occupation, and the right to freedom of association and collective bargaining. ESRS S1-1 21

To foster the prevention of workplace accidents, Alpiq has had a Group Health & Safety Policy in place since January 2021. Outside Switzerland, all employees working in power plants, as well as office-based workers in Italy, Spain and ESRS S1-1 23

Hungary, are covered by occupational health and safety (OHS) management systems certifying the local Alpiq subsidiaries according to ISO 45001.

Alpiq's Code of Conduct aims to eliminate harassment and discrimination, while promoting equal opportunities as well as diversity of inclusion. The Alpiq Code of Conduct states that employment-related decisions must be based on merit, without regard to a (potential) employee's race, nationality, ethnic origin, colour, religion, age, gender, gender identity, sexual orientation, martial or family status, disability or other characteristics protected by law. To advance diversity of inclusion, Alpiq is committed to increasing the female presence in leadership positions, with a target of 35% of female employees in top management by 2030. The company's people success (talent review) process aims to increase the visibility of female talents inside the company and focuses on creating development plans for those talents, in order to support the internal pipeline for the succession of key roles. Furthermore, Alpiq is a member of Advance and collaborates with other institutions focused on female professional development (e.g. Girls Getting Started in Switzerland). ESRS S1-1 24 (a),(b),(c),(d)

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

To allow for active engagement with the workforce, Alpiq has a body of workers' representatives with whom the company conducts continuous dialogue and feedback exchange on its strategy and workforce needs in all applicable countries. ESRS S1-2 27 (a)

The type and frequency of Alpiq's engagement with its workforce depends on the country. For instance, in Switzerland the PEKO/COPE attends the EB meeting twice a year, while there is a continuous exchange with the Head of Group HR. In other countries, such as Spain, Germany or France, the Work Council is involved in any important decision affecting the workforce and in the consequent negotiation with company representatives (led by HR). ESRS S1-2 27 (b)

Moreover, the company organises several Alpiq Insight sessions per year to inform the workforce about the progress on company strategy and related measures affecting both business and people.

Communication between the workforce and the company takes place mainly through the workforce's representative bodies. All country-related matters are to be discussed between the local Work Council and local HR. In Switzerland, where Alpiq's headquarters is located, the Head of Group HR has the operational responsibility to engage with the PEKO/COPE. Any country-related matter that cannot be clarified between the local Work Council and local HR shall be escalated to the Head of Group HR. ESRS S1-2 27 (c)

Alpiq assesses the effectiveness of its engagement with its own workforce through a survey conducted two times a year, which includes questions regarding the communication flow between the company and its employees. ESRS S1-2 27 (e)

To gain further insights into the perspective of people in its own workforce, a special task force will be developed in 2025. The taskforce is based on a grassroots movement led by employees (both women and their allies) and will address problems and issues that women face in their professional lives that hinder their development and professional growth. After a first analysis phase to identify, propose and implement necessary measures, the goal for this taskforce is to become an employee resource group (ERG). While the focus in 2025 will be on women and cultural diversity, further topics are planned to be addressed from 2026. ESRS S1-2 28

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

To provide or contribute to remedy in the case of material negative impacts on people in its workforce, Alpiq operates the “Speak up! Line” in compliance with the EU DIRECTIVE (EU) 2019/1937 on the protection of persons who report breaches of European Union law, as previously mentioned. It is Alpiq’s aim that all employees feel free to report issues openly and to ensure that employees who raise a concern in good faith do not suffer any disadvantage as a result. The “Speak up! Line” enables Alpiq employees to report issues such as harassment and discrimination, but also other potential violations of the Code of Conduct. ESRS S1-3 32

In case of breach of the Code of Conduct, Compliance will investigate the case. If HR receives a complaint from an employee or detects potential misbehaviour, but there is no obvious breach of the Code of Conduct, a process is started to clarify the situation with the line manager of the employee who has potentially misbehaved. If this clarification is not satisfactory, Alpiq’s internal network of coaches will act as mediator. If misbehaviour is detected, the employee that showed misbehaviour will be included in a performance improvement plan or, depending on the severity of the case, directly dismissed.

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

Planned actions to manage material IROs related to Alpiq’s own workforce include the following: ESRS S1-4 37

- Preparing for compliance with the EU Pay Transparency Directive
- Defining Alpiq’s mobility framework
- Developing an Inclusion of Diversity roadmap
- Reviewing talent pipelines from a gender perspective
- Investigating technological possibilities to improve collaboration
- Offering modern and flexible working models

- Integrating external service providers as a guarantee of employee engagement (e.g. Great Place to Work)
- Gathering regular employee feedback
- Providing Secure Base Leadership training
- Implementing a graduate programme
- Improving leadership qualities for Alpiq managers by offering specific trainings, 360-degree evaluations and coaching
- Increasing employer branding activities, along with a new employee value proposition and Alpiq's candidate, employee and alumnus journeys

Several actions to mitigate material negative impacts and deliver positive impacts on Alpiq's own workforce have already been taken, including the following:

ESRS S1-4 38 (a),(b),(c)

- Reduction of meeting times, by working with shorter default meeting slots in Outlook and allowing for short breaks between meetings
- Roll-out of graduate programmes to ensure greater diversity in teams by including younger generations
- Establishing a common understanding, framework and wording for leadership-related situations, by running several training cohorts in Secure Base Leadership at IMD
- Establishing an internal coaching network, based on the Secure Base Leadership principles, which will collaborate with HR to act as an internal advisor to employees and allow Alpiq to collect first-hand inputs from its workforce

Alpiq's actions to manage business pressures without compromising employee wellbeing also include hiring temporary staff to fill critical resource gaps.

ESRS S1-4 41

The effectiveness of the actions taken is tracked and assessed through the yearly employee surveys. After conducting these surveys, the results are analysed, and a new action plan is created based on the outcome of the analysis.

ESRS S1-4 38 (d), 39

In order to mitigate material risks arising from workforce impacts, Alpiq is collaborating with Great Place to Work to evaluate its situation not only from an internal perspective, but also against an external benchmark. This allows Alpiq to gain a comprehensive understanding of its situation and helps to prioritise potential actions for improvement. Following a 68% participation rate in the survey conducted in November 2024, Alpiq has achieved the Great Place To Work certification for 2025 in all its countries. The company also recorded its highest-ever Net Promoter Score (NPS), increasing from +1 in 2022 to +42. The survey results highlight strengths in fairness, camaraderie, pride and safety, while areas for improvement include meeting culture, clarity of vision and development

ESRS S1-4 40 (a)

Participation rate Great Place to Work survey

68%

Furthermore, a Global HR Information System will be implemented in 2025 containing employee data, which will allow Alpiq to have an accurate and up-to-date picture of the workforce.

ESRS S1-4 40 (b)

Alpiq protects employees by using their data responsibly. Data stored due to its relevance for decision-making (e.g. for performance evaluation or identification of areas of improvement) is protected from misuse by centralising it in a global system (currently in place for data in Switzerland and the Czech Republic) or in the HR department. The Global HR Information System that will be implemented in 2025 will further improve data protection.

ESRS S1-4 41

Responsibilities for the management of material IROs are spread over many different people in HR. In particular, the Centres of Excellence “Talent Experience and Development” and “Organisational Development” allocate resources to the management of Alpiq’s material impacts. ESRS S1-4 43

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

Alpiq’s organisational targets are set between the end of the third quarter and the beginning of the fourth quarter, always in alignment with the budget and the medium-term strategic direction. These targets are presented to and approved by the EB and serve as a basis for creating the Alpiq value chain targets as well as the EB members’ own goals. Once this process is concluded, the organisational and value chain targets are communicated to the whole organisation, to ensure that alignment occurs at division and team levels by establishing goals that support the overall targets. ESRS S1-5 47 (a)

The organisational value chain and EB targets are constantly monitored and the NRSC is informed of the progress. As part of the continuous progress monitoring, potential shortfalls or needs for improvement are identified and tackled in a timely manner, either by adjusting the strategy to environmental circumstances or by putting in place the necessary actions. ESRS S1-5 47 (b),(c)

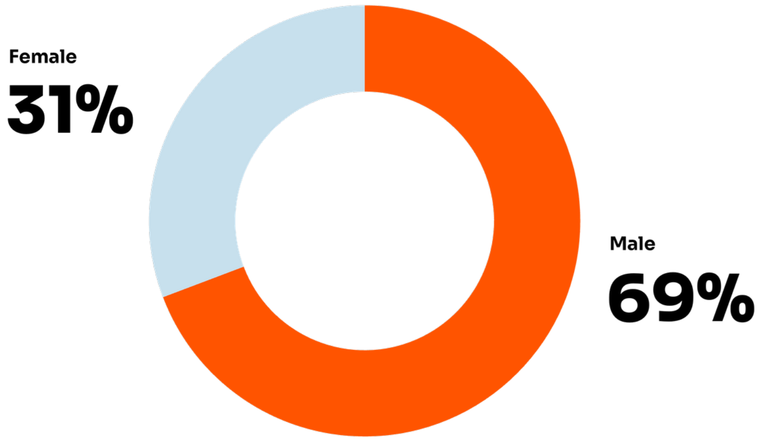
Characteristics of the undertaking’s employees

The following chapter discloses figures that provide some insights into the characteristics of Alpiq employees. These figures do not include employees of P2X Solutions, Entegra Wasserkraft AG and Isento Wasserkraft AG, which are fully-consolidated entities, but whose employees do not have an Alpiq contract and are therefore not counted as own employees. The total headcount of 1385 employees corresponds to 1326 FTEs. The FTE figure reported in the Financial Statement differs because it includes employees that do not have an Alpiq contract but work in the fully-consolidated entities mentioned above.

The following table and chart show Alpiq’s employee headcount by gender and year: ESRS S1-6 50 (a)

	Number of employees (headcount)		
Gender	2024	2023	2022
Male	959	910	885
Female	426	372	301
Total employees	**1,385**	**1,282**	**1,186**

Alpiq employee headcount by gender in 2024:



The following table shows the employee headcount in countries where the undertaking has at least 50 employees representing at least 10% of its total number of employees (in 2024):

Country	Number of employees (headcount)
Switzerland	764 (55%)
Czech Republic	174 (13%)

The following table shows information on employees by contract type, broken down by gender (for the year 2024):

ESRS S1-6 50 (b)

Contract Type	Female	Male	Total
Permanent employees	412	929	1,341
Temporary employees	13	20	33
Non-guaranteed hours employees	1	10	11
Total	**426**	**959**	**1,385**

Finally, the last table in this chapter shows the total number of employees who left the company during the reporting period (the year 2024) and the rate of employee turnover (= employees who left divided by the total number of employees at 31 December 2024) for this same period:

ESRS S1-6 50 (c)

Country	Number of employees who left	Turnover rate
Switzerland	75	9.8%
Spain	15	16.3%
France	11	9.2%
Czech Republic	8	4.6%
Italy	6	5.1%
Hungary	4	5.1%
Germany	1	4.2%
Norway	1	33.3%
Finland	0	0.0%
Bosnia	0	0.0%
Total	**121**	**8.7%**

It was decided to also disclose the characteristics of P2X employees on a voluntary basis (not required by CSRD). P2X Solutions has a total of 18 employees (11 male and 7 female), all based in Finland. Seventeen of these employees are permanent employees, and there is one temporary employee.

Collective bargaining coverage and social dialogue

The global share of Alpiq employees covered by workers' representatives is 51%. This share includes countries that have at least 50 employees and represent at least 10% of the company's total employees.

ESRS S1-8 63 (a)

Share of Alpiq employees covered by workers' representatives

51%

Alpiq has local Work Councils but no European Work Councils (EWCs) or European Company Work Councils (SE-WCs) as the overall number of employees based in EU countries is less than 1,000.

ESRS S1-8 63 (b)

Diversity metrics

Alpiq has set the goal to have a share of 35% women in top management by 2030.

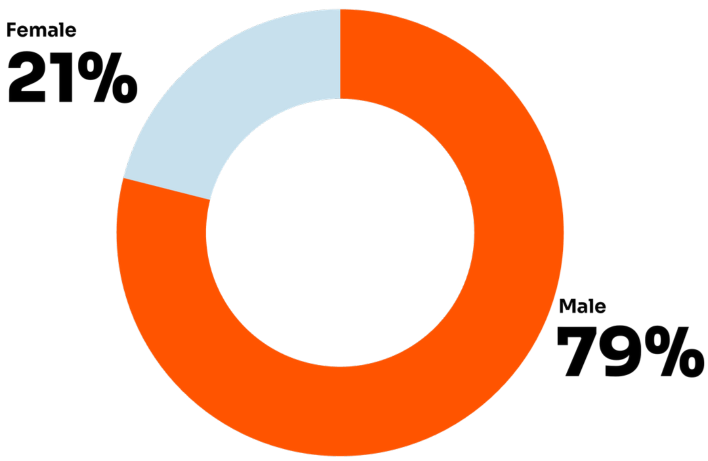
RBI only (OR Art. 964b)

In 2024, Alpiq had 21% women in top management, compared to 18% in 2022 and 25% in 2023. The reason for the decline of this share in 2024 is that Alpiq changed the base population used to calculate the female representation in top management:

- 2023 report: EB and EB-1 (32 employees)
- 2024 report: EB and Job Grade 10 (75 employees)

The new and larger pool of employees used as the base for the calculation reflects those employees holding strategic positions and decision-making roles that influence the direction of Alpiq much better. Alpiq thereby takes a full commitment to enable the development of female leaders from an early stage. Whilst the current percentage of 21% women in top management is not yet at the level Alpiq aims for, measures and strategies are being developed internally to increase this share.

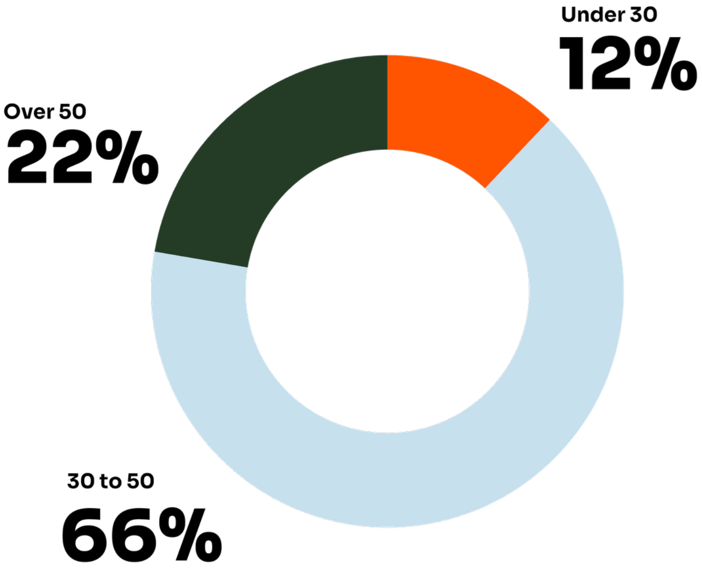
Gender distribution in top management in 2024:



The following table shows the distribution of Alpiq employees by age group:

Age group	Number of employees (headcount)	Share (%)
Under 30 years	167	12.1%
30 to 50 years	909	65.6%
Over 50 years	309	22.3%
Total	**1,385**	

Alpiq employee distribution by age group in 2024:



It was decided to also disclose diversity metrics of P2X Solutions on a voluntary basis (not required by CSRD). P2X Solutions has four men and two women in top management, thus a top management gender distribution of 66.7% male and 33.3% female.

The age distribution of P2X employees is as follows:

- Under 30 years: 1 employee (5.6%)
- 30 to 50 years: 14 employees (77.8%)
- Over 50 years: 3 employees (16.7%)

Social protection

As part of its social protection measures, Alpiq protects its employees in case of injury. In Switzerland, accident insurance is compulsory and regulated by the Federal Law on Accident Insurance (UVG). Accident insurance protects Swiss employees from the financial consequences of occupational accidents, non-occupational accidents and occupational diseases. Article 66 of the UVG describes that for certain companies, especially those with higher risk potential (including industrial companies), employees must be insured with SUVA. Alpiq has the SUVA accident insurance for all Swiss employees, as well as an additional accident insurance with AXA that gives employees access to private insurance benefits in case of hospitalisation due to an accident. ESRS S1-11 74 (c)

In other countries, employees are covered by social protection against loss of income due to injury and acquired disability according to local regulation.

Another important aspect of social security is the protection against loss of income due to parental leave. Alpiq aims to meet or exceed local norms for ESRS S1-11 74 (d) maternity, paternity and other types of parental leaves. Across Alpiq's European operations, practice varies in line with local requirements and norms.

In Switzerland, after the birth of a child, the mother is entitled to be paid maternity leave of 14 weeks (98 days) and the father to two weeks' (10 days) paid paternity leave. Mothers on maternity leave are not allowed to work unless they voluntarily decide to return to work after the first eight weeks. Paternity leave can be taken within six months of the birth of the child. Alpiq pays 100% of the maternity and paternity allowance, while 80% of the allowance is reimbursed to Alpiq by "Ausgleichskasse Schweizerischer Elektrizitätswerke" (AKEW). The additional 20% is covered by Alpiq itself.

Weeks of paid maternity leave in Switzerland

14

In Spain, mothers and fathers are both protected during 16 weeks after the birth of a child. During these 16 weeks, the government covers 100% of the social security contribution base. If the salary of the employee is higher than this base, Alpiq Spain covers the rest in order to esure a combined salary coverage of 100%. Mothers and fathers can ask for extra leave without salary until the baby reaches the age of one year, with a guarantee that their positions in the company are kept. An extension beyond the baby's first birthday is also possible, but in this case Alpiq does not guarantee that the employee's position will be kept.

In France, the standard maternity leave is 16 weeks and maternity leave is paid. The social security system covers the mother's salary during maternity leave up to a certain limit, and Alpiq France covers the difference between this limit and the mother's actual salary. Standard paternity leave in France is 25 days This is also covered by social security up to a defined limit, while Alpiq France covers the difference between this limit and the employee's salary. If the mother gives birth to more than one child, the maternity and paternity leaves are extended.

Training and skills development metrics

Voluntary

The percentage of Alpiq employees who participated in career development reviews (called "People Success") in 2024 is 89.9%, with 70.4% of participants being male and 29.6% being female employees.

The total average number of recorded training hours per employee was 16.3 hours, with a gender split of 55% male and 45% female recorded training participants.

Recorded training hours per employee

16.3

The above figures do not include P2X Solutions. At P2X Solutions, each employee received one business day of training by calendar month on average.

Health and safety metrics

ESRS S1-14 88 (a)

Twenty-five percent of Alpiq employees are covered by a health and safety management system (in Switzerland, this is either ISO 45.001 or EKAS). As for Alpiq employees with an asset risk profile, i.e. employees who work in power plants and therefore have a higher risk exposure than office-based staff, 96% are covered by a health and safety management system (ISO 45.001 or EKAS in Switzerland).

There have been zero fatalities, and zero work-related ill-health was recorded for Alpiq employees in 2024. However, there have been three reported work-related accidents among Alpiq employees in 2024, namely one minor finger cut as well as two slips and falls. The Total Recordable Injury Frequency Rate (TRIFR) of Alpiq employees is 1.2 based on 1,000,000 hours worked. The number of recordable work-related injuries of workers who are not employees but whose work and/or workplace is controlled by Alpiq amounts to two (both minor slips on asset construction sites).

ESRS S1-14 88 (b),(c), AR 91

Number of fatalities and work-related ill-health

0

Governance

Business Conduct

Business conduct steering

Voluntary

The BoD, the ARC and the NRSC conduct regular meetings to discuss any concerns relating to business conduct. In each of these meetings, the BoD provides information about ongoing business challenges and related opportunities and risks. Additional ad-hoc meetings and video conferences are held in case of urgent discussion points.

For oversight and monitoring, the BoD ensures that key governance functions, such as compliance and risk management, are implemented effectively and reviewed regularly. The ARC and NRSC focus on specific subject matters and may request information related to business activities or mandate an internal audit for investigation. Internal Audit helps the organisation to achieve its objectives by providing a consistent, acknowledged procedure for measuring and increasing the effectiveness of risk management, administration and governance. It serves as an important instrument for business conduct steering.

This structured approach ensures robust oversight mechanisms that contribute to business integrity and timely responses to critical matters.

Alpiq's BoD consists of seven highly experienced senior non-executives, jointly covering all areas of expertise required for the administration and supervision of the company. These areas cover in particular executive experience in the management of large international energy companies, trading expertise, financial expertise, experience and expertise in sustainability and climate aspects, industrial and technical expertise, as well as deep knowledge of the Swiss energy market and the political and regulatory environment.

Business conduct policies and corporate culture

RBI only (OR Art. 964b)

Alpiq actively fosters a corporate culture rooted in integrity, accountability and compliance. These values are embedded into the organisation through the implementation of the Compliance Programme, which integrates mechanisms to identify, report and mitigate concerns about business conduct.

Key actions within the Compliance Programme include:

- Risk assessment: regular assessment of processes to identify the probability and impact of risks related to corruption, antitrust violations, data privacy, embargoes, sanctions, market integrity, money laundering and conflicts of interest.
- Policy adaptation: feeding the outcomes of the compliance risk assessment(s) into Alpiq's Code of Conduct and directives to tailor them to Alpiq's activity and risk profile.
- Control implementation: establishing and documenting controls to mitigate identified risks, including business partner due diligence, high-risk contract reviews, anti-bribery and corruption measures, and conflict-of-interest management.

- Training and communication: providing all employees with training on Alpiq's values, Code of Conduct, and role-specific compliance requirements.
- Reporting mechanisms: operating the "Speak Up! Line," a confidential reporting channel for employees and external stakeholders to raise concerns.
- Continuous monitoring: conducting regular reviews and reporting biannually to the ARC and EB on the effectiveness of the Compliance Programme.

By embedding these steps into the company culture, Alpiq ensures a consistent and transparent approach to business conduct matters.

The company policies adhere to the principles of the United Nations Convention against Corruption, focusing on preventing bribery and corruption by conducting due diligence on business partners, reviewing high-risk contracts and the implementation of robust internal controls.

Alpiq maintains a mechanism for identifying, reporting and investigating concerns related to business integrity. The "Speak Up! Line" provides a confidential platform for employees and external stakeholders to report unlawful behaviour or violations of the Code of Conduct. Reports are investigated under an internal investigation procedure, ensuring prompt, independent and objective handling.

All individuals carrying out investigations are informed of the applicable internal procedure before the commencement of their first investigation and the Head Compliance oversees the investigation process of each report.

Alpiq is committed to protecting reporters and fostering a culture of openness. The "Speak Up! Line" ensures confidentiality, with access to reports limited to a minimum number of trained personnel. Employees who report concerns in good faith are protected from retaliation, as per Directive (EU) 2019/1937.

Training is provided to all employees. Attendance of all training assigned by Compliance is mandatory. Contingent workforce who, at least partially, evolve in Alpiq's work environment in a similar way as Alpiq employees, must also receive the mandatory training designed for their target group.

Compliance makes use of e-learning and classroom courses to ensure variety and efficiency in compliance training.

Topics on which Compliance provides training are Alpiq's Code of Conduct, anti-bribery and corruption, fair competition, data privacy, gifts and invitations, conflicts of interest, the speak-up culture and trade compliance.

Prevention and detection of corruption and bribery

Alpiq's compliance programme consists of the actions / steps as described above. In case of a concern about business integrity, only trained members of the Compliance team may conduct investigations. The Compliance team is part of the Legal & Compliance unit and has a direct reporting line to the Chairman of the BoD.

RBI only (OR Art. 964b)

The Head Compliance reports on compliance activities, including the outcomes of investigations, to the ARC of the BoD.

All employees have access to Alpiq's intranet, where the Code of Conduct and subsequent Directives are communicated. In addition, most important documents, such as the Code of Conduct, are sent to all employees by email. When a compliance-related document is revised or adopted, the Compliance function ensures that the employees to whom it applies are informed and trained on it.

Anti-bribery and corruption training is rolled out as e-learnings to all employees at risk of corruption. Classroom sessions, which are trained per function, include the relevant risk of corruption faced by the function to be trained.

All employees are covered in Alpiq's Compliance Training programme. In 2024, in-person training sessions and e-learning sessions were held on the Code of Conduct and on topics of anti-bribery and corruption, management of third parties, data privacy, fair competition, market integrity, conflicts of interest, gifts and invitations, and the speak-up mechanism. Overall, 95% of employees assigned to these training sessions have successfully completed them.

Share of successfully completed Compliance trainings

95%

Members of the EB and the BoD are trained face-to-face by Compliance according to their need. In addition, members of the EB are enrolled in the same e-learning and classroom training as the rest of the organisation's employees.

The number of convictions and the amount of fines for violation of anti-corruption and anti-bribery laws for the year 2024 are both zero. They are also zero for P2X.

Number of convictions and amount of fines for violation of anti-corruption & anti-bribery laws

0

Supply Chain Due Diligence

DDTrO (OR Art. 964j/k)

In addition to the identified material topics, Alpiq recognises the importance of responsible supply chain management and adheres to the Swiss Ordinance on Due Diligence and Transparency (DDTrO) in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour, as well as the upcoming Corporate Sustainability Due Diligence Directive (CSDDD) under CSRD.

To ensure compliance with these Swiss requirements and the European directive, as well as to foster transparency, accountability and adherence to ethical standards, Alpiq executed a project in 2024 that encompassed the creation of a new supply chain due diligence process for fully consolidated Alpiq entities, including a new Code of Conduct for Suppliers. The newly implemented due diligence process includes compliance checks for new as well as existing suppliers, based on which further investigations are mandated if a supplier is found to have been involved in conspicuous actions, including but not limited to engagement in child labour and the use of conflict materials.

The following outlines Alpiq's approach regarding child labour and conflict minerals.

Child labour

DDTrO (OR Art. 964j/k)

Alpiq recognises that child labour poses a significant ethical and human rights concern in global supply chains. While there is no direct risk of child labour in Alpiq's operations, which primarily entail the production of electricity at geographically specific power plants, residual risks may arise in its supply chain where goods or services originate from regions identified as higher risk under the Children's Rights in the Workplace Index.

To mitigate such risks, Alpiq adheres to the principles of the International Labour Organization (ILO) and implements a Supplier Code of Conduct that prohibits child labour. Alpiq endeavours to enforce the principles stipulated in the Code of Conduct for Suppliers in its supply chain and reviewed its Code of Conduct for Suppliers and the associated risk assessment process throughout 2024. The Supplier Code of Conduct is incorporated into supplier contracts in order to set clear expectations and ensure compliance. Alpiq also regularly reviews its supply chain processes to improve traceability and risk management.

Alpiq intends to further strengthen its supply chain risk management. It reviewed its process (including traceability) during 2024 and will continue to adjust its approach to common market practice. The company also continues to further strengthen and develop its ESG framework, including child labour regulation.

In addition, Alpiq operates a whistle-blowing tool, accessible via the company website, which allows for concerns to be raised with the Compliance function, including any perceived and actual shortcomings pertaining to child labour. As stipulated, any perceived shortcoming can be raised by employees and/or any member of the public and will be investigated independently.

Conflict minerals

Alpiq complies with DDTrO regulations concerning conflict minerals. As Alpiq does not import or refine minerals or metals that fall within the scope of these regulations, it is exempt from related disclosure requirements. Nonetheless, Alpiq maintains responsible sourcing practices in line with the new supply chain due diligence process and the new Code of Conduct for suppliers and monitors its supply chain to align with applicable standards.

DDTrO (OR Art. 964j/k)

Sector-Specific Disclosures

Security of Supply

SASB

Security of supply is an entity-specific topic that is not covered by ESRS but is material to Alpiq and is therefore included in this Sustainability Report.

Alpiq uses the definition of security of supply as provided by the European Environment Agency (EEA). The EEA defines security of supply as “the availability of energy at all times in various forms, in sufficient quantities, and at reasonable and/or affordable prices” (EEA, 2024).

Alpiq’s contribution to ensuring security of supply is stated in its company purpose. Providing reliable power or heat generation when needed by customers, including TSOs, has a direct impact on the company’s economic results. It is therefore of the utmost importance that Alpiq continuously maintain the reliability and upgrade the technical capabilities of its assets, not only to comply with the latest environmental regulations, but also to make use of the best technology available for increasing the fuel efficiency and flexibility, and to prevent any operational failures that could negatively impact security of supply and significantly affect its economic position.

Alpiq recognises that in some situations a conflict may arise between the responsibilities of contributing to both a better climate and security of supply, especially in the case of electricity generation from fossil fuels. However, Alpiq is fully supportive of the energy transition and by investing in battery energy storage systems (BESS), flexible hydro power, and highly flexible gas-fired thermal assets, the company contributes to the energy transition by providing flexibility to the energy system. Without an increase in flexibility, the integration of additional variable renewable energy is restricted, and the energy transition is not possible. Alpiq therefore chooses deliberately to focus on providing flexibility to the energy system and to assess its activities and investments not based on their direct climate impact, but on their overall impact on the energy system.

Gas-fired generation is expected to remain an important source of flexibility for at least the coming 10 to 15 years, and Alpiq intends to continue operating its existing gas-fired assets until the end of their technical lifetime. Alpiq is also open to expanding its flexible gas-fired generation portfolio, provided newly added assets contribute significantly to system flexibility. To summarise, it is additional flexibility that allows for the further expansion of intermittent renewable energy generation while ensuring security of supply at all times.

Apart from contributing to security of supply by providing flexibility, Alpiq continuously works on maintaining high-quality crisis management and business continuity plans. In 2024, ten percent of the company’s workforce was trained in crisis management by participating in sophisticated exercises, and more than 35 continuity plans were drawn up and tested to secure critical activities.

In-market availability, the KPI measuring the percentage of time that an asset is available when needed, is reported to all internal stakeholders and is closely monitored and assessed. Maintenance periods are carefully planned in advance to ensure optimal timing and minimal duration. In case of outages, internal processes and competent technical staff are in place to remedy the situation. In order to reach the highest availability values, Alpiq does not only focus on technical and economic indicators but also applies high health and safety standards to ensure a secure environment on its premises. All outage events are reported to both internal and external stakeholders to guarantee complete transparency.

The levels of security of supply and grid safety are typically set by the TSOs and/or local regulations for grid support services (GSS). Where technically possible, Alpiq provides certified products for GSS at each flexible asset. To be allowed to participate in the GSS market, the technical ability of each individual asset is accredited and regularly tested by the TSOs according to their local requirements for each GSS product.

In order to contribute additionally to security of supply in times of high electricity demand, Alpiq participated in the Swiss Federal Council's tender for the winter 2024/2025 hydropower reserve for the third year in a row. Alpiq bid successfully and contributed to the winter reserve 2024/2025 by providing 103 GWh out of the total Swiss reserve of 250 GWh. The winter 2024/2025 is the last winter for which the reserve was put out to tender. From winter 2025/2026, it will be a legal requirement to contribute to winter reserves.

Contribution to winter reserve
in GWh

103

Appendix

List of disclosure requirements by reporting standard

European regulations (CSRD)

ESRS Index

The tables below shows the ESRS requirements Alpiq is already disclosing on a voluntary basis in the Sustainability Report 2024.

General disclosures

ESRS topic	Standard	Disclosure requirement (DR)	DR designation	Chapter
General disclosures	ESRS 2	BP-1	General basis for preparation of the sustainability statement	Basis of Preparation
		BP-2	Disclosures in relation to specific circumstances	Basis of Preparation
		GOV-1	The role of the administrative, management and supervisory bodies	Governance, Business Conduct
		GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Governance
		GOV-3	Integration of sustainability-related performance in incentive schemes	Governance, Climate Change
		GOV-5	Risk management and internal controls over sustainability reporting	Governance
		SBM-1	Strategy, business model and value chain	Strategy
		SBM-2	Interests and views of stakeholders	Strategy
		SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Material Sustainability Matters, Climate Change, Biodiversity and Ecosystems, Own Workforce
		IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	Material Sustainability Matters, Climate Change, Pollution, Water and Marine Resources, Biodiversity and Ecosystems, Business Conduct
		IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Material Sustainability Matters

Disclosures according to material topics

ESRS topic	Sub-topic	Disclosure requirement (DR)	DR designation	Chapter
Environment	ESRS E1 - Climate Change	E1-1	Transition plan for climate change mitigation	Climate Change
		E1-2	Policies related to climate change mitigation and adaptation	Climate Change
		E1-6	Gross Scopes 1, 2, 3 and total GHG emissions	Climate Change
	ESRS E3 - Water & Marine Resources	E3-1	Policies related to water and marine resources	Water and Marine Resources
		E3-2	Actions and resources related to water and marine resources	Water and Marine Resources
		E3-3	Targets related to water and marine resources	Water and Marine Resources
		E3-4	Water consumption	Water and Marine Resources
	ESRS E4 - Biodiversity & Ecosystems	E4-3	Actions and resources related to biodiversity and ecosystems	Biodiversity and Ecosystems
Social	ESRS S1 - Own Workforce	S1-1	Policies related to own workforce	Own Workforce
		S1-2	Processes for engaging with own workers and workers' representatives about impacts	Own Workforce
		S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	Own Workforce
		S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those action	Own Workforce
		S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Own Workforce
		S1-6	Characteristics of the undertaking's employees	Own Workforce
		S1-8	Collective bargaining coverage and social dialogue	Own Workforce
		S1-11	Social protection	Own Workforce
		S1-14	Health & Safety metrics	Own Workforce

Swiss regulations

DDTrO Index

Alpiq adheres to the requirements of Art. 964j-k of the Swiss Code of Obligations and the respective Ordinance DDTrO. The company's disclosures relating to these requirements are mapped in the table below.

DDTrO topic	Chapter
Management System	Supply Chain Due Diligence
Supply Chain Policy	Supply Chain Due Diligence
Risks in the Supply Chain	Supply Chian Due Diligence, Material Sustainability Matters
Minerals and Metals: Exemption	Supply Chain Due Diligence
Child Labour: Risk Management Instruments and Traceability System	Supply Chain Due Diligence
Risk Management (Art 15)	Supply Chain Due Diligence, Material Sustainability Matters

RBI Non-Financial Index

The table below points out the context which is reported in compliance with the requirements of Art. 964b of the Swiss Code of Obligations.

RBI area	RBI topic	Chapter
General Requirements	Approval	Governance
	Business model	Strategy, Material Sustainability Matters
	Consolidated reporting	General Disclosures
	Materiality assessment	Basis of Preparation, Strategy, Material Sustainability Matters, Climate Change, Water and Marine Resources, Biodiversity and Ecosystems
	Risks related to non-financial matters	Material Sustainability Matters
Environment	Air pollution	Pollution
	Biodiversity and land & resource use	Biodiversity and Ecosystems
	GHG emissions (CO2-targets)	Climate Change
	Use of renewable/non-renewable energy	Climate Change, Biodiversity and Ecosystems
Employee Matters	Health & safety	Own Workforce, Security of Supply
	Working conditions	Own Workforce
	Gender equality	Own Workforce
Social Matters	Community impact	Security of Supply
Human Rights	Respect for human rights and union rights	Own Workforce, Supply Chain Due Diligence
Anti-Corruption	Granting of an undue advantage & bribery	Business Conduct

SCO Index

Alpiq adheres to the requirements of Art. 964b of the Swiss Code of Obligations and the respective Ordinance SCO. The company's disclosures relating to these requirements are mapped in the table below.

SCO topic	Standard	Disclosure requirement (DR)	DR designation	Chapter
General disclosures	ESRS 2	BP-1	General basis for preparation of the sustainability statement	Basis of Preparation
		BP-2	Disclosures in relation to specific circumstances	Basis of Preparation
		GOV-1	The role of the administrative, management and supervisory bodies	Governance
		GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Governance
		GOV-3	Integration of sustainability-related performance in incentive schemes	Governance, Climate Change
		GOV-5	Risk management and internal controls over sustainability reporting	Governance
		SBM-1	Strategy, business model and value chain	Strategy
		SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Material Sustainability Matters, Climate Change, Biodiversity and Ecosystems, Own Workforce
		IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	Material Sustainability Matters, Climate Change, Water and Marine Resources, Biodiversity and Ecosystems
		IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Material Sustainability Matters
Environment	ESRS E1 - Climate Change	E1-1	Transition plan for climate change mitigation	Climate Change
		E1-2	Policies related to climate change mitigation and adaptation	Climate Change

Glossary

AGM	Annual General Meeting
ARC	Audit and Risk Committee
BESS	Battery energy storage system
BoD	Board of Directors
CCGT	Combined-cycle gas turbine
CEO	Chief Executive Officer
CEMS	Continuous emission monitoring system
CFO	Chief Financial Officer
CHO_4	Methane
CO	Carbon Oxide
CSRD	Corporate Sustainability Reporting Directive
DCS	Distributed control system
DDTrO	Due Diligence and Transparency Ordinance
DMA	Double Materiality Assessment
DSO	Distribution system operator
E	Environment
EB	Executive Board
EEA	European Environment Agency
EIA	Environmental impact assessment
EIP	Energy Infrastructure Partners
ERG	Employee resource group
ERM	Enterprise risk management
ESG	Environment, Social, Governance
ESRS	European Sustainability Reporting Standards
ETS	Emissions Trading Scheme
EWC	European Work Council
FMHL	Forces Motrices Hongrin-Léman
FTE	Full-Time Equivalent
G	Governance
GHG	Greenhouse gas
GRI	Global Reporting Initiative
HRSG	Heat recovery steam generator
ILO	International Labour Organization
IPCC	Intergovernmental Panel on Climate Change
ISO	International Organization for Standardization
IRO	Impact, Risk, Opportunity
KKG	Kernkraftwerk Gösgen-Däniken AG
KKL	Kernkraftwerk Leibstadt
KPI	Key performance indicator
n/a	Not applicable

NGO	Non-governmental organisation
NO_x	Nitrogen Oxide
NRSC	Nomination, Remuneration and Strategy Committee
OCGT	Open-cycle gas turbine
OECD	Organisation for Economic Co-operation and Development
OHS	Occupational health and safety
PEKO/COPE	Personalkommission/Commission du Personnel
PPA	Power purchase agreement
RBI	Responsible Business Initiative
RES	Renewable energy sources
S	Social
SASB	Sustainability Accounting Standards Board
SCO	Swiss Climate Ordinance
SE-WC	Societas Europea Work Council (European Company Work Council)
SF_6	Sulphur hexafluoride
SO_x	Sulphur oxide
TRIFR	Total Recordable Injury Frequency Rate
TSO	Transmission system operator
UVG	Unfallversicherungsgesetzt (Federal Law on Accident Insurance)
WWF	World Wide Fund for Nature
ZLD	Zero liquid discharge

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