Sustainability Report 2023/24

Axpo Holding AG | 1 October 2023 to 30 September 2024

Content

The information marked with ✓ have been audited externally by KPMG AG to obtain limited assurance.

Sustainability as a roadmap to the future

We use innovative energy solutions to enable a sustainable future at Axpo. Something that is now more urgent than ever before: recent extreme weather events highlight the urgency of taking action. Data from the World Meteorological Organization (WMO) confirm that the concentration of climate-damaging greenhouse gases has reached new record levels, putting the objectives of the Paris Agreement at risk. In the midst of these developments, we additionally face the challenge of reconciling climate and environmental protection with security of energy supply and economic viability – a challenge that motivates us anew every day.

This Sustainability Report, which was approved for publication by the Board of Directors for the first time, underscores the fact that sustainability is not a short-term project for us, but a long-term path that we are committed to follow systematically. Our net-zero ambition is one of several objectives that we are steadily working towards: to reduce our carbon emissions in the areas of electricity consumption and mobility to net zero by 2030 and throughout our direct sphere of influence by 2040. We aim to fully decarbonise our value chain by 2050.

In the past year, we made significant progress in driving the transformation of the energy system. In Switzerland, we commissioned the largest hydrogen plant and introduced smart electricity meters across our grid area, making an important contribution to customers' electricity efficiency. Internationally, we recorded another substantial expansion in renewable energies. Furthermore, we entered new markets with new projects. Such progress does not only support our climate targets, but also contributes to a stable and efficient energy supply.

For us, sustainability means much more than decarbonisation – it is embedded in all aspects of our actions. This means taking responsibility – for our employees, society and the environment.

Diversity, equity and inclusion are crucial aspects to creating a society that is fit for the future and are critical factors in our innovative strength. Our ambition is to achieve a 30 per cent share of women in the company by 2030 and significantly increase the number of apprentices. First achievements are already evident: the share of women in our workforce increased again over the past year, now standing at 24.6 per cent. Moreover, we are now training more than 500 young people in our company, an increase of more than 7 per cent compared to the previous year. These are important steps in the right direction.

We are also taking responsibility in our financing decisions. A growing number of financial instruments are tied to the achievement of sustainability goals. This underscores our commitment to sustainable business practices and takes into account investors' and stakeholders' growing expectations.

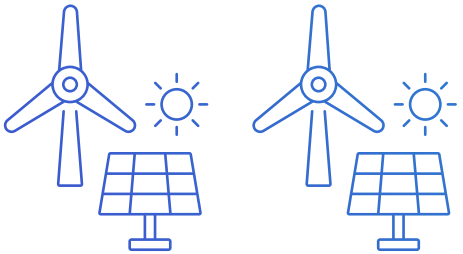
By focusing on the four pillars of our sustainability approach – Planet, People, Progress and Principles – we master today's challenges and shape tomorrow as a livable future.

Thomas Sieber, Chairman of the Board of Directors, Axpo Holding AG

Christoph Brand, CEO, Axpo Holding AG

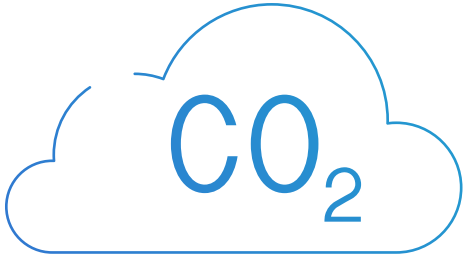
Sustainability Highlights

Axpo made significant progress in numerous sustainability-related projects in the 2023/24 financial year, achieving positive developments across various areas.



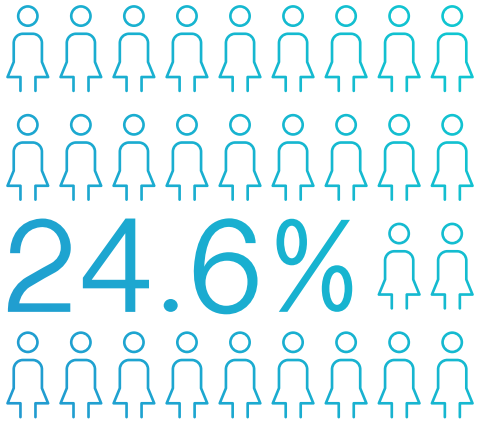
315 MW renewables newly connected to the grid

wind and photovoltaics



CO_2-Intensity of the Axpo power plants: 56g CO_2e/kWh

around a quarter of the EU average



Increase in share of women: Now at 24.6%

+1 percentage point compared to last year

18,000+

18,000+ suppliers screened for ESG risks

using a new screening process

7,000 000 000

7B credit line with sustainability goals

concluded with more than 30 banks

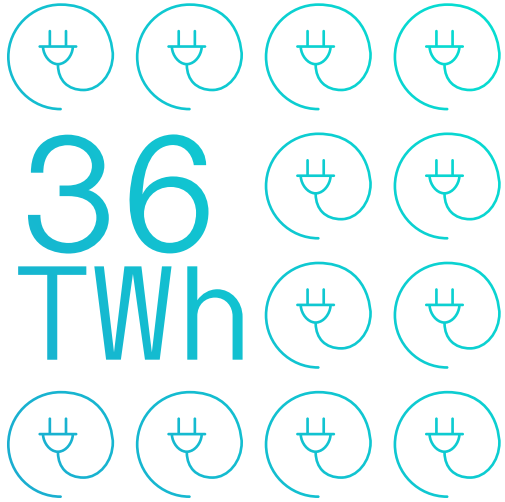
New biomethane markets unlocked

Italy, Poland and Portugal

517

517 apprentices, trainees and interns worldwide

thereof 426 apprentices in Switzerland



36 TWh electricity produced

+8% compared to last year

01

Axpo Group

Company

Axpo is the largest Swiss producer of renewable and low-emission energy and leading internationally in energy trading.

Energy production and supply

In collaboration with various partners, Axpo operates more than 100 power plants. These include hydro, biomass, solar, wind and nuclear power plants. Axpo Group's 10,000 km distribution grid supplies electricity to nearly three million people and various companies in Switzerland. The company makes a significant contribution to the security of energy supply in Switzerland.

Renewables and international trading

At the international level, Axpo focuses on the expansion of renewable energies – especially solar and wind power – as well as on its customer and trading business. Axpo is active in energy trading in over 30 countries and energy production in several of them as well. Especially in the global energy trading market, the company is currently positioning itself globally by concluding numerous power purchase agreements (PPAs). With these contracts, Axpo supports corporate customers in 40 markets on their pathway to lower carbon emissions.

Success through a focus on megatrends

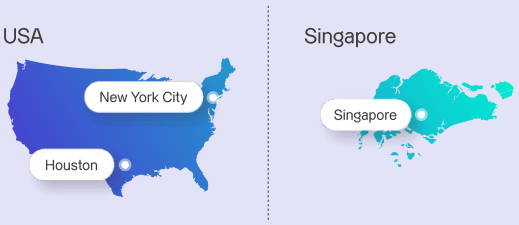
Securing long-term economic success is the foundation for all activities and therefore a core objective of the company. The megatrends of decarbonisation, decentralisation and digitalisation are fundamentally transforming the energy sector. Thanks to its expertise, its network and early decision-making, Axpo is well positioned and prepared for the transition.

Investing in forward-looking technologies

In addition to forging ahead with the rapid expansion of solar and wind energy, Axpo is strategically investing in business areas such as carbon-neutral gases or battery storage. Together with its partners, Axpo is breaking new ground in these areas.

Axpo locations and markets

Further international locations



Company structure

Axpo as of today was established in 2001 and has its registered office in Baden. The company is divided into three main business areas, which comprise further subsidiaries. Together they form the Axpo Group.

Generation & Distribution

The Generation & Distribution business area operates the power plants and distribution networks. With solar and wind energy, hydro and nuclear power, gas, and biomass, Axpo relies on a diversified mix of energy sources. Generation & Distribution continuously optimizes the power plant portfolio and invests in new power plant and network capacities. This includes the expansion of the hydrogen and battery storage business.

Trading & Sales

The Trading & Sales business area engages in energy trading through its national and international subsidiaries, trading physical energy volumes and energy-related products on all major European energy markets. As a leading independent provider of origination services, it develops tailored products and energy solutions for its customers – from private households and SMEs to industrial wholesale customers. It also offers solutions for producers of electricity, particularly from renewable sources.

CKW

Axpo subsidiary CKW is a leading Swiss energy service provider. The CKW Group provides comprehensive energy and building technology solutions along the entire value chain – from energy generation to socket-level distribution. The company supplies electricity to over 200,000 end customers. This is complemented by innovative products and services from the fields of electrical engineering, photovoltaics, heating technology, e-mobility, building automation and ICT solutions.

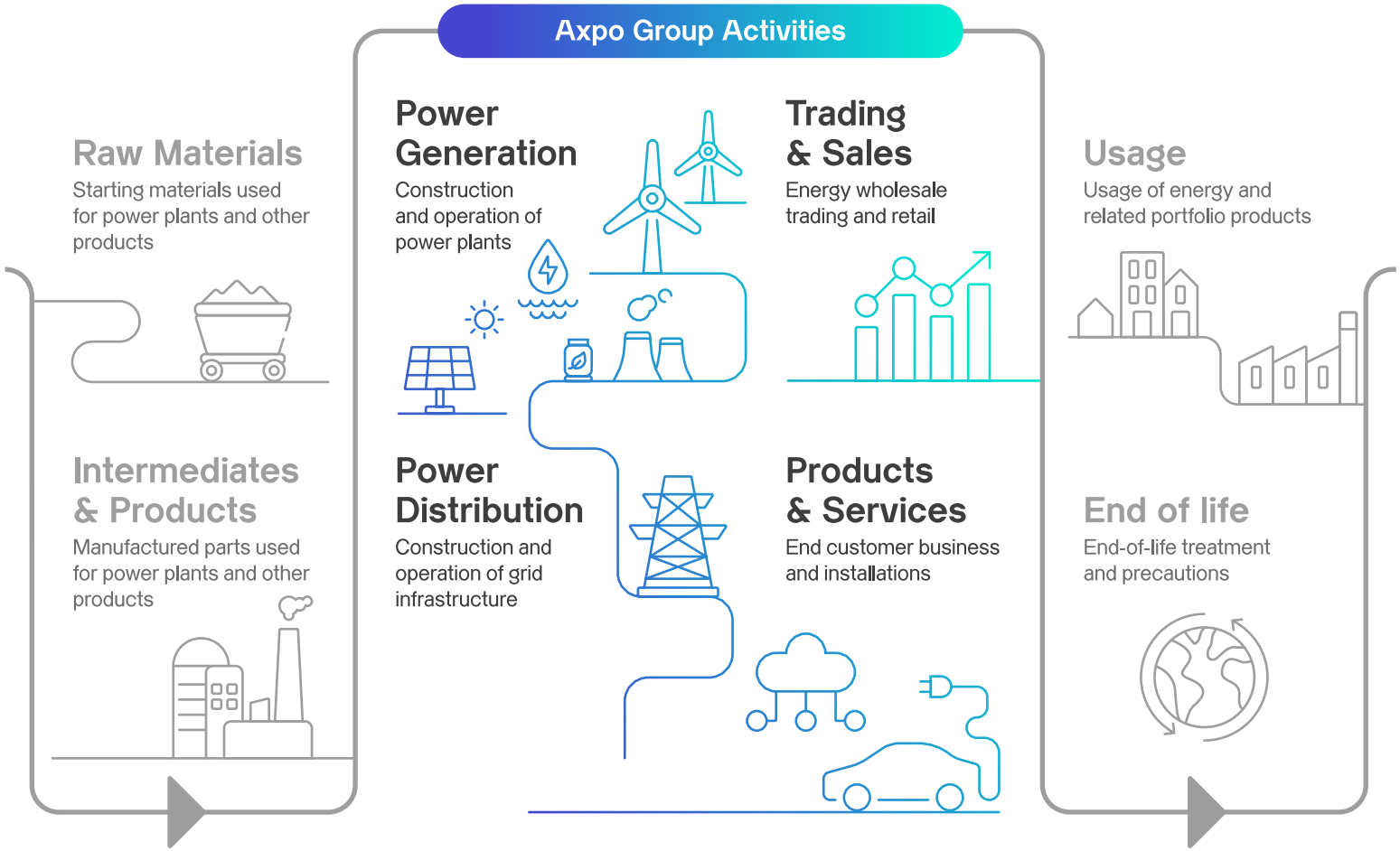
Value Chain

Axpo's various business activities can be presented in a simplified and schematic way, inserted between upstream and downstream stages of the value chain.

The illustrated value chain does not only depict Axpo's own activities, but also preceding stages of its suppliers' operations as well as the subsequent stages of its customers and end users.

Preceding stages include, for example, the extraction and processing of raw materials and the manufacturing of components required for Axpo to build and operate its power plants. On the other hand, energy sold that is used by industry and households as well as installed energy solutions occur at subsequent stages from Axpo's perspective. The same applies to relevant disposal and recycling processes.

Depending on Axpo's technology and business area, the individual stages of the value chain may vary.



02

Sustainability at Axpo

Sustainability governance

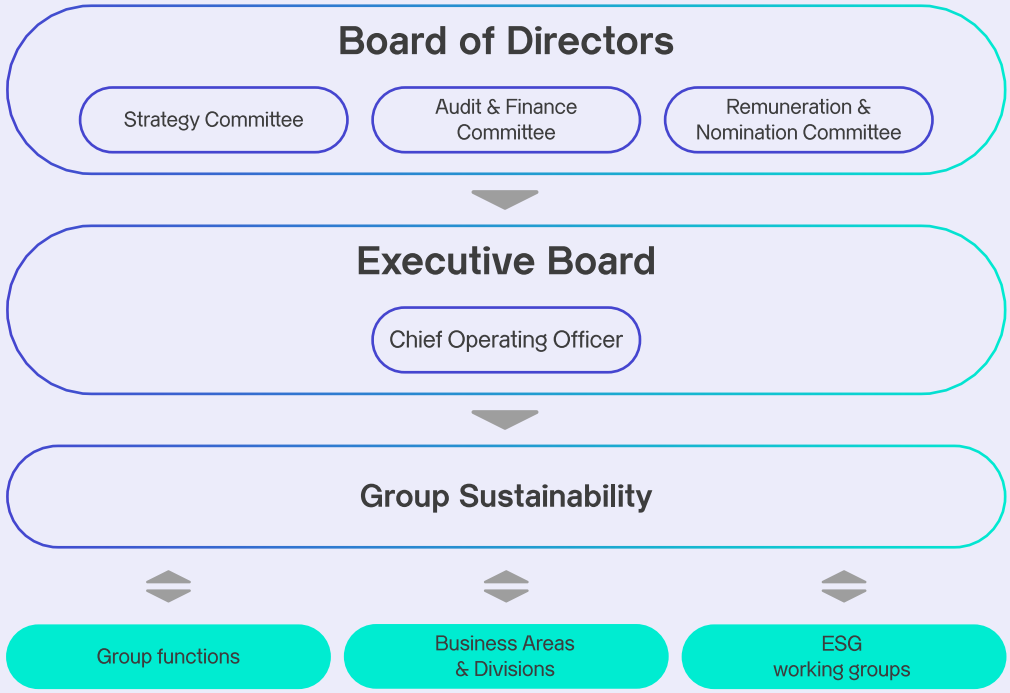
Sustainability is an integral part of Axpo's organisational structure.

The Board of Directors is responsible for approving the sustainability strategy, making it the highest governing body responsible for sustainability. It receives relevant information on material sustainability issues. Starting from the financial year 2023/24, the Board of Directors will approve the sustainability report in accordance with the requirements of the Swiss Code of Obligations and present it to the General Meeting for approval within this scope.

The Board of Directors assigns sustainability-related tasks to various committees. The Strategy Committee (SC) is responsible for the sustainability strategy. The Remuneration and Nomination Committee (RC) monitors employee-related and social issues. The Audit and Finance Committee (AFC) handles sustainability reporting, monitors sustainability-related risks, especially climate-related risks and ensures compliance with relevant requirements. When preparing the annual sustainability report, the material topics are presented to the AFC and this committee receives regular updates on progress made.

The Executive Board is responsible for developing and implementing the sustainability strategy. It promotes strategically important topics and assigns responsibilities within the organisation. This approach ensures the importance and integration of sustainability-related topics throughout the entire company.

At Group level, the Sustainability department reports to the Chief Operating Officer and therefore directly to the Executive Board. On their behalf, it drives forward the implementation of the strategy as well as specific measures to manage sustainability-related impacts on the organisation. This implementation is carried out in collaboration with the relevant functions as well as with the business areas and divisions that have operational responsibility.



Sustainability risk management

In the context of risk management, Axpo is increasingly taking sustainability-related risks into account, examining those risks in greater detail.

Incorporation of sustainability risks

Axpo's Group-wide risk management team is responsible for presenting the risk situation, managing overall risk and promoting a risk culture within the company. Risks related to sustainability-relevant topics are increasingly being factored into this as well.

Current focus on climate-related risks

During the reporting year, Axpo launched a project to identify climate-related risks and opportunities. In line with the recommendations of the TCFD [1], physical and transition risks were assessed across all business areas over various time horizons and in different climate scenarios. The findings are incorporated into the overarching risk management framework. Furthermore, they serve as the foundation for Axpo's future climate reporting, which will be legally required in Switzerland starting from the coming financial year onwards.

Broadening the risk spectrum

While the TCFD recommendations focus on climate-related issues, the CSRD [2] adopted by the EU expands the consideration of impacts, risks and opportunities across the entire range of sustainability-related topics as part of the double materiality assessment. Axpo will also align its assessment of sustainability-related risks with this approach and ensure that the insights gained are integrated into the risk assessment process. The Group Sustainability function is involved in this process.

A more detailed description of risk management can be found in Axpo's annual report 2023/24 on page 21.

1) TCFD: Task Force on Climate-related Financial Disclosures

2) CSRD: Corporate Sustainability Reporting Directive

Sustainability approach

Axpo pursues a comprehensive sustainability approach that takes a holistic view of sustainability-relevant topics.

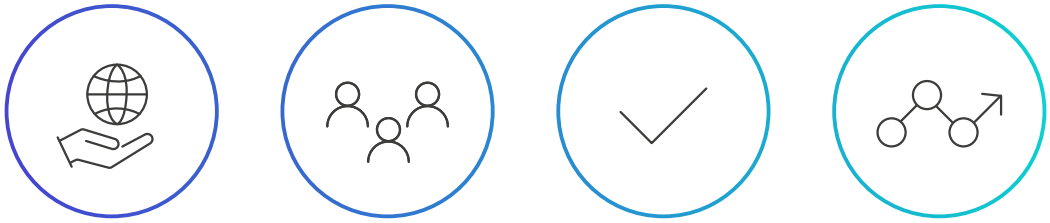
Contributing to a sustainable energy future

Axpo enables a sustainable future through innovative energy solutions. As a leading supplier of energy, Axpo's clear ambition is to contribute significantly to successfully shaping the future of energy and to ensure sustainable growth and innovation in the long term.

Considering all sustainability aspects

Axpo adopts a comprehensive approach that incorporates sustainability aspects from the environmental, social and economic dimensions. This is pivotal to ensure that Axpo can continue to produce electricity safely and reliably while offering sustainable energy solutions in the future.

Axpo's approach to sustainability is based on four pillars



Planet climate & environment

People employees & society

Principles ethics & responsibility

Progress growth & innovation

Material topics

Axpo reviews the materiality analysis on a yearly basis to identify core sustainability topics and define relevant report content.

Update based on the previous year

Last year's materiality analysis, which was carried out in accordance with the methodology of the "GRI Universal Standards 2021", served as the basis for the most recent update. The first step of a multi-stage process involved checking for completeness of the list of topics. Internal experts assessed the relevance of the topics, while external experts from the finance sector, cantonal administration, NGOs and customers voiced their expectations in face-to-face meetings. The focus was particularly on expectations of Axpo as an energy company as well as current developments in the area of sustainability. A comparison was also made with relevant sustainability ratings and peer companies. Finally, the material topics were evaluated based on defined criteria: their impact on sustainable development, their impact on Axpo's activities and their strategic relevance.

Identify core sustainability topics and define relevant report content

Topics largely confirmed

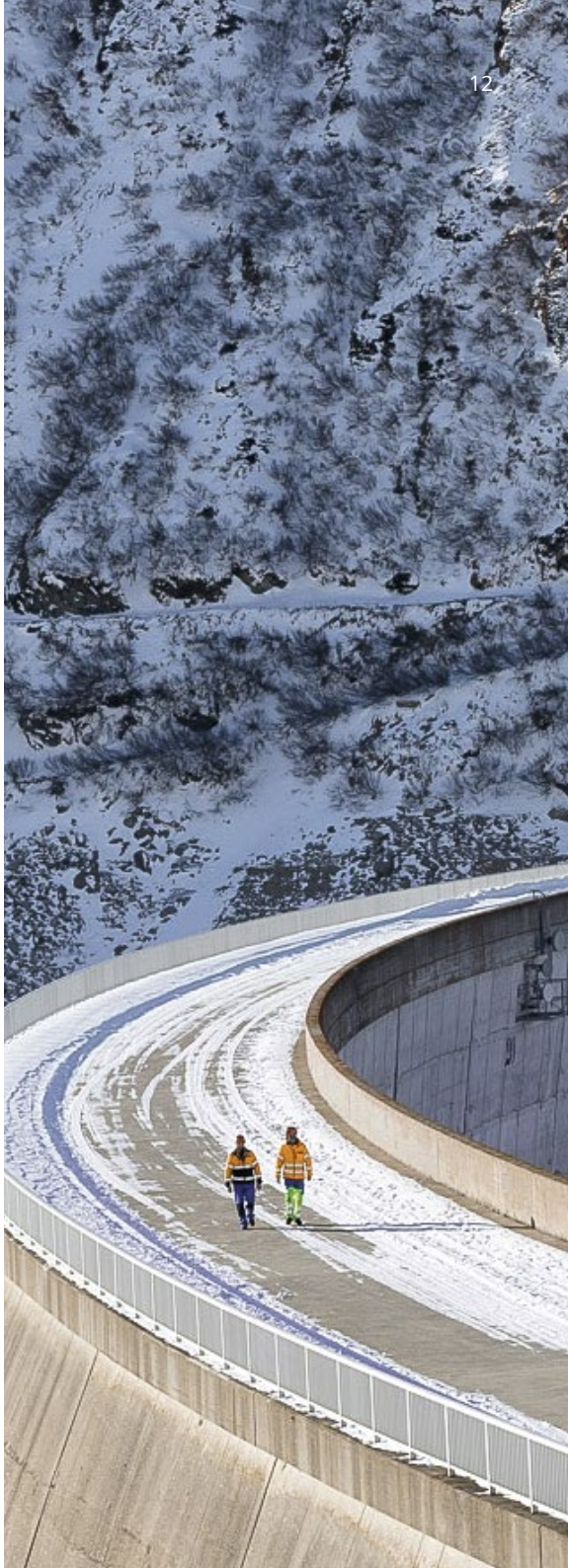
While the previous topics were confirmed, some were merged due to overlap: "Resource efficiency" and "Waste management" became "Resource efficiency and waste," "Employee development" and "Employees of tomorrow" became "Development and career opportunities". The analysis revealed no need to expand the list of topics. Topics mentioned in the feedback – such as the circular economy, human rights and cybersecurity – already constitute important aspects of existing material topics or can be explored in greater detail in existing topics.

New findings from the analysis

The analysis revealed interesting insights: "Biodiversity and landscape" was again identified as an important topic, with stakeholders having clear expectations concerning the planning and operation of power plants. "Responsible supply chains" are also gaining in relevance. Companies are required to take responsibility for and report on human rights in their preceding value chain. Axpo describes its approach in a corresponding chapter on the topic.

Implementation of legal requirements

The materiality analysis also serves as the basis for the report on non-financial matters in accordance with Swiss Code of Obligations. It was discussed with and confirmed by the Executive Board and the Audit and Finance Committee (AFC). Axpo is currently working on a double materiality assessment in line with the new EU sustainability reporting requirements (CSRD). The results will be incorporated into the next materiality analysis and serve as the basis for reporting starting in the 2024/25 financial year.



Material topics at Axpo

GRI 3–2

	Material topics	Corresponding GRI Standards	Corresponding SDGs	Relevance
Planet climate & environment	Energy transition	GRI: 302, EU1, EU2	7, 9, 11, 13	●●●●
	Decarbonisation	GRI: 305	13	●●●●
	Biodiversity and landscape	GRI: 2-29, 303, 304, 413	14, 15	●●●○
	Resource efficiency and waste	GRI: 302, 303, 306	12	●●●○
People employees & society	Diversity, equity and inclusion	GRI: 405	5, 10	●●●○
	Occupational health and safety	GRI: 403	3, 8	●●●○
	Development and career opportunities	GRI: 404	8	●●●○
	Community engagement	GRI: 413	17	●●○○
Principles ethics & responsibility	Responsible supply chains	GRI: 308, 414	8, 12, 16	●●●○
	Ethical business conduct	GRI: 2-23, 2-24, 205	8, 16	●●●●
	Reliable energy supply	GRI: EU1, EU2	7, 11	●●●●
	Safe power plant and grid operation	GRI: 304, 306, 403	7, 12	●●●●
Progress growth & innovation	Sustainable financing		8	●●●○
	Green growth	GRI: 305	7, 8, 9, 11, 13	●●●○
	Innovation and technology		7, 9	●●○○
	Knowledge transfer	GRI: 2-29	9, 17	●●●●

●○○○ = low ●●○○ = moderate ●●●○ = high ●●●● = very high

GRI: GRI Universal Standards 2021, EU: GRI G4 Electric Utilities Sector Disclosulres, SDG: United Nations Sustainable Development Goals

Contribution to the SDGs

Axpo makes concrete contributions to the Sustainable Development Goals (SDGs) of the United Nations.

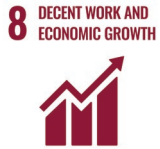
The United Nations created the SDGs as part of the 2030 Agenda. These 17 goals serve as a compass for global sustainability that companies can use as a guidance.

Axpo makes a contribution towards achieving these SDGs, with a particular focus on five SDGs where the Group has the greatest and most immediate impact. Axpo's wide-ranging activities and efforts contribute to other SDGs as well.

1) EU average: According to European Environmental Agency (2024)

Axpo focuses on the production of low-emission electricity

- Production mix with approx. 56 g CO_2/kWh (around 75 per cent below the EU average [1])
- Expansion of around 1,000 MW of wind and solar power over the past three years
- Ongoing investments in wind, solar, biomass, green hydrogen, etc.



Axpo drives economic productivity with attractive jobs

- Safe, fair and attractive work environment with development opportunities
- Systematic supplier assessment to ensure a sustainable supply chain
- Sustainable business results contributing to economic productivity

Axpo invests in the electricity infrastructure of today and tomorrow

- Securing supply and reliable grid operation
- Continuous investments in the power plant portfolio and grid infrastructure
- Investments in various energy storage solutions

Axpo focuses on smart energy solutions for private customers and municipalities

- Tailor-made customer solutions for renewable electricity and energy efficiency
- Various e-mobility offerings across several countries
- Innovative energy solutions to meet complex challenges

Axpo is actively driving the decarbonisation of the energy industry

- Our net-zero ambition by 2040 in Axpo's direct sphere of influence
- Supporting customers in decarbonisation through sustainable energy solutions
- Provision of information and expertise in public discourse

Stakeholder dialogue

Axpo relies on transparent and open dialogue with relevant stakeholders. They are involved in projects at an early stage and on a regular basis. The frequency and type of dialogue varies depending on the project and needs.

Early assessments and involvement

When constructing and operating plants, Axpo consistently assesses the projects' possible local impact. Engaging stakeholders at an early stage and maintaining a regular dialogue is an approach that fosters trust, enables compromises and helps to convey technically complex issues in a clear and appropriate manner. This can often boost understanding and acceptance, reducing the risk of protracted approval processes or construction delays.

Dialogue with authorities and the public

Axpo collaborates closely with representatives from the authorities from a project's planning stage to implementation and on matters related to energy use. The local population and relevant organisations are involved to an appropriate degree as well. In the case of hydropower projects, for instance, advisory groups are formed consisting of representatives from the authorities, municipalities and environmental protection organisations. These efforts are complemented by information events as well as construction site visits and roadshows regarding ongoing implementation projects. Different formats are used when communicating with residents and stakeholders, all aimed at developing solutions that address their concerns. Similar means of communication are used with interest groups and relevant stakeholders in other areas as well, such as for wind power and solar projects as well as transmission line construction projects for grid operation. The insights gained from this are also incorporated into the materiality analysis.

Dialogue at different levels

The Corporate Communications & Public Affairs department is responsible for dialogue with relevant stakeholders at a higher level. The respective operative entities conduct stakeholder dialogue sessions at the local level. Axpo's website also provides detailed information on individual projects for the general public.

Key stakeholder concerns [1)]	Communication formats
Customers	
• information on developments	• direct contact with customers
• information on products	• customer service centres
• sustainable and affordable energy solutions	• events for presenting specific solutions
Employees	
• attractive work and working conditions	• various employee committees
• development opportunities	• regular feedback processes
• contribution and input of ideas	• projects to incorporate ideas
Local population	
• infrastructure-related aspects	• transparent communication around projects
• disruption of the landscape	• early involvement
• job creation	• information events and discussions
NGO	
• preservation of biodiversity and landscape	• involvement of NGO in projects
• management of preserved areas	• collaboration on studies
Politics und regulators	
• reliable and sustainable supply	• regular dialogue
• energy costs and price developments	• associations and political panels
• compliance with regulatory requirements	• meetings with political bodies
Shareholders	
• strategic direction	• periodic information events
• performance and course of business	• annual general meeting
• sustainability opportunities and risks	• ad-hoc dialogue as required

[1] exemplary selection, listed alphabetically

03

Planet

climate & environment

Energy transition

Axpo is the largest Swiss producer of renewable energies. It focuses on the expansion of low-emission electricity production, efficiency improvements as well as investments in new technologies. With this, the company makes an important contribution to the energy transition.

Impacts, risks and opportunities

Global energy demand is on the rise. From a global perspective, this trend is driven by population growth and rising prosperity. At the same time, emissions must be reduced to meet the Paris climate targets. According to the last IPCC Report, the energy sector is responsible for around one-third of global greenhouse gas emissions. With a significant share of low-emission technologies in its portfolio, Axpo is in a position to drive the energy transition forward. Yet the expansion of renewable energies also involves risks for Axpo, some of which include lengthy approval procedures, regulatory challenges and market uncertainties.

Low-carbon production as the key

One central element of the energy transition is low-carbon electricity generation. With direct greenhouse gas emissions of around 56 grams of CO_2 equivalents per kilowatt hour produced, Axpo's international electricity production mix is well below the EU average of more than 210 grams. Axpo generates most of its electricity in Switzerland and Europe using low-carbon hydro, nuclear, wind and solar power plants.

Progress in solar expansion

Axpo has several projects focused on the continued expansion of solar energy in Europe and Switzerland. One highlight in the reporting year was the completion of the solar canopies over parking areas at Disneyland Paris. The project impressively demonstrates how renewable energy generation and everyday infrastructure can be combined. Also in France, Axpo commissioned the country's largest rooftop solar power plant, which provides 13 gigawatt hours of renewable energy per year. Axpo simultaneously started work on the construction of a 20 megawatt peak ground-mounted plant in northern Italy, which will generate around 25 gigawatt hours of electricity per year. Axpo is pushing ahead with solar expansion in Switzerland as well: Axpo's subsidiary CKW installs around 1,000 rooftop systems every year, which, combined with other low-emission technologies, significantly contribute to the country's security of supply.

56 g

CO_2e per kilowatt hour produced

Expansion of wind power

Axpo continues to expand its wind power business. In France, Axpo commissioned six wind farms with a total of 29 turbines in the reporting year. Three wind farms were sold at the same time as part of the overall strategy. In Germany, the "Wind-on-Land Act" of 2022 is lending new momentum to the expansion of wind power following several challenging years. Axpo broke ground for a new wind farm in Burbach (North Rhine-Westphalia), for example. As part of its international growth, Axpo also began building a wind farm in Finland, which is ex-

pected to generate around 70 gigawatt hours of renewable electricity per year end of 2025 onwards. In Switzerland, the expansion of wind energy is more challenging due to acceptance issues and objections. Nevertheless, Axpo remains committed to making a significant contribution to the expansion of renewable energy in Switzerland. During the reporting year, Axpo began performing technical assessments for a potential wind farm near Flumserberg in the Canton of St. Gallen. Further wind measurements are underway in the Canton of Lucerne.

Electricity marketing as a key role

In addition to this expansion, Axpo is also contributing to the energy transition by marketing renewable energies. Thanks to its proximity to customers, Axpo has been able to play a leading role in long-term power purchase agreements (PPAs) in various countries. Axpo works closely with producers of renewable energies to market their electricity on the one hand, while supplying energy-intensive companies with renewable electricity on the other. The end of state subsidies for new plants – for wind and solar power, for example – increases the importance of PPAs for the energy transition in Europe. Axpo uses these to help ensure stable energy prices, which in turn help to cushion the loss of the subsidies. Axpo was able to further expand its PPA offering in the reporting year and deliver a total of 28,2 terawatt hours of renewable electricity to its customers. Greenfield PPAs were also concluded for a total of 1,6 terawatt hours. In these PPA transactions, Axpo is among the first offtakers for a newly built renewable plant.

Grid infrastructure adjustments needed

Within the scope of the energy transition, the grid infrastructure faces major challenges as well. The nuclear power plants in Switzerland will be disconnected from the grid in the medium term and gradually replaced by distributed energy sources such as PV and wind, which will be connected to the grid across the country. Electricity consumption will steadily grow due to increasing electrification. Going forward, the power grid will have to be upgraded accordingly to ensure a secure electricity supply. For example, Axpo is gradually converting its existing national distribution grid from 50 kV to 110 kV, which will allow more electricity to be transported and reduce grid losses by up to 75 per cent.

CKW as a partner in the energy transition

Axpo subsidiary CKW is also driving the energy transition in Switzerland through the provision of tailor-made energy and building technology solutions for private and commercial customers. CKW – as a holistic decarbonisation partner – focuses on optimising overall energy efficiency. During the reporting year, CKW became the first major energy supplier in Switzerland to complete the conversion to smart electricity meters (see Spotlight to the right for more details). In addition, CKW launched its Smart Charging app, which makes charging electric vehicles more cost-effective and ensures that charging occurs mainly when sufficient low-carbon electricity is available. This addresses a key challenge of the energy transition, namely the coordination of increasingly decentralised consumption and production units.

Spotlight

CKW contributes to the energy transition by switching to smart meters

In 2024, Axpo subsidiary CKW completed its transition to smart electricity meters three years ahead of the legal requirements. A total of around 185,000 meters were replaced by smart meters.

On-site meter readings are no longer necessary thanks to state-of-the-art wireless technology. Customers can track their electricity consumption in real time and use an app to identify electricity guzzlers in the household and save on electricity bills. Smart meters cut electricity consumption, consume four times less energy than older models, and save nearly five gigawatt hours of electricity per year.

Decarbonisation

Axpo strives to reduce its own carbon emissions and has set itself a net-zero ambition. Targeted measures are being implemented to achieve that objective. Axpo also helps customers with their decarbonisation and the switch to renewable energy.

Impacts, risks and opportunities

One of Axpo's important objectives is to reduce its own greenhouse gas emissions. While the amount of those emissions is primarily influenced by the type of power plants being used, the greatest impact occurs in the value chain. An analysis of climate-related risks has shown that market changes as well as political, regulatory or technological developments are particularly important for Axpo. Physical risks such as heat waves, heavy rain and flooding also pose a threat to the company's infrastructure as well as its operation. Axpo counters these risks by investing in the safety of its power plant portfolio and adapting to changing conditions.

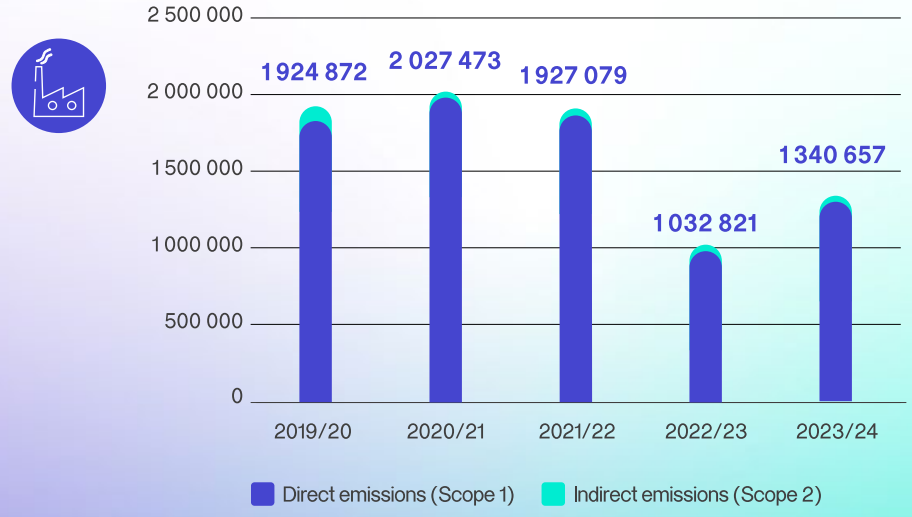
Axpo's carbon footprint

Axpo keeps track of its greenhouse gas emissions by compiling a Group-wide greenhouse gas inventory. The emissions considered in the inventory are split by scope in accordance with the international Greenhouse Gas Protocol (GHGP) standard. Axpo discloses greenhouse gas emissions as carbon dioxide equivalents (CO_2e). As in Axpo's financial reporting, the fully consolidated Group companies form the system boundaries for the greenhouse gas inventory. Material sources of emissions from investments (GHGP category 15) are also disclosed in Scope 3. Axpo is currently conducting an in-depth analysis of all 15 Scope 3 categories using relevance assessments and detailed calculations. Most of the data has already been collected. In the next sustainability report, the disclosure of Scope 3 emissions as part of climate reporting will be expanded to include further relevant categories.

1.3 Mio.

t CO_2e total emissions in Axpo's sphere of influence (Scopes 1 and 2)

Greenhouse gas emissions by scope (in tCO_2e) [1)]



1) The emissions from pump energy consumption (Scope 2) were recalculated retrospectively using an updated emission factor. Further details can be found on p. 20.

Types of emissions aligned with Greenhouse Gas Protocol

	Definition and scope	Main sources of reported emissions
Scope 1	Direct emissions from sources for which Axpo is directly responsible or that are under Axpo's control	Thermal power plants, vehicle fleet, biomass processing, space heating, emergency generators
Scope 2	Indirect emissions from purchased energy such as electricity or district heating generated outside Axpo	Electricity consumption for power plant operation incl. pump energy, office buildings, the grid infrastructure and other purposes
Scope 3	All other indirect emissions along Axpo's value chain	Significant investments, incl. in a thermal power plant (Ferrara, IT) and pumped-storage power plants (cat. 15)

Emissions remain largely stable

Axpo emitted a total of around 1.3 million tonnes of CO_2e within Scopes 1 and 2 during the reporting year. Including Scope 3 emissions, the total is just under 2 million tonnes of CO_2e. The slight increase in emissions is primarily attributable to the higher overall production of the thermal power plants in Italy, which is fundamentally market-driven and subject to annual fluctuations. The main reason for the increased usage is higher clean spark spreads in the relevant market zones. In time periods of insufficient alternative production capacities for meeting demand, the flexible gas-fired power plants are increasingly being used to ensure a secure electricity supply. Accordingly, the plants were in operation more frequently during the reporting year, but often with shorter operating times than in the previous year.

New emission factor for pump electricity

Emissions from pump electricity consumption were recalculated in the reporting year based on an updated emission factor. This was due to a review of the methodology used in previous years to obtain a specific emission factor for pump operation. The review revealed that the assumptions made no longer adequately reflected reality. The location-based emission factor for electricity consumption in Switzerland was therefore standardised and based on a study that is publicly available. The newly used factor is derived from a study on greenhouse gas emission factors and is based on the Swiss electricity mix for 2020[1]. As the new emission factor is significantly lower than the previous one, this leads to a significant reduction in reported emissions. To ensure comparability, the emissions of previous reporting years were also recalculated in line with the guidelines of the GHG Protocol.

1) Intep (2024): Treibhausgas-Emissionsfaktoren für den Gebäudesektor

Greenhouse gas emissions of Axpo

In tonnes of CO_2e	2023/24	2022/23 [1]	2021/22 [1]
Production			
Direct emissions international	1 270 706	944 983	1 843 640
Direct emissions Switzerland	23 614	35 323	32 067
Indirect emissions international (scope 2)	4 880	4 792	4 018
Indirect emissions Switzerland (scope 2) [2]	28 458	37 544	38 214
Indirect emissions international (scope 3) [3]	641 528	816 541	981 850
Indirect emissions Switzerland (scope 3) [2] [3]	2 818	3 532	3 195
Transmission			
Direct emissions (esp. SF_6 emissions)	1 465	977	811
Indirect emissions (esp. transmission losses)	4 207	2 123	2 770
Operation administration buildings			
Direct emissions	6 536	6 620	5 073
Indirect emissions	791	458	485
Total greenhouse gas emissions [4]	**1 985 003**	**1 852 894**	**2 912 124**
Greenhouse gas emissions by scope			
Scope 1 emissions	1 302 321	987 903	1 881 591
Scope 2 emissions (location-based)	38 336	44 918	45 488
Scope 2 emissions (market-based)	37 765	–	–
Scope 3 emissions	644 346	820 073	985 045
Biogenic emissions	332 276	183 687	199 482

1) The emissions from pump energy consumption were recalculated retrospectively using an updated emission factor. Further details can be found on p. 20. Relevant figures for the reporting periods 2021/22 and 2022/23 were adjusted retrospectively.
2) The 17 % pump energy losses must be certified according to EnG Article 9. In 2023, Axpo used CO_2-free energy for these losses.
3) The reported Scope 3 emissions stem from pump energy in pumped-storage plant investments and a minority stake (49 %) in a gas-fired combined-cycle power plant.
4) The total of greenhouse gas emissions was calculated based on the location-based method.

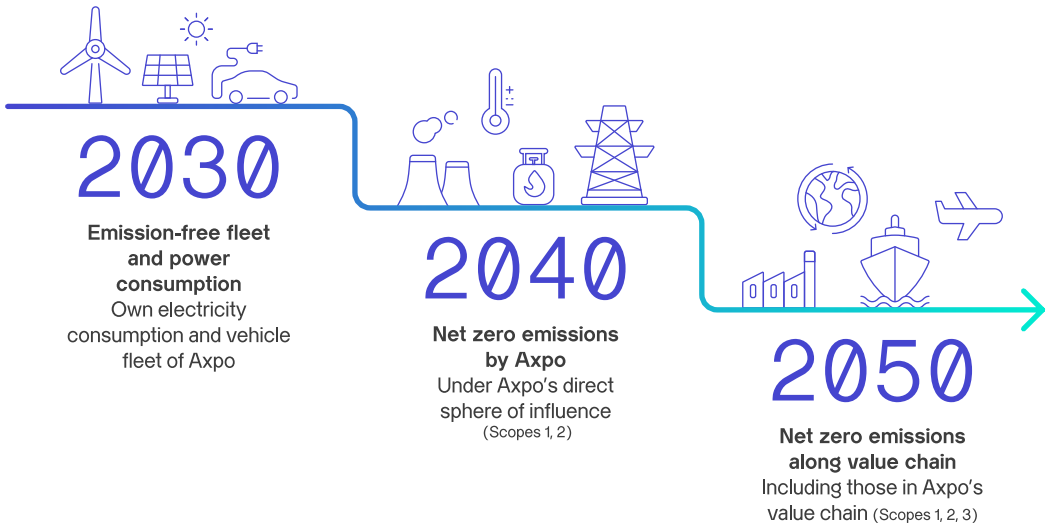
Reduction of other greenhouse gases

In addition to CO_2, Axpo reports on other greenhouse gas emissions such as sulphur hexafluoride (SF_6). SF_6 gas is used in medium- and high-voltage technology due to its insulating properties. It has a high global warming potential, the reason why Axpo has been using an SF_6-free insulating gas with a 98 per cent lower global warming potential in its substation renovations for several years now. Axpo's subsidiary CKW also relies on technologies that do not require SF_6 gas.

Axpo's net-zero ambition

Axpo is continuing to push ahead with its net-zero ambition as defined by the Board of Directors. In line with the Paris Agreement, Axpo aims to reduce the carbon emissions from its own electricity consumption and the operation of its vehicle fleet to zero by 2030. The emissions in Axpo's direct sphere of influence are to be decarbonised by 2040 (net zero in Scope 1 and 2). Finally, Axpo also aims to achieve net-zero emissions in its value chain (Scope 3) by 2050. This also allows Axpo to preserve the flexibility it needs to continue contributing to the security of supply and actively support customers on their decarbonisation journey. Axpo is in the process of detailing its net-zero ambition as part of a transition plan. This plan contains concrete measures and interim targets. As part of the upcoming climate report prepared in accordance with Swiss law[1], Axpo will disclose the transition plan in its next sustainability report.

Axpo's net-zero ambition



Continuous electrification of the fleet

Axpo's various business areas are making continuous efforts to reduce greenhouse gas emissions. One starting point of those efforts is the vehicle fleet. By the end of 2024, nearly half of all passenger cars were already electric in Switzerland. The share of electric vehicles as a percentage of the total vehicle fleet will be further expanded over the next few years.

1) Ordinance on Climate Disclosures (admin.ch)

Biodiversity and landscape

The increasing loss of biodiversity is a global challenge. Conflicting objectives involving protected resources and types of use arise in connection with energy production, as well. For Axpo, it is important to clearly identify these conflicting objectives and to work to strike a balance between protection and benefits.

Impacts, risks and opportunities

Energy production always interferes with nature. This inevitably leads to conflicts of interest. The nature of this interference can differ depending on the type of production, with one example being changes and damage to the habitats of plant and animal species. This exposes Axpo to various business risks. Calls for the protection of biodiversity and the landscape often make the expansion or development, especially of renewable energy projects, more difficult or restrict the choice of location. Axpo tries to counteract these risks by means of detailed planning, stakeholder involvement and alternative measures. Those, in turn, often give rise to new biotopes with biodiversity.

Relevant negative environmental aspects

Biodiversity aspects differ depending on the type of power plant. Hydropower plants, for instance, impact the aquatic environment. In the case of nuclear power, the focus is primarily on the potential repercussions related to nuclear waste (see "Disclosure report on safe power plant and grid operation"). In the case of PV systems, the main focus is on terrestrial impacts as well as on soil protection and landscape conservation. With regard to wind, the greatest impacts are on bird and landscape conservation. When implementing its projects, Axpo always focuses on measures that directly address impacts of this nature.

Application of environmental measures

Within the scope of its operations, Axpo ensures that legal requirements and official project-specific requirements are always complied with. Any projects involving the conversion, expansion or new construction of power plants require the examination of their impact on the environment. Environmental impact assessments (EIAs) evaluate various aspects, including air pollution control, noise as well as flora and fauna. Any negative impacts must be prevented, mitigated or offset using compensating measures. Effectiveness assessments are performed to check their environmental impact. Generally, the offset is more extensive than the damage incurred. While environmental studies may refer to individual measures such as local upgrades, they can also address the impact of large-scale projects on entire ecosystems.

The mitigation principle for the protection of biodiversity

Spotlight

Urbasolar takes wetlands and biodiversity into account

The Urbasolar solar plant in Saint-Brice-sur-Vienne is built on a former clay mining site surrounded by many wetlands rich in biodiversity.

During the planning phase, special attention was paid to the site's hydrological properties. Measures were taken to preserve natural features, including trenches and underground pipes that aid in water circulation. The design of the power plant took the wetlands into consideration and created new habitats for dragonflies and amphibians.

Ecological aspects of PV systems

Axpo subsidiary Urbasolar implements measures for the conservation and improvement of the local flora and fauna in its ground-mounted photovoltaic plants. The above-described principle is also followed in this case: ecologically sensitive areas are avoided as a matter of principle. Unavoidable impacts are contained by means of environmental monitoring and conservation measures. They are also offset by biodiversity promotion projects in similar environments. Any biodiversity losses are offset or even exceeded by biodiversity gains. Of Urbasolar's operational ground-mounted systems, 96 per cent have undergone ecological landscaping to promote habitats for flora and fauna. With respect to its grid infrastructure, as well, Axpo is increasingly focusing on maintenance that promotes biodiversity. Various projects are currently underway and will be included in next year's report.

Information and stakeholder involvement

Axpo regularly informs the public and its employees about measures relating to biodiversity and landscape conservation. The company also seeks out dialogue with relevant stakeholder groups at an early stage. For new projects or renewing concessions for power plants, the company forms advisory groups made up of representatives from the authorities, local communities and environmental associations (see also "Stakeholder dialogue").

Innovative conservation measures

Axpo supports numerous projects that advocate a respectful and considerate interaction with nature. Axpo invests heavily in passageways for fish impacted by its hydropower plants. At the Reichenau run-of-river power plant in the Canton of Grisons, for instance, a fishway was restored underwater with the help of a 120-metre-long fish ladder and a block ramp. Axpo is also breaking new ground. By discharging cooling water into the adjacent river, the Beznau nuclear power plant causes a rise in water temperature (for more information, see "Disclosure report on safe power plant and grid operation"). In a pilot project conducted in consultation with the authorities, Axpo is investigating whether cold-water refuges for the river's aquatic organisms can be created. The goal is to loosen up compacted portions of the riverbed, allowing a larger volume of cool groundwater to reach the surface and create locally cooler groundwater pits for fish.

Targeted enhancement measures

As part of a revitalisation project, various upgrade measures were performed near the Dranse de Bagnes river in the Mauvoisin region (Canton of Valais) during the reporting year. Specifically, new wetland habitats were created for endangered amphibians and interconnected by environmental corridors. Additionally, sediment deposits were reactivated in several areas at the Eglisau-Glattfelden power plant (Canton of Zurich). Most riverbeds in Switzerland contain sections that are composed of gravel deposits. These are essential for the reproduction of many species of fish. In autumn 2024, Axpo replenished the gravel at several of those sites to reactivate the sediment deposits along the High Rhine, improving the natural function of those spawning grounds. A total of more than 4,500 m^3 of gravel was replenished.

Axpo is currently assessing the application of additional performance indicators in the field of biodiversity.

Resource efficiency and waste

Axpo continuously strives to optimise its plants and processes to conserve natural resources. The safety of people and the environment is at central focus when handling nuclear waste, making it particularly important for Axpo. The circular economy is becoming increasingly relevant as well.

Impacts, risks and opportunities

Electricity production and distribution are always linked to the use of natural resources. While hydropower plants' net water consumption is nearly zero, as withdrawal and return largely cancel each other out, water from surrounding bodies of water is diverted to fill reservoirs of storage power plants. None of Axpo's hydropower plants are located in a region with any major water risks. In the case of waste, the potentially negative impacts of nuclear waste on the environment, employees and the public are relevant for Axpo, with the same holding true for associated costs and regulatory risks.

Water conservation

Despite the fact that Axpo's water consumption is immaterial, it still makes every effort to use water prudently. A survey was carried out at water withdrawal points at the major operating and production sites to identify reduction potential (see page 53).

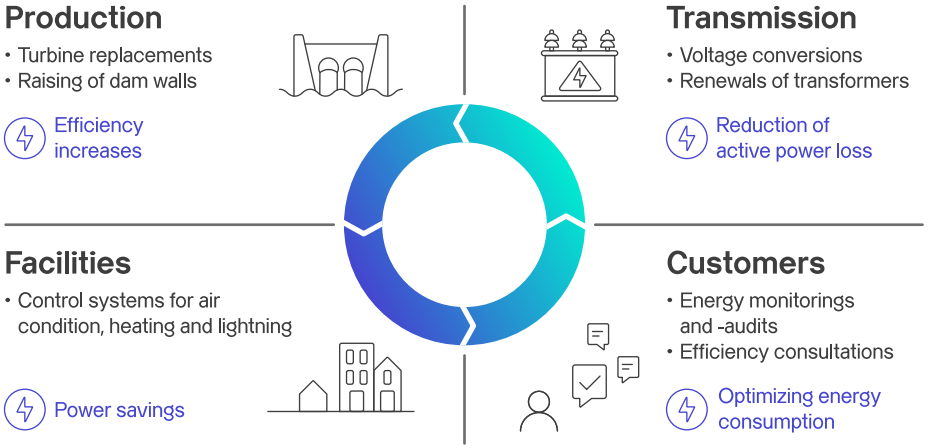
Various energy efficiency gains

At Axpo, electricity-related energy efficiency gains are mainly achieved in four areas: production increases in power plants, reductions in transmission losses, reductions in consumption in building management and by customers. Since the resulting savings differ greatly in terms of their nature and magnitude, meaningful information about the savings achieved can only be provided to a limited extent.

Targeted waste management

Waste is also generated in connection with operations. Radioactive waste from nuclear power plants includes spent fuel rods and reprocessing waste. Axpo strictly adheres to all rules governing the handling of this waste; details can be found in the "Disclosure report on safe power plant and grid operation". Conventional operational waste is also generated (during system installation, for example), which often has to be disposed of separately, as well as waste from office locations. Waste regulations vary widely at various Axpo sites, particularly with respect to recycling and hazardous waste. The latter is also collected and disposed of separately. Recycling is carried out wherever possible at the office locations. Urbasolar introduced new processes for hazardous waste in its operations during the reporting year.

Types of energy efficiency improvements at Axpo



Circular economy increasingly in focus

The circular economy is gaining importance for Axpo. Several different projects within the Group are dedicated to this topic. One project focuses on the life cycle of buildings and promotes the recycling of raw materials. To that end, augmented reality applications were used at the Beznau nuclear power plant during reporting year to visualise radiation measurements and identify materials that are radiologically harmless and can be returned to the material cycle. Axpo subsidiary Urbasolar also embraces a circular economy strategy that it drew up in the reporting year and focuses on optimising waste processes and increasing the proportion of waste recovered.

04

People

employees & society

Diversity, equity and inclusion

Axpo stands for a culture of non-discrimination, tolerance and inclusion. The company embraces diversity and strives to create conditions that give everyone the same opportunity to thrive and perform.

Impacts, risks and opportunities

Diversity among employees and an inclusive work culture help companies remain attractive and innovative. This is particularly important given the current shortage of skilled workers and the risks that shortage brings. Measures to promote diversity, equity and inclusion are particularly essential in the energy sector. Axpo can only achieve long-term success if it is perceived as an attractive employer, enabling it to successfully attract the best talent and retain its employees.

Commitment to an inclusive culture

Axpo is committed to an inclusive corporate culture. Accordingly, Axpo strives to create an environment where all employees feel valued and empowered to perform at their best. Axpo values equality and treats its employees equally regardless of gender, nationality, ethnic or social origin, religion or beliefs, disability, age, sexual orientation or identity. Axpo's Code of Conduct defines the company's core values and its commitment to diversity, equity and inclusion.

Promoting equity

Gender equality is central to Axpo. During recruitment, attention is paid to achieving a balanced gender ratio and trainings raise employees' awareness about unconscious biases. Both women and men are represented in interviews for management positions. An external Fair-on-Pay certificate confirms that Axpo guarantees equal pay for both genders in Switzerland; the certificate is audited every two years. In Italy, Axpo received UNI/PDR 125:2022 certification for gender equality in the reporting year. Axpo subsidiary Urbasolar developed a "Diversity & Inclusion" policy in the reporting year that outlines specific measures and targets and also signed the Charte de la Diversité, a diversity and inclusion programme established in France.

Axpo is committed to an inclusive corporate culture

Commitments and partnerships

Axpo also actively promotes this cause outwardly. For example, Axpo is a member of Advance, Switzerland's leading business association for gender equality. This membership enables cross-sector communication on diversity-related topics as well as access to specific training courses. Since 2024, Axpo has also been a sponsor of femella, a networking association that connects and promotes young women in Switzerland. Axpo subsidiary CKW is a member of Women in Power, a Swiss network of female specialists and managers in the energy sector. In Italy, Axpo is a member of Valore D, an association of companies that supports female managers in Italy.

Spotlight

Axpo promotes women in nuclear

On International Women's Day 2024, 36 participants – mainly women – gathered at the Gösgen nuclear power plant for a conference "Women in nuclear – from outlier to normality". The event was organised by the Women in Nuclear Switzerland association, which comprised many Axpo employees.

The event featured presentations and workshops on a variety of topics, focusing on pathways for women in STEM careers in general and the nuclear power sector in particular. One of the topics discussed was achieving a 30 per cent proportion of women as a means of promoting cultural change and gender equality.

Measuring diversity and well-being

Among other things, Axpo tracks the changes in the proportion of women and men, nationalities, age and training at the company. Women accounted for 24.6 per cent of the company's total workforce (by headcount) in the reporting year. This represents an increase of 4.2 per cent or 1.0 percentage point rise compared to the previous year. Axpo aims to increase the proportion of women to 30 per cent by 2030 and is implementing various measures to achieve this objective. To measure the degree of inclusion, the perception of Axpo as an attractive employer and ratings for relevant attributes are periodically reviewed by an external third party. Employees' well-being is also measured using pulse checks. These function as a continuous feedback tool and provide insights into teamwork, leadership and cooperation, as well as engagement across various areas of the company.

24,6

Percent of women at Axpo

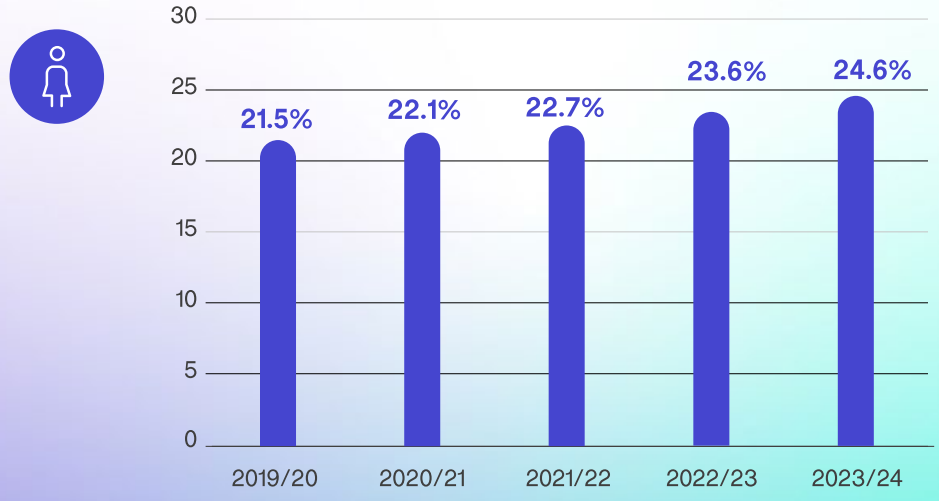
Committing to inclusion at the workplace

The Axpo Group has various programmes and measures aimed to promote the inclusion of people with disabilities or impairments at the workplace. In Spain, for example, Axpo specifically recruits employees with disabilities or impairments. In Italy, Axpo offers tailored internships for precisely this target group. At Urbasolar, a disability advisor can be consulted in an advisory capacity in work situations involving people with disabilities or impairments.

Driving diversity and inclusion

With the support of an external consulting firm, Axpo underwent a diversity, equity and inclusion maturity assessment in 2024. Based on the findings, several measures were introduced, including new guidelines for job advertisements, for example. Progress was also made in efforts to create an internal "Diversity, Equity & Inclusion" community by launching new thematic platforms where Axpo employees can discuss issues relating to diversity and inclusion. A Group-wide awareness campaign on discrimination in the workplace was carried out in the reporting year, as well (also see the Spotlight section on page 37).

Share of women at Axpo (by headcount)



Occupational health and safety

The health and safety of its employees is the highest priority at Axpo. It bears great responsibility as an operator of power plants and relevant energy supply infrastructure and fulfils that responsibility through its comprehensive occupational health and safety management system.

Impacts, risks and opportunities

Health and safety are top priorities at Axpo. Many of Axpo's activities are subject to special requirements in terms of occupational health and safety. Particularly when working in power plants, grid infrastructure facilities or on roof installations it poses risks for accidents and injuries. Additionally, there are general risks of occupational illnesses in connection with other aspects of the company's operations due to strain, for example. A safe and adequate working environment is therefore crucial. This not only helps boost employee motivation, but it also reduces the risk of absence and injury.

Health and safety are top priorities at Axpo

Guidance on occupational safety

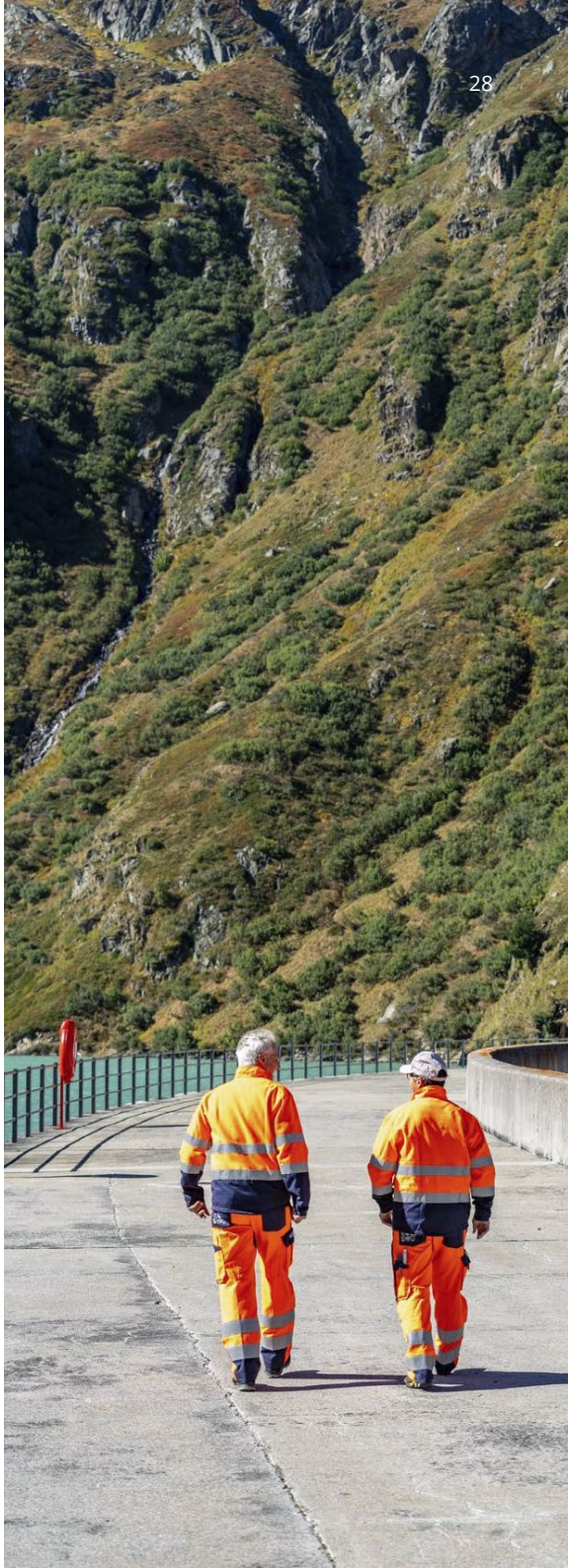
The Axpo Group has a Group-wide policy that defines the roles and responsibilities in occupational health and safety. The aim is to create a healthy working environment and promote the well-being of all employees. Key aspects of the continuous occupational health and safety management system are:

1. Defined safety objectives
2. A safety organisation with clearly defined responsibilities and authorities
3. Systematic identification of hazards and risk assessment
4. The implementation of measures to reduce or eliminate hazards
5. Review of target achievement

Axpo requires all business areas to introduce an occupational health and safety management system based on international standards (such as ISO 45001). The respective line managers and managers are responsible for the specific implementation, monitoring and continuous improvement of the measures. Employees, contractors and suppliers alike are obliged to comply with the requirements and ensure their implementation. During the reporting year, around half of the employees worked in business areas certified to ISO 45001.

Identification and assessment of risks

Risks in the occupational health and safety management system are assessed at least once a year via the Group-wide risk management system to prevent occupational accidents. Periodic safety walks at the operational level ensure compliance with all employee protection requirements; these safety walks focus on the risk of falling and electrical hazards in particular. If the "STOP principle" (substitution, technical protective measures, organisational protective measures, personal protective measures) fails to sufficiently mitigate these risks, further measures will be defined. In the event of an occupational accident, an accident reporting process is initiated that includes an analysis by safety officers and the initiation of appropriate measures.



Occupational health management

Axpo's Occupational Health Management (OHM) offers a range of health services, such as flu vaccinations and targeted individual measures. Preventive measures are aimed at mitigating burnout and other issues. Managers receive targeted awareness training that helps them identify corresponding symptoms.

Managers receive targeted awareness training on mental health

Employees have opportunities to attend training sessions that help them consciously manage their own performance. Axpo employees also have access to a specialised mental health programme that offers personal support and care that focuses on psychological stress in the workplace. All employees, including apprentices, receive basic and further training appropriate to their field of work when starting their roles and periodically throughout their service, equipping them to identify hazards and take proactive measures to prevent accidents and protect their health.

Employee involvement

The safety officers, along with with the Staff Council (SC) and staff representatives (SR), form the Occupational Health and Safety Committee. This committee represents 100 per cent of employees in Switzerland. The SC/SR have co-decision rights in the company's occupational health and safety. At most sites outside Switzerland, employees are represented on occupational safety committees, where the organisation is in the responsibility of the respective sites. In the future, the committee is to be expanded to include relevant international subsidiaries.

Involvement of external partners

External companies and subcontractors are contractually obliged by Axpo to take occupational health and safety precautions for the benefit of their employees. Axpo's contractors and suppliers are explicitly made aware of the occupational safety requirements.

Number of occupational accidents

There were no work-related fatalities or work-related accidents resulting in (partial) disability among Axpo employees in the reporting year. The number of occupational accidents recorded was 218. As the methodology for recording occupational accidents was slightly adjusted in the reporting year, a meaningful comparison to previously published figures is not possible. Reported occupational accidents without lost working hours, such as minor accidents, are now also included. Details on occupational accidents and illness suffered by Axpo employees can be found in the KPI report employees (see page 58). Axpo no longer reports figures on non-occupational accidents due to insufficient data. Axpo also does not have consistent data on fatalities, serious work-related accidents or illnesses at subcontractors that occurred while performing activities on behalf of Axpo.

Workplace safety initiatives

Axpo strives continuously to minimise hazards in the workplace that could lead to accidents or work-related illnesses. In addition to the Group-wide activities, the divisions and subsidiaries are responsible for defining further measures as they see fit to achieve their occupational safety targets. For example, the business area Generation & Distribution launched its "Destination Zero" vision in Switzerland. This initiative envisions a world free of work-related accidents and illnesses, with the highest priority being the prevention of fatal and serious occupational accidents and illnesses.

Development and career opportunities

Axpo pools the experience and expertise of more than 7,000 employees. A diverse and needs-based learning programme provides employees with the best possible support in their professional development, fostering an attractive working environment.

Impacts, risks and opportunities

The current shortage of skilled workers poses medium- to long-term business risks for Axpo. It is important to attract and retain the best talent, both now and in the future. To address this, Axpo strives to offer a wide range of learning and development opportunities and thereby increase its attractiveness as an employer. Targeted and continuous employee support also strengthens an innovative and adaptive working environment. Selected training and further education programmes enable employees to be optimally prepared to meet professional challenges in the best possible manner.

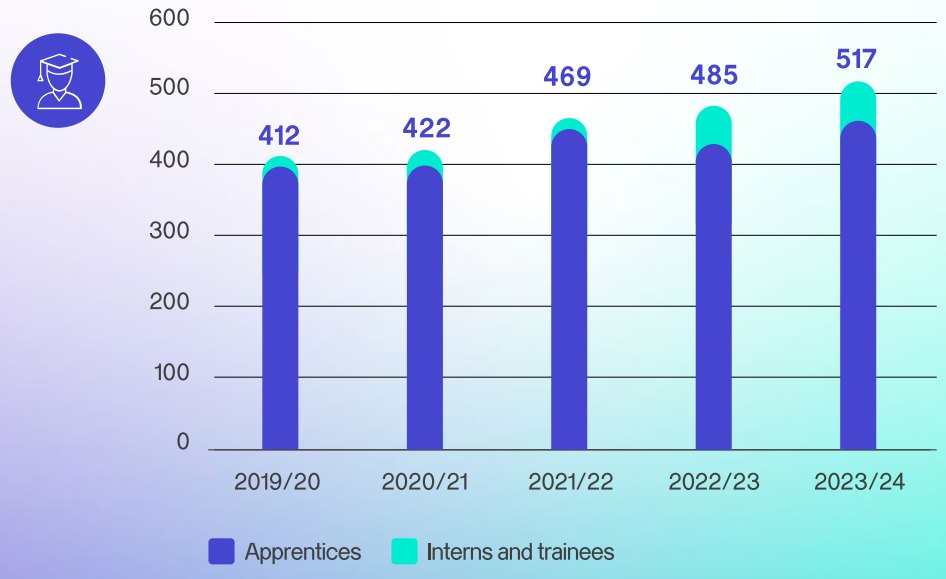
Talent promotion and career start

Axpo offers a wide range of job opportunities for students and university graduates to gain their first professional experience during an internship. In addition, a customised trainee programme provides them with the ideal career start. Around 85 per cent find employment after completing the 18-month programme. Ten trainees were recruited at Axpo in Switzerland during the reporting year, one at Urbasolar and four at CKW. Axpo also offers a wide range of apprenticeships. During the reporting year, 143 apprentices started their training at Axpo in 20 different skilled trades. At the end of the reporting year, the Axpo Group employed 462 apprentices as well as 55 trainees and interns, in other words, a total of 517 (see the KPI report employees for details). This contributes to the goal of becoming one of the largest training companies in Switzerland by 2030 and achieving an apprenticeship rate of 15 per cent compared to the number of jobs in Switzerland by then. It is planned to gradually increase the number of apprentices to over 600.

517

apprentices, trainees and interns at Axpo worldwide, of which 426 apprentices in Switzerland

Number of apprentices, trainees and interns at Axpo



Talent recruitment and retention

Axpo's talent acquisition strategy serves to identify, recruit, develop and retain employees. Several initiatives were implemented in the reporting year as part of this strategy. The "Bring a Friend" programme, for example, involved employees recommending potential candidates from their own network. Since the launch of the programme, 10 per cent of all new hires have come from referrals. A new guideline for hiring managers supports them in selecting candidates and ensures that the selection process is uniform and structured. To attract qualified talent,

Axpo employs a talent acquisition team organised on a decentralised basis at various locations in Switzerland and Europe. The Axpo Group participates in various career events to present itself to well-educated university graduates. In the reporting year, Axpo was present in a total of 12 career fairs held at various universities.

Diverse employee development

At Axpo, employee development is a dynamically managed key process. As requirements evolve, profiles and development measures are continuously reviewed and adapted. The Learning & Development department coordinates and continuously develops a broad portfolio of learning and development formats for employees. Based on a learning requirements analysis, the offers are tailored to the needs of the employees. The Axpo Academy offers employees a wide range of learning formats, with the focus on building up skills. Furthermore, all Axpo employees have access to a digital learning platform with hundreds of online educational contents on topics such as leadership, work-life balance, stress management, etc. Health management training is also offered to promote resilience and well-being.

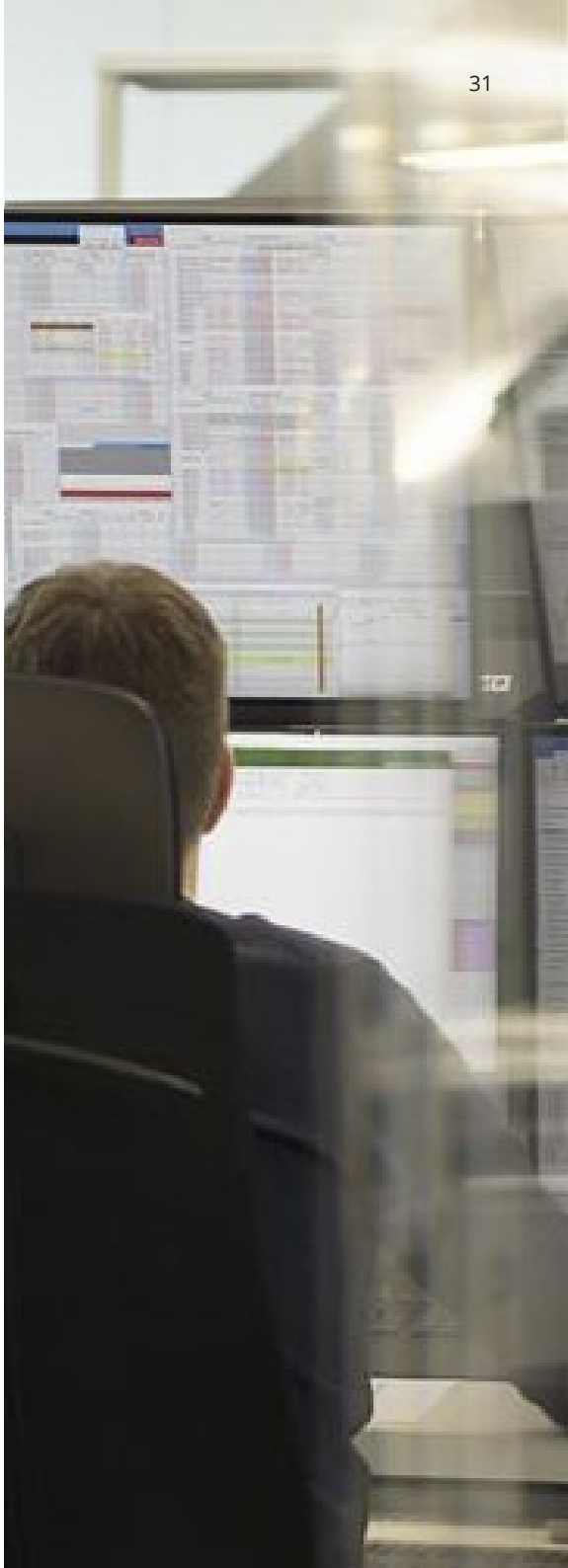
Integrative developing and remuneration

At Axpo, collective targets are defined. The achievement of these targets is incorporated in the calculation of variable remuneration. The goals not only include key financial figures, but are also derived from the strategy and priority business activities. A power dialogue is an advanced form of employee review and is conducted as mandatory at least on a yearly basis. This dialogue evaluates how employees and managers put the corporate values into practice, how performance is assessed and which development opportunities arise as a result. Axpo contributes to the costs of external training and further education courses that are beneficial for the employee's performance of their duties or their employability. In addition, Axpo offers attractive fringe benefits, excellent insurance coverage and an attractive occupational pension plan. To boost its own employees, Axpo intends to advertise all job openings internally.

"Great Place to Work®" award

In January 2024, Axpo secured tenth place in Switzerland in the Great Place to Work® award, after Axpo Iberia in Spain, Goldenergy in Portugal and Urbasolar in France received the Great Place to Work® award in 2023. These recognitions confirm our ongoing efforts to strengthen Axpo's corporate culture in the long term. The results were comprehensively analysed to ensure Axpo remains an outstanding employer for everyone in the future.

Axpo was recognised as a Great Place to Work® in Switzerland in 2024



Community engagement

Axpo supports selected projects in local communities and regions where it operates. This enables the company to align with its commitment to a responsible corporate culture. Simultaneously, employees are given the opportunity to work for a good cause.

Impacts, risks and opportunities

As a company, Axpo can drive positive changes in the regions in which it operates through its community activities, whether by supporting initiatives or by making donations. In addition to the benefits for the organisations involved, this can strengthen the positive perception of the company and influence the image of Axpo as an employer. Employees who participate in initiatives are also motivated by becoming part of a responsible corporate culture. To counter potential risks to its reputation, Axpo communicates its community engagements transparently.

Clear process and focus on projects

Axpo has established both criteria and an approval process for sponsorship commitments. It avoids partnerships with organizations that are politically, ideologically, or religiously oriented. Commitments preferably have a specific connection with Axpo's business activities. This may mean local or thematic proximity, for example environmental issues or energy education. Axpo also reserves the right to provide support in the event of environmental disasters. Additionally, Axpo remains committed to supporting sports clubs in the regions where it operates.

Ongoing commitment in Switzerland

For 17 years, Axpo has been supporting the "PluSport Day", the most important event for disabled sport in Switzerland, as the main sponsor. On 7 July 2024, more than 2,000 people, including athletes, care staff, volunteers and the public, gathered in Magglingen in the Canton of Bern. Around 30 Axpo employees volunteered and, together with many other helpers, contributed to making PluSport Day 2024 a successful event. Cycling was also a key focus in the reporting year. While Axpo was sponsoring the 2024 Road and Para-Cycling Road World Championships in Zurich, Axpo Grid assumed patronage of the Gippingen Cycling Festival.

International social commitment

Axpo also engaged in international charitable community projects in the reporting year. In summer 2024, houses and infrastructures in Poland were destroyed by flooding. Axpo supported the disaster relief efforts with a fund-raising campaign and generously matched employee donations. Urbasolar supported various initiatives, including Café Joyeux in Paris, a café chain that promotes the professional inclusion of people with mental and cognitive disabilities. Axpo also supported various projects in Italy, including the Flying Angels, an organisation that organises life-saving flights for children. The Rava Foundation, which helps children and young people in need, was also provided with support.

Axpo does not disclose specific performance indicators related to its community engagement initiatives.

Spotlight

Picture: Zürich Tourismus via LOK Zürich 2024

Axpo sponsors 2024 World Cycling and Para-Cycling Championships

The UCI Road and Para-Cycling World Championships took place in Zurich in September 2024. More than 50 races were held, including more than 40 para-cycling competitions, which were fully integrated into the World Road Championships for the first time. This promotes equality for people with disabilities.

Axpo was a proud partner, sponsoring the creation of "hosted areas". Visitors with and without disabilities could enjoy the races together here. Axpo employees also had the opportunity to volunteer.

05

Principles

ethics & responsibility

Responsible supply chains

Axpo requires its suppliers and business partners to conduct business in an ethical and law-abiding manner. Axpo's supply chain management ensures that expectations are met, establishing the basis for a trustworthy and long-term partnership.

Impacts, risks and opportunities

Companies are increasingly obliged to exercise their responsibilities regarding issues such as human rights, environmental protection and ethical conduct within their supply chain. Risks can be mitigated depending on the country of origin and raw material. However, it cannot be entirely ruled out that human rights or environmental guidelines, for example, may be violated. From a company's perspective, this poses legal and competitive risks as well as risks to reputation. A resulting loss of business could lead to financial impacts. To counteract such risks, Axpo applies a dedicated risk management process to ensure compliance with its due diligence obligations.

Clear expectations of suppliers

Axpo has outlined its expectations of responsible business conduct in its Code of Conduct (see "Ethical business conduct"). This requires business partners and suppliers to also commit to the business principles defined in the Code of Conduct. In addition, Axpo has also detailed its values with regard to business partners and suppliers in the Code for Business Partners. This applies to business partners and their employees worldwide and is based on the content of recognised conventions and standards. Specifically, it governs aspects of ethics and integrity, respect for human rights, socially responsible working conditions, compliance with environmental standards and transparency in the supply chain. The Code is binding and forms part of the Axpo Group's General Terms and Conditions of Business. Control mechanisms are also included: on request, business partners are required to provide all the information needed for an evaluation as part of a self-assessment. The requirements for any audits of suppliers are also predefined. Axpo reserves the right to demand corrective action in the event of a breach of the provisions of the Code and, if necessary, to end the business relationship.

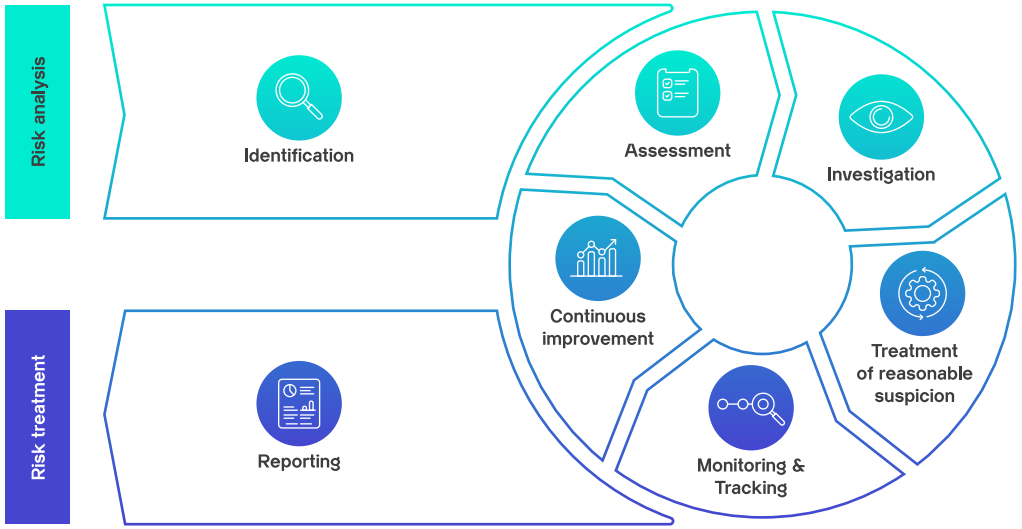
Human rights and responsibility

Axpo is committed to respecting and protecting human rights. The company strives to take the necessary steps to prevent forms of human rights abuses within the organisation and along the supply chain. A chapter in the Code for Business Partners requires them to respect generally applicable human rights and treat their employees with dignity and respect. In particular, this includes a ban on child labour, forced labour and discrimination, as well as disciplinary punishment.

Compliance with due diligence obligations

To prevent child labour, Axpo implemented a supply chain policy on child labour with effect from 1 October 2023 across the entire Axpo Group. The policy defines Axpo's approach to potential child labour in its supply chain and outlines the specific measures it implements to address such issues in its supply chain. At the same time, a risk-based process for identifying,

Responsible Supply Chain Framework



Due diligence regarding child labour and conflict minerals [1)]

Child labour: Axpo is committed to ensuring that in addition to its own operations, its supply chains are also free from child labour. Axpo itself operates in markets and business areas that are not characterised by a significant risk of child labour. Nevertheless, risks in the upstream supply chain cannot be completely ruled out. In 2023, Axpo published a supply chain policy on child labour in accordance with legal requirements in Switzerland. This policy outlines Axpo's formal risk management process, which adheres to recognised rules and regulations. The process serves to identify potential child labour risks and take appropriate precautions. It comprises:

- a risk analysis based on available procurement data and following a risk-based approach focusing on product type and country of origin;
- reporting procedures through which suppliers, business partners, employees and other stakeholders can report suspicions of child labour within the supply chain;
- structured risk handling that assesses the probability and severity of possible incidents and provides for suitable measures;
- systematic monitoring of the implemented measures.

Based on the risk management process, no reasonable suspicion of child labour in the supply chain was identified during the reporting year. All of the approximately 18,000 suppliers audited underwent a risk-based preliminary audit and less than 1 per cent of these were identified as potential risk suppliers. Categorised according to child labour risks, 41 suppliers were ultimately approached for the purpose of obtaining information and conducting an in-depth review. By the end of the reporting period, there were no indications of suspicions or actual incidents. The information continues to be reviewed and evaluated on an ongoing basis.

Conflict minerals: According to available procurement data, Axpo does not import conflict minerals and metals into Switzerland as defined by the relevant regulations, nor does it not process any of these. Axpo is therefore exempt from further due diligence obligations. In the reporting year, Axpo collected information on the procurement and processing of conflict materials from all fully consolidated companies. Results showed no evidence of the use of conflict minerals in the supply chain.

1) In accordance with Art. 964j-l of the Swiss Code of Obligations and the Ordinance on Due Diligence and Transparency with regard to conflict minerals and child labour (VSoTr)

evaluating and minimising possible child labour risks was developed. Axpo's Responsible Supply Chain Framework is increasingly used for other human rights issues. This provides for a multi-stage process.

Environmental aspects in the supply chain

Axpo generally endeavours to take care of the environment in its business activities. This also applies to the supply chain. Accordingly, the Code for Business Partners requires suppliers to conduct their business in an environmentally friendly manner. This includes using resources efficiently, avoiding and mitigating environmental pollution, dealing safely with hazardous materials and production of environmentally benign products. For significant decisions at Executive Board level, new business partners are also explicitly assessed with regard to environmental, social and governance criteria as part of an internal pre-steering process. To this end, information from specialised data platforms and criteria based on the technical know-how of the procurement experts are incorporated.

Transparency for a sustainable supply chain

In recent years, Axpo has implemented various measures aimed at creating additional transparency in the Group-wide supply chain. Among other things, various specialised data platforms (including EcoVadis) have been introduced, which serve to conduct a holistic assessment of suppliers in terms of corporate responsibility and sustainability. In the reporting year, Axpo was able to conduct a preliminary assessment of the majority of its suppliers, around 18,000 in number, using EcoVadis.

Driving a strategic approach

Axpo is working on a responsible supply chain strategy, including targets, measures and performance indicators to be completed and implemented in the course of the new financial year. Axpo subsidiary CKW defined sustainability criteria for tenders and purchases above a certain threshold during the reporting year. These are included in the weighting in the selection of the suppliers. In addition, Axpo trained its procurement employees on sustainability aspects in the supply chain and associated processes in the reporting year. The training courses are to be further expanded and implemented more broadly.

Ethical business conduct

Axpo is committed to complying with all the legal and regulatory requirements relating to its activities while addressing the ethical expectations of its stakeholders. Axpo ensures that its employees and corporate bodies conduct business in accordance with this statement.

Impacts, risks and opportunities

Acting with integrity, responsibility, and transparency is critical to mitigating legal, financial, and reputational risks. This approach also creates opportunities for innovation, sustainable growth, and value creation. Axpo promotes a culture of respectful and responsible behaviour both internally and externally, which is essential to ensuring a positive workplace culture, promoting employee well-being, and building sustainable business partnerships. By maintaining high standards, Axpo strengthens its reputation as a trusted business partner and employer.

Axpo promotes a culture of respectful and responsible behaviour

Compliance framework

At Axpo, the management approach for compliance and ethics is integrated into the core of the company's operations. The Global Ethics & Compliance function plays a critical role in designing and maintaining the company's compliance framework. The focus is on ensuring all employees act with integrity and comply with applicable laws and regulations.

Compliance management and risks

Axpo's Compliance Management System (CMS) ensures compliance with laws, regulations, the Code of Conduct, and internal policies and procedures. The CMS is designed to effectively manage compliance risks and meet stakeholder expectations. Under the leadership of the Ethics & Compliance function, the CMS addresses the relevant risks for the company, identifies improvement areas and monitors its effectiveness while ensuring a regular review through a period risk assessment. Bi-annual reports are provided to the Audit and Finance Committee, and annual reports are presented to the Board of Directors, highlighting identified risks and mitigation measures.

Code of Conduct and training

Axpo's Code of Conduct outlines the company's commitment to legal compliance, integrity, and ethical behaviour. It serves as a guide for employees and management in critical areas such as anti-bribery and corruption, conflicts of interest, insider trading, data protection, and responsible environmental practices.

The Code of Conduct outlines Axpo's commitment to integrity and ethical behaviour

Ethics & Compliance provides regular advice, training, and updates to ensure that employees and governing bodies are informed and compliant with the latest regulations and internal policies. Training sessions, which cover key topics in the Code of Conduct, are periodically updated to reflect changes in legal requirements and internal policies.

Reporting concerns

The SpeakUp channel allows employees, governing bodies, and third parties to report compliance violations or concerns related to applicable laws, the Code of Conduct, or internal policies. Reports can also be submitted anonymously. The SpeakUp channel is operated by an independent service provider. A newly introduced feature also allows users to ask a question in case of doubt. Axpo has a strict non-retaliation policy and takes appropriate measures in cases of retaliation against good-faith reports.

Review of compliance standards

Axpo's internal audit team reviews the company's control mechanisms on a risk-basis to ensure their effectiveness in supporting compliance with regulations and internal policies.

Responsible working environment

During the reporting year, a group-wide awareness campaign addressing discrimination, harassment, and sexism was rolled out. A new group-wide training module on anti-bribery & corruption was rolled out, including an awareness campaign, and personalized and ad hoc market conduct training was delivered.

Details on compliance cases from the reporting year can be found in the KPI report governance and compliance (pages 61 et seq.).

Spotlight

Axpo raises employee awareness on important issues

Axpo is aware of its corporate responsibility. Thus, the company promotes a strong compliance culture internally, based on integrity and trust.

In the last financial year, Axpo took several internal awareness-raising measures. The starting signal was provided by a multi-stage anti-corruption campaign. This was followed by a Group-wide campaign against discrimination, harassment and sexism in the workplace. In keeping with the slogan "We're all different – that's why we're all equal," Axpo opposes all forms of discrimination.

Reliable energy supply

A reliable supply of energy is a core requirement of Axpo's stakeholders and is a crucial element of the corporate strategy. In addition to Switzerland, where Axpo covers around 40 per cent of electricity consumption, the company is also making an increasing contribution to the supply of energy at an international level.

Impacts, risks and opportunities

A reliable energy supply is essential for economic stability and social prosperity. Power shortages are one of the greatest threats of all. For Axpo, it is therefore important to make investments in power plants and electricity distribution to contribute to the security of supply for the population and the economy. Potential risks include inadequate investments in the infrastructure, political decisions that run counter to the energy transition, weather events and geopolitical developments. This is offset by opportunities such as growth potential in new markets and renewable energies.

Leading role in Switzerland's power supply

With around 100 power plants and distribution grids, Axpo is Switzerland's largest producer of electricity. Axpo's installations produced around 36,000 gigawatt hours of electricity during the reporting year. The company thus plays an essential role in the economy and society. The highest possible availability and efficiency of the power plants, low transmission and distribution losses as well as the lowest possible power outages are of key importance for a secure supply. Axpo has made around two-thirds of its reported investments over the past ten years in Switzerland, in projects for new power plants, investments in power grids and the safe operation of existing plants, for example. In addition, Axpo invests internationally in renewable energies, further strengthening security of supply in those regions.

36 TWh

electricity produced in FY 2023/24

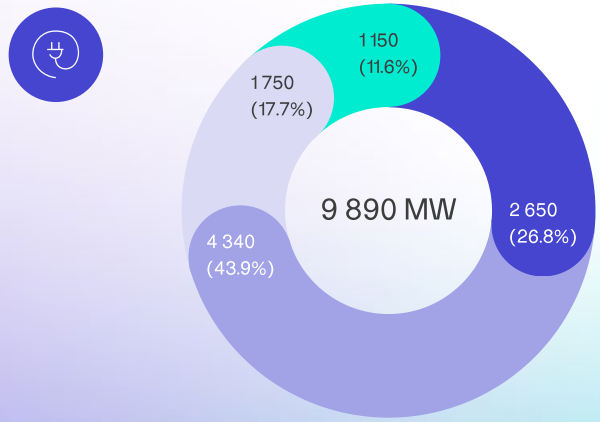
Increase in winter electricity production

As part of the hydropower round table, Axpo aims to contribute to winter electricity production by around 2 terawatt hours per year. Currently, Axpo operates more than 4,300 megawatts of installed hydropower capacity, making a significant contribution to low-emission electricity production.

Commitment to security of supply

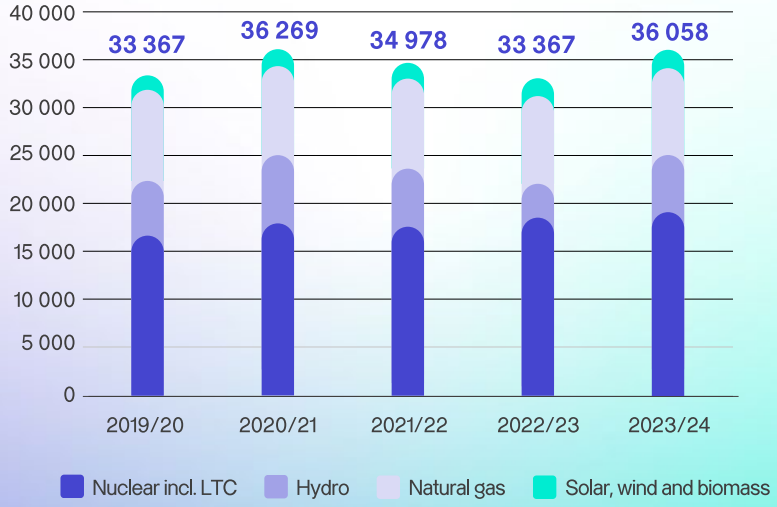
Axpo has been participating in public tenders since the introduction of the hydropower reserve last winter. As part of the mandatory participation concluded by Parliament, Axpo will withhold reserve energy in its plants. Axpo also provides various services, including fuel procurement, processing plant call-offs and electricity deliveries for the federal government's emergency reserve power plant in Birr (Canton of Aargau). This plant will remain operational un-

Installed capacity [1] (rounded in MW)



1) The calculation of the figures is based on the percentage shares in the power plants and includes fully consolidated power plants as well as equity interests and purchase rights.

Net energy production [1] (in GWh)



1) The calculation of the figures is based on the percentage shares in the power plants and includes fully consolidated power plants as well as equity interests and purchase rights.

til the end of 2026, after which it will be replaced by new reserve power plants to cover any electricity shortages in winter. To further strengthen Swiss security of supply, Axpo responded to this tender at the end of March 2024 by submitting a project for a 250-megawatt gas turbine power plant capable of running on e-methanol if required. This project could cover the consumption of around 100,000 households in the event of a power shortage.

International supply diversification

Axpo also plays its part in meeting the international challenges of energy supply. Various European expansion projects in the areas of wind and PV (see also the chapter on energy transition) highlight Axpo's commitment to contribute to the stability of the energy supply at an international level. In addition, Axpo is helping to diversify gas supplies in Europe. Through its trading activities, Axpo Bulgaria secures gas transport capacities and quantities on the Greece-Bulgaria Interconnector (IGB). This is connected to the Trans-Adriatic Pipeline (TAP) from Turkey to southern Italy and is part of the 3,500-kilometre Southern Gas Corridor (SGC), a strategically important supply chain in Europe. The import of liquefied natural gas (LNG) is also highly significant with a view to replacing coal and oil in electricity production, as well as regarding supply aspects. Axpo has delivered almost 100 LNG cargoes to Europe since 2020.

Spotlight

Axpo is equipped for potential electricity shortages

In the event of a power shortage, the Swiss government would introduce measures such as electricity quotas and shutdowns. These would be coordinated by the Organisation for Power Supply in Extraordinary Situations (OSTRAL). Axpo employees are represented in relevant committees and are involved.

Axpo is prepared for this type of scenario in Switzerland as well as in all European subsidiaries, based on the emergency plans of the respective governments. These are periodically reviewed and tested by Axpo.

06

Progress

growth & innovation

Sustainable financing

Sustainability aspects are playing an increasingly important role for investors. Axpo also relies on financial instruments with sustainability criteria. This underscores the company's commitment to sustainability while aligning with its corporate strategy as well as stakeholders' expectations.

Impacts, risks and opportunities

Forms of financing increasingly include sustainability criteria. Among other things, Axpo also finances itself on the capital market, through bonds and credit lines that are tied to specific requirements. For example, Axpo is committed

Axpo is committed to investing in sustainable projects

to investing in sustainable projects and achieving predefined sustainability goals. With such sustainability-linked financing, there is a risk that the respective targets will not be met, resulting in higher interest payments, for example. This risk is offset by opportunities such as favourable financing conditions and access to a broader pool of investors.

Financing through green bonds

As part of a Green Bond issue in 2020, Axpo created a Green Bond Framework and issued a sustainability-related bond. This Green Bond is designed to provide financial support for the growth of Axpo's renewable project portfolio consisting of wind and solar projects. Axpo's Green Bond Framework is in line with the Green Bond Principles issued by the International Capital Market Association (ICMA). It ensures that investors are provided with a transparent overview of:

- the Green Bond asset criteria for defining "green" projects to which net proceeds from Green Bond issues can be allocated;
- the selection process for identifying "green" projects;
- the process of allocating funds to net proceeds from Green Bond issues via a Green Bond register;
- information on reporting obligations in connection with a Green Bond issue. Details can be found in Axpo's Green Bond Framework.

Axpo reports annually on the allocation of net proceeds from the Green Bond issue, broken down by type of use. Axpo also reports on any allocation adjustments in the Green Bond project portfolio as well as on the CO_2 emissions avoided by the projects. Detailed information on the projects to which net proceeds from the Green Bond issue have been allocated can be found in the Sector-specific KPI report electrical supply.

Key data on the Axpo Green Bond

Issuer	Axpo Holding AG
Currency	CHF
Volume	133 000 000
Issue date	15.07.2020
Total capital invested as per 30.09.2024	133 000 000
Share of capital allocated	100 %
Greenhouse gas emissions avoided in FY 2023/24	20 505 tonnes CO_2e

Bonds with sustainability components

In 2022, Axpo published its sustainability-linked bond framework and issued its first sustainability-linked bonds (SLBs). This was a commitment by Axpo to a highly ambitious expansion of renewable energy capacities. Specifically, Axpo set itself the goal of developing certain quantities of renewable energy capacity from PV and wind power plants each year. In the reporting year, Axpo also realised a total of around 315 megawatts of additional capacity. However, this expansion is lower than the target value set in the sustainability-linked bond framework for 30 September 2024. Axpo is currently assuming that the expansion targets

for the 2024/25 financial year will also not be met. This indicates that the targets set for the given circumstances were highly ambitious. Due to a variety of challenges – from lengthy approval procedures to a shortage of skilled workers and turmoil on the energy markets due to the volatile geopolitical situation – renewable capacities were expanded more slowly than planned. A brief look at other European energy companies indicates that the entire industry is struggling with these challenges.

Despite the current difficult conditions, Axpo was able to significantly expand its renewable energy capacities in the reporting year. Axpo remains committed to continue to drive forward this expansion. Despite missing the expansion targets, Axpo considers it important to maintain its ambitious sustainability objectives. Axpo therefore reaffirms its net-zero ambition of reducing direct emissions to net zero by 2040 and indirect emissions from the value chain by 2050 (see Axpo's net-zero ambition on page 21).

Sustainability-related promissory note

In addition to the issue of sustainability-linked bonds, Axpo also successfully issued a sustainability-related promissory note in the amount of EUR 600 million in 2022. The structure of the loan consists of several tranches with maturities of up to seven years, in which a total of 35 international banks, regional savings banks and cooperative banks participated.

7 billion
EUR credit line with sustainability components

Sustainability goals in credit line

In spring 2024, Axpo agreed a syndicated credit line with a sustainability component totalling EUR 7 billion with an international consortium of over 30 banks. The credit line has a term of three years with renewal and increase options. The interest rates are partially tied to the achievement of specific sustainability goals. On the one hand, the new credit line expands Axpo's financial flexibility. On the other, with its sustainability components, it underscores its commitment to a sustainable energy future. Axpo has all its sustainability-linked financing vehicles audited by an independent body and discloses the relevant key figures annually in its sustainability report.

Green growth

To drive forward the energy transition, Axpo invests in promising technologies in the energy sector that focus specifically on the decarbonisation of the energy system while unlocking new, promising business opportunities and markets.

Impacts, risks and opportunities

Axpo strives to play an active and profitable role in shaping future developments in the energy sector. Promoting specific technologies which contribute to the energy transition provides opportunities for growth and diversification. However, investments in new and unestablished technologies always pose entrepreneurial risks, as it is unclear which technologies will prevail on the market in the long term. To counter this, Axpo deliberately relies on gradual investment steps to gain experience with the technologies and to be able to make adjustments. This minimises risks while maximizing opportunities.

Focus on future technologies

As a driver of the energy transition, Axpo relies on promising technical processes. Beyond wind and solar, these include battery storage technologies and green hydrogen, for example. Specialised departments have been created for further development in these two areas. Axpo is also focusing on driving forward its business in the growth market of biomethane.

Axpo strives to play a profitable role in shaping developments in the energy sector

Batteries contributing to energy transition

The significance of large storage capacities is crucial for the energy transition. Battery energy storage systems (BESS) make it possible to shift renewable energy from periods of high supply to periods of high demand at short notice, creating additional capacity. Axpo has been involved in the development, construction and optimisation of large battery solutions for many years and was able to further expand its activities in the reporting year: in February 2024, a 20 MW / 20 MWh battery storage system was put into operation in Landskrona, Sweden. In addition, Axpo has been marketing a 30 MW storage facility in Finland since 2020. Axpo and its subsidiary CKW operate several battery storage facilities in Switzerland, including a 2 MW storage facility in Rapperswil-Jona (Canton of St. Gallen) and a 6.25 MW storage facility in Rathausen (Canton of Lucerne). The CKW Group company EWS also has extensive expertise in dealing with battery energy storage systems. They manage the largest BESS in Switzerland in Ingenbohl (Canton of Schwyz). In 2024, the storage was expanded from 20 MW to 28 MW. In total, Axpo markets around 100 MW of battery power throughout Europe and uses its expertise in international energy trading to optimise storage.

Hydrogen offers new opportunities

Hydrogen enables the decarbonisation of industries such as steel and fertiliser production, freight transport and heat production. It also serves as an energy source for storing electricity from renewable sources and transporting it over long distances. As a result, renewable energies can be produced at convenient locations

and disassociated from consumption. Hydrogen is thus a key component of the strategies of many countries and the EU, despite many challenges that need to be overcome. Axpo is also aware of the yet unresolved challenges. Nevertheless, it strives to make an active contribution in the development of the hydrogen

Axpo strives to contribute to developing the hydrogen economy

economy. Accordingly, the company invests in hydrogen projects in Italy, France and Switzerland. In spring 2024, Switzerland's largest production plant for green hydrogen was opened in Domat/Ems (Canton of Grisons), which can produce up to 350 tonnes of hydrogen per year using renewable electricity. Axpo also advises companies on the issue of transitioning to green hydrogen.

Sustainable biowaste recycling

Axpo has been the Swiss leader in sustainable biowaste recycling for many years, operating several biomass and composting plants as well as mobile services for the recycling of organic waste. Existing plants are continuously modernised or expanded where possible. Axpo is also developing new biomass projects in Switzerland and, increasingly, at international level. Axpo entered three European biomethane markets in the reporting year. In spring 2024, Axpo launched a biomethane project in Portugal expected to produce more than 15 GWh of renewable energy from agricultural waste per year (see the spotlight on the right). Shortly afterwards, Axpo entered the Italian

3

biomethane markets unlocked in 2024

biomethane market with a plant in southern Italy that will generate around 45 GWh of renewable energy from local waste each year from 2025. Axpo also purchased a production plant in Poland in 2024, which processes around 20,000 tonnes of agricultural substrates per year. It produces around 7 GWh of electricity and organic fertiliser. Axpo plans to develop further biogas projects in Poland over the next few years. In addition, Axpo has built a CO_2 liquefaction plant at the Kompogas plant in Winterthur (Canton of Zurich) to collect, liquefy and bind biogenic CO_2 in recycled concrete.

Potential of geothermal energy

Geothermal energy is another technology with significant potential. By drilling thousands of metres deep, hot water can be used to generate renewable heat and electricity. Particularly in winter, geothermal energy could contribute to the security of supply by providing valuable base load energy independent of the weather and time of day. CKW is pushing ahead with a geothermal project in Inwil (Canton of Lucerne), where it is currently conducting geophysical investigations.

Spotlight

Axpo enters the Portuguese biomethane market

Axpo has launched a biomethane project in northern Portugal expected to produce more than 15 GWh of renewable energy from agricultural waste every year. Axpo's subsidiaries Axpo Iberia and Goldenergy are building the facilities required in collaboration with the local municipality as well as a farm, and will then be marketing it.

Goldenergy will purchase all of the power plant's production and feed it into the Portuguese gas grid. The facilities are scheduled to start operations at the end of 2025.

Innovation and technology

Axpo is focusing on progress and the adoption of new technologies. The company cultivates a distinctive innovation culture. Technological developments are closely monitored, and promising projects are specifically promoted and advanced.

Impacts, risks and opportunities

Innovation is a core element for Axpo. To ensure success in the long term, it is crucial to be technologically up to date and identify key trends at an early stage. This creates opportunities for the company to optimise operations and diversify in the dynamic energy sector. A strong culture of innovation also supports Axpo in its competitive capacity. Financial risks due to unsuccessful investments are minimised as far as possible through careful review of projects as well as predefined responsibilities and processes.

Innovation as part of corporate strategy

At Axpo, innovation is deeply embedded in the organisation. The Innovation Board reviews and promotes projects. It has a fixed budget and includes members of the Executive Board and the Chief Technology Officer. The Innovation department draws up Axpo's innovation strategy, which is periodically revised and approved by the Executive Board. In the reporting year, the divisions' role in innovation development was strengthened, giving projects quicker access to financing and resources. The Innovation department also supports the divisions and coordinates relevant topics across the Group.

Driving Innovation through collaboration

To drive innovation and gain access to ideas from outside the organisation, Axpo relies on the concept of open innovation. External knowledge systems are included and new collaborations entered into when developing new products, services and processes. As part of the net-zero partnership, Axpo is contributing to the development of the start-up landscape in Switzerland. In the reporting year, two campaigns were conducted with Bluelion, a start-up incubator in the city of Zurich. Axpo also entered into a partnership with Verbund, Austria's largest energy supplier. The aim is to exploit synergies in open innovation programmes and offer collaboration partners a larger platform.

Strategic partnerships

Axpo actively seeks collaboration with start-ups that contribute to solving problems. In the reporting year, for example, Axpo invested in Eliq, a platform offering smart energy systems for end customers. In spring 2024, Axpo acquired the start-up LINIA, which specialises in automated drone monitoring of high-voltage lines. In addition, Axpo also intensified its strategic partnership with Energy Impact Partners, a fund that brings together companies and start-ups that have the potential to drive the global net-zero efforts forward. Axpo is also involved in an academic network. It is a shareholder of the innovation park "Innovaare", which was opened at the Paul Scherrer Institute in the reporting year. Furthermore, Axpo is a member of the Coalition for Green Energy and Storage (CGES) of ETH Zurich and EPFL Lausanne and took part in ETH Zurich's Datathon 2024 and InCube projects.

Digital transformation in all areas

Innovation is also driven forward within the company itself, in particular through digitalisation in various different business areas. Initiatives such as Hydro 4.0, Grid 4.0 and Nuclear 4.0 optimise the maintenance, expansion and operation of the energy supply with digital tools. Various concepts are applied depending on the business area. In the area of grids, for example, complex infrastructures are modelled digitally to plan and implement more sustainable power grids. Axpo operates several competence centres for operational data, business intelligence, software development and digitalisation strategies, making targeted investments in artificial intelligence.

Employee engagement

Axpo promotes the innovative potential of its employees through various tools and platforms. In the reporting year, ideas such as testing methanol fuel cells and developing a mobile battery for hydropower plants were supported. The first "Innovation Days" were held in September 2024, at which around 100 employees discussed key challenges of Axpo's business units.

Despite the importance of innovation and state-of-the-art technology for Axpo, a reasonable measurement of the direct and indirect impact of measures in this area is difficult. Axpo therefore does not disclose specific performance indicators.

Knowledge transfer

Axpo has a wealth of expertise on energy-related topics and introduces this in social discourse. Axpo uses various channels to inform the public about issues such as the energy transition and low-emission energy production.

Impacts, risks and opportunities

As the largest energy company and competence centre, Axpo bears a particular responsibility in its domicile and home country of Switzerland. With proactive and fact-based knowledge transfer, the company can contribute to public and political debate. This will enable Axpo to increase acceptance of low-emission energy production. If knowledge is insufficient, this can lead to inappropriate political decisions and restrictions, combined with the associated business risks. This can also counteract the security of reliable supply.

Knowledge for an informed debate

Axpo has comprehensive data and a wealth of expertise in the field of energy. It is important to incorporate this knowledge in public discourse on energy issues. This helps clarify and bring objectivity to often complex energy debates. Various means are used to this end, as shown by the example on the right side.

Digital modelling tool

In 2021, Axpo has launched the Power Switcher, a digital modelling tool that provides an overview of the possible future structure of the Swiss electricity supply. Changing data points using sliders makes correlations and conflicting goals visible. For example, it is possible to evaluate whether the demand for electricity can be met by domestic production and imports up to 2050. This allows individual scenarios to be designed, as well as existing ones to be used.

Contribution to hydrogen knowledge

Axpo also publishes data and assessments on relevant energy topics on a regular basis. In the reporting year, Axpo published a white paper titled “The role and potential of hydrogen in Switzerland”. This presents current findings on the economic viability and possible applications of this increasingly important energy source. The paper should be viewed as a contribution to the current intensive debate on the importance of hydrogen.

Podcasts on energy issues

Over 50 episodes of Axpo’s Energy Voices podcast have already been recorded. These explore various facets of the topic of energy, and guests from the sectors of business, politics, research and society take part. Last year, Axpo partnered with Redefining Energy, an award-winning podcast featuring global energy market experts.

CKW focuses on knowledge platform

Axpo subsidiary CKW also seeks dialogue and knowledge exchange with the public. In Energiewelt, CKW’s visitor centre, school classes and private individuals can calculate their energy consumption interactively and learn how to reduce it in playful ways. In the reporting year, around 16,800 interested parties visited CKW Energiewelt.

It is difficult to measure the effectiveness of procedures in the area of knowledge transfer appropriately. Axpo therefore does not disclose specific performance indicators.

Spotlight

Axpo focuses on open data to promote the exchange of knowledge

Axpo has valuable data sets that could benefit universities or start-ups, on the flow of electricity in the distribution grid or fish sonar systems in hydropower plants, for example.

Axpo is convinced that open data will drive the future of energy forward. It therefore supports open data ecosystems and focuses on collaborations with external partners. Axpo’s subsidiary CKW makes anonymised smart meter data available for research purposes, among other things. Other data sets that would be suitable for publication are being reviewed on an ongoing basis.

07

KPI
& disclosure reports

Sector-specific KPI report electric supply

Installed capacity [1] GRI EU1

	Switzerland			International		
	2023/24	**2022/23 [2]**	**2021/22 [2]**	**2023/24**	**2022/23 [2]**	**2021/22 [2]**
Biomass	20	20	20	–	–	–
Natural gas	–	–	–	1 750	1 750	1 750
Nuclear incl. long-term contracts	1 630	1 630	1 630	1 020	1 100	1 100
Hydro	4 340	4 370	4 370	–	–	–
Solar	7	6	5	540	390	300
Wind	2	2	2	580	550	530
Total	**5 999**	**6 028**	**6 027**	**3 890**	**3 790**	**3 680**
				Σ Total 2023/24		**9 889**

1) The calculation of the figures is based on the percentage shares in the power plants and includes both fully consolidated power plants as well as participations and purchase rights.
2) The figures for the reporting periods 2021/22 and 2022/23 were adjusted retrospectively.

Net energy production [1] GRI EU2

	Switzerland			International		
	2023/24	**2022/23 [2]**	**2021/22 [2]**	**2023/24**	**2022/23**	**2021/22**
Biomass	99	106	112	–	–	–
Natural gas	–	–	–	4 364	3 865	7 249
Nuclear incl. long-term contracts	12 520	12 763	11 718	6 590	5 918	6 131
Hydro	10 655	8 912	8 215	–	–	–
Solar	8	13	7	582	535	352
Wind	4	3	3	1 236	1 252	1 191
Total	**23 286**	**21 797**	**20 055**	**12 772**	**11 570**	**14 923**
				Σ Total 2023/24		**36 058**

1) The calculation of the figures is based on the percentage shares in the power plants and includes both fully consolidated power plants as well as participations and purchase rights.
2) The category wind Switzerland is retrospectively disclosed separately.

Length of transmission and distribution lines GRI EU4

	Overhead line			Cable		
In km	**2023/24**	**2022/23**	**2021/22**	**2023/24**	**2022/23**	**2021/22**
Grid level 1 (stub lines – Axpo only)	–	–	–	1	1	1
Grid level 3 (cross-regional distribution grid)	2 048	1 967	2 080	529	498	497
Grid level 5 (regional distribution grid)	653	674	710	1 688	1 643	1 632
Grid level 7 (local distribution grid, including home electricity connections – CKW only)	203	215	240	4 885	4 847	4 760
Total	**2 904**	**2 856**	**3 030**	**7 103**	**6 989**	**6 890**
				Σ Total 2023/24		**10 007**

Generation efficiency of thermal plants GRI EU11

Net generation efficiency in %	2023/24	2022/23	2021/22
Beznau nuclear power plant Block 1	33.5	33.7	33.8
Beznau nuclear power plant Block 2	32.1	32.0	32.2
Gas-fired combined-cycle power plant Calenia	51.2	51.9	52.4
Gas-fired combined-cycle power plant Rizziconi	51.7	51.6	52.2

Transmission and distribution losses GRI EU12

Losses on the distribution grids in %	2023/24	2022/23	2021/22
Axpo grids – grid levels 1 to 5	0.7	0.7	0.7
CKW grids – grid levels 3 to 7	2.7	2.7	2.9

Emissions per MWh from combustion power plants GRI EU21

	NOx emissions			CO emissions		
In kg/MWh	2023/24	2022/23	2021/22	2023/24	2022/23	2021/22
Gas-fired combined-cycle power plant Calenia	0.114	0.099	0.093	0.002	0.003	0.002
Gas-fired combined-cycle power plant Rizziconi	0.089	0.097	0.092	0.005	0.005	0.003

Power outage frequency [1] GRI EU28

In [1/a]	2023/24	2022/23	2021/22
Axpo grids	0.027	0.001	0.014
CKW grids	0.41	0.29	0.42

1) The average interruption frequency per end-consumer per year (SAIFI, System Average Interruption Frequency Index)

Average power outage duration [1] GRI EU29

In [min/a]	2023/24	2022/23	2021/22
Axpo grids	0.89	0.01	0.08
CKW grids	15.01	16.72	17.88

1) Average interruption duration per end-consumer per year (SAIDI, System Average Interruption Duration Index)

Expansion of the portfolio of renewable energy sources

Development and provision of renewable energy capacity in Switzerland and internationally [1) 2)]

In MW	2023/24	2022/23	2021/22
Wind	74.0	112.6	103.2
PV	240.9	201.8	256.8
Total	**314.9**	**314.5**	**360.0**

1) The figures are part of Axpo's commitment under the Sustainability-Linked Bond Framework. The scope of the key performance indicators (KPI) comprises the further expansion of renewable energies in megawatts (MW), specifically PV and wind power plants, which is attributed to the respective business year in which the corresponding plants are initially connected to the grid.
2) Due to differing data collection methods, the figures may vary from those in other publications.

Investment in expansion of renewable energy sources [1)]

CHF m	2023/24	2022/23
Total	**473**	**270**

1) The KPI focuses on the increase of Axpo's deployed capital (investments in tangible, intangible assets, inventories, etc.) in technologies dedicated to the energy transition, limited to hydropower, biomass, wind, solar, hydrogen (electrolysis based) and batteries. The KPI is defined in Swiss Francs in millions spend based on IFRS accounting principles. The scope includes all capital or other expenditures with the objective to build, construct, expand, maintain, replace, prolong and / or improve tangible / intangible assets across the technologies of hydropower, biomass, wind, solar, hydrogen (electrolysis based) and batteries in a given financial year within the Group's business area Generation & Distribution.

Axpo Green Bond — Global overview of the allocation of issue proceeds

Technology	Project	Country	Comissioning (year)	Type of financing	Status	Installed capacity (MW)	Energy produced 2023/24 (MWh) [1)]	Greenhouse gases avoided 2023/24 (t CO_2e) [2)]	Capital invested (CHF m) [3)]
Wind	Benet 2	FR	2019	Refinancing	Operational	17.3	32 581	1 864	0.73
	Bois de la Hayette	FR	2023	Financing	Operational	25.8	49 720	2 844	8.40
	Saint-Quentinois	FR	2022	Financing	Operational	26.4	48 444	2 771	6.16
	Aiguillettes	FR	2023	Financing	sold	–	–	–	–
	Touches de Périgny	FR	2022	Financing	Operational	27.3	42 444	2 428	8.06
	Bois Elie	FR	2023	Financing	Operational	22.0	44 878	2 567	11.90
	WP Egeln	GER	2028	Financing	Planning stage	49.6	–	–	8.18
	Bois Paillet (UW)	FR	2022	Financing	Operational	69.1	–	–	4.01
	Mont Varin (UW)	FR	2022	Financing	Operational	61.2	–	–	3.08
	Plaisance	FR	2026	Financing	Planning stage	15.0	–	–	3.85
	Tilleuls	FR	2021 2023	Financing	7 wind turbines operational 4 wind turbines operational	29.4 14.4	82 541	4 721	5.55
	Moulin Berlémont	FR	2022	Financing	Sold	28.8	–	–	–
	Martelotte	FR	2023	Financing	Operational	18.0	37 940	2 170	3.60
					Σ Wind	**360.4**	**338 548**	**19 365**	**63.53**

Technology	Project	Country	Comissioning (year)	Type of financing	Status	Installed capacity (MW)	Energy produced 2023/24 (MWh) [1]	Greenhouse gases avoided 2023/24 (t CO_2e) [2]	Capital invested (CHF m) [3]
PV	Bove	IT	2026	Financing	Planning stage	15.6	–	–	0.08
	Cigliano	IT	N. A.	Financing	Aborted	0.0	–	–	–
	Viglione	IT	2027	Financing	Planning stage	11.8	–	–	0.06
	Caveirac	FR	2023	Financing	Operational	4.7	7 923	453	1.46
	Villognon	FR	2024	Financing	Under construction	22.0	–		18.45
	Les adrechs bras	FR	2023	Financing	Operational	12.0	12 012	687	5.69
	Moissac Bellevue	FR	2023	Financing	Operational	30.0	–	–	25.31
	Galilée	FR	2024	Financing	Under construction	165.4	–	–	18.43
					Σ Photovoltaics	**261.5**	**19 935**	**1 140**	**69.48**
					Σ Total allocated				**133.00**
					Σ not allocated				**0**
					Σ Total			**20 505**	**133.00**

1) The produced energy refers to the electricity actually connected the grid, thereby contributing to the avoidance of greenhouse gas emissions.
2) The calculation of avoided CO_2 emissions is based on the assumption that the electricity produced by the project financed through the Green Bond would have otherwise been generated using the country-specific production mix. The data source "IEA Emission Factors 2023" from the International Energy Agency was used as the source for emission factors for production mixes of European countries.
3) The invested capital is based on the average exchange rates for the respective fiscal year in which the proportioned net proceeds from green bond issues were allocated to the corresponding "green" projects.

Former projects

Technology	Project	Country	Commissioning (year)	Type of financing	Status	Invested Capital (CHF m)
Photovoltaics	Cigliano	Italy	–	Financing	Aborted	0.03
					∑ Photovoltaics	**0.03**

Technology	Project	Country	Commissioning (year)	Type of financing	Status	Invested Capital (CHF m)
Wind	Aiguillettes	France	–	Financing	Sold	3.15
	Moulin Berlémont	France	–	Financing	Sold	3.22
					∑ Wind	**6.37**

KPI report environment

Energy consumption within the organisation[1] GRI 302-1

Direct energy consumption in production and operations in TJ		2023/24	2022/23 [2]	2021/22 [2]
Nuclear fuel for production	Beznau nuclear power plant, gross thermal energy production	63 763	64 007	59 747
Fossil fuels for production	Natural gas for gas-fired combined-cycle power plants, diesel for emergency backup generators	23 372	17 807	34 276
Fossil fuels for operations	Building heating with gas and oil; fuel for cargo, delivery and passenger vehicles	98	90	68
Renewable fuels	Biomass, biogas and wood for energy production	2 442	2 252	2 472
Total		**89 674**	**84 155**	**96 563**

Indirect energy consumption for production, in buildings and via transmission losses/consumption in TJ [3]		2023/24	2022/23 [4]	2021/22 [4]
Energy procurement for production	Electricity required for pumped-storage power plants (fully consolidated power plants) and for production facilities	6 324	8 394	8 519
Energy lost/consumed via transmission	Total transmission losses via Axpo's grids (caused by the transport of Axpo and third-party energy) and consumption at Axpo Grid	771	741	860
Energy required for building management	District heating and electricity used in buildings	822	822	802
Total		**7 916**	**9 956**	**10 181**

1) The energy consumption within the organisation was collected based on primary energy sources, then standardized and reported in terajoules (TJ). The corresponding energy factor was derived from the ecoinvent database.
2) The energy consumption for building heating with biogas was retrospectively included in the category renewable fuels and additional relevant figures for the reporting periods 2021/22 and 2022/23 were adjusted retrospectively.
3) Indirect energy consumption is based on shares of renewable and non-renewable energy sources.
4) The table now also includes the own consumption of nuclear-generated electricity, added retrospectively in the category energy required for building management. Additionally, other relevant figures for the reporting periods 2021/22 and 2022/23 were adjusted retrospectively.

Energy consumption within the organisation[1] GRI 302-2

Indirect energy consumption for production in buildings and via transmission losses in TJ		2023/24	2022/23	2021/22
Energy procurement for production	Electricity required for pumped-storage power plants (partner plants)	622	779	705

1) The energy consumption outside the organisation was collected based on primary energy sources, then standardized and reported in terajoules (TJ). The corresponding energy factor was derived from the ecoinvent database.

Energy intensity [1] GRI 302–3

In GJ	2023/24	2022/23 [2]	2021/22 [2]
Total energy consumption per full-time equivalent	13 985	14 783	18 100

1) The calculation of energy intensity is based on the energy consumption disclosed in GRI 302-1 and 302-2. Further details on the energy types considered can be found in the corresponding footnotes.
2) The figures for the reporting periods 2021/22 and 2022/23 were adjusted retrospectively.

Water withdrawal at office locations [1] GRI 303-3

In megalitres	2023/24	2022/23
Bulgaria	0.60	0.54
Germany	0.17	0.18
France	0.79	2.67
Italy	2.60	–
Poland	0.52	0.93
Portugal	0.35	0.32
Switzerland	18.32	10.64
Spain	1.25	–
Total	**24.58**	**15.28**

1) The figures concern selected larger Axpo locations in Switzerland and internationally. The data collection was initially conducted in the reporting year 2022/23, the data collection will be expanded further.

Waste generated at office locations [1] GRI 306–3

In tonnes	2023/24	2022/23 [2]
Germany	13.6	0.7
France	61.3	61.5
Switzerland	83.8	39.0
Spain	2.4	–

1) The figures include the subsidiaries CKW, Urbasolar, Volkswind, Axpo Iberia and the location Baden of Axpo Holding. Data collection for other relevant locations is currently under development.
2) The amount of waste in France for the reporting period 2022/23 was adjusted retrospectively.

Water withdrawal, discharge and consumption at production sites [1] GRI 303-3, 303-4, 303-5

In megalitres	Water withdrawal		Water discharge		Water consumption	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
Gas-fired combined-cycle power plant Calenia	124.3	106.1	15.2	34.1	33.5	28.6
Gas-fired combined-cycle power plant Rizziconi [2]	18.8	8.7	–	–	49.8	29.0

1) The data includes the gas-fired combined-cycle power plants Calenia and Rizziconi. Data collection for other relevant sites is currently under development.
2) The Rizziconi plant operates a Zero Liquid Discharge (ZLD) system for wastewater treatment. Treated water is directed to a raw water tank, making it available for reuse in the process. Furthermore, the system enables the recovery of collected rainwater.

Waste generated at production sites in FY 2023/24 [1] GRI 306–5

In tonnes	recovered	non-recovered	hazardous	non-hazardous
CKW	890	257	211	936
Gas-fired combined-cycle power plant Calenia	60	358	–	–
Gas-fired combined-cycle power plant Rizziconi	63	410	–	–
Urbasolar	1 282	312	13	1 582
Volkswind	-	-	7	7
Nuclear power plant Beznau	124	147	81	190

1) The figures include the gas-fired combined-cycle power plants Calenia and Rizziconi, locations Reussbühl und Rathausen of CKW, Urbasolar, Volkswind and nuclear power plant Beznau. Data collection for other relevant sites is currently under development.

Greenhouse gas emissions GRI 305–1, 305–2, 305–3

In tonnes of CO_2e [1]	2023/24	2022/23 [2]	2021/22 [2]
Production			
Direct emissions international	1 270 706	944 983	1 843 640
Direct emissions Switzerland	23 614	35 323	32 067
Indirect emissions international (scope 2)	4 880	4 792	4 018
Indirect emissions Switzerland (scope 2) [3]	28 458	37 544	38 214
Indirect emissions international (scope 3) [4] [5]	641 528	816 541	981 850
Indirect emissions Switzerland (scope 3) [3] [4]	2 818	3 532	3 195
Transmission			
Direct emissions (esp. SF_6 emissions)	1 465	977	811
Indirect emissions (esp. transmission losses)	4 207	2 123	2 770
Operation administration buildings			
Direct emissions international	1 752	2 064	253
Direct emissions Switzerland	4 784	4 556	4 820
Indirect emissions international	565	382	405
Indirect emissions Switzerland	227	77	81
Total greenhouse gas emissions [6]	**1 985 003**	**1 852 894**	**2 912 124**
Greenhouse gas emissions by scope			
Scope 1 emissions	1 302 321	987 903	1 881 591
Scope 2 emissions (location-based)	38 336	44 918	45 488
Scope 2 emissions (market-based)	37 765	–	–
Scope 3 emissions	644 346	820 073	985 045
Biogenic emissions	332 276	183 687	199 482

1) Sources emission factors: ESU database, intep, IEA, IPCC, DEFRA.
2) The emissions from pump energy consumption (scope 2 and 3) were recalculated retrospectively using an updated emissions factor. Further details can be found on p. 20. Relevant figures for the reporting periods 2021/22 and 2022/23 were adjusted retrospectively.
3) The 17 % pump energy losses must be certified according to EnG Article 9. In 2023, Axpo used CO_2-free energy for these losses.
4) The reported Scope 3 emissions stem from pump energy in pumped-storage plant investments and a minority stake (49%) in a gas-fired combined-cycle power plant.
5) The emissions of the CCGT plant Ferrara are calculated using the contractually agreed factor of 0.38 t CO_2e/MWh, which is applied to the energy delivered to Axpo. This includes the energy physically delivered according to PCE nominations, as well as the energy virtually delivered from the VPP provisions, including the energy generated during the plant's start-up.
6) The total of greenhouse gas emissions was calculated based on the location-based method.

Emissions by greenhouse gases

In tonnes of CO_2e	2023/24	2022/23 [1]	2021/22 [1]
of which CO_2	1 960 541	1 817 070	2 879 711
of which CH_4	16 958	30 040	27 101
of which N_2O	6 050	4 823	4 039
of which SF_6	1 448	957	778
of which refrigerants	5	3	495
Total greenhouse gas emissions	**1 985 003**	**1 852 894**	**2 912 124**

1) The figures for the reporting periods 2021/22 and 2022/23 were retrospectively adjusted due to the recalculation of emissions from pump energy consumption (Scope 2 and 3) using an updated emission factor. Additionally, other relevant figures for the reporting periods 2021/22 and 2022/23 were adjusted retrospectively.

GHG emissions intensity of conventional thermal power plants GRI 305–4

In grams CO_2e/kWh	2023/24	2022/23	2021/22
Gas-fired combined-cycle power plant Calenia	395	396	393
Gas-fired combined-cycle power plant Rizziconi	397	395	394

GHG emissions intensity primary energy GRI 305-4

In grams CO_2e/kWh	2023/24	2022/23	2021/22 [1]
Direct GHG emissions intensity	55.9	44.0	78.8
Lifecycle GHG emissions intensity	81.2	56.4	94.0

1) The figures for the reporting period 2021/22 were adjusted retrospectively.

Nitrogen oxides (NO_x) and other significant air emissions GRI 305-7

	NO_x emissions			CO emissions		
In tonnes	**2023/24**	**2022/23**	**2021/22**	**2023/24**	**2022/23**	**2021/22**
Gas-fired combined-cycle power plant Calenia	193	143	232	4	5	4
Gas-fired combined-cycle power plant Rizziconi	135	91	202	8	5	7

KPI report employees

Total number of employees in headcount and FTEs [1)2)] GRI 2–7, 2–8

	Group as a whole			Switzerland			International		
Headcount	✓ **2023/24**	**2022/23** [3)]	**2021/22**	✓ **2023/24**	**2022/23** [3)]	**2021/22**	✓ **2023/24**	**2022/23**	**2021/22**
Total	**7 401**	**6 755**	**6 248**	**5 097**	**4 776**	**4 641**	**2 304**	**1 979**	**1 607**
Part-time	1 126	1 008	971	1 011	935	910	115	73	61
Full-time	6 275	5 747	5 277	4 086	3 841	3 731	2 189	1 906	1 546
Women	**1 819**	**1 595**	**1 421**	**891**	**822**	**800**	**928**	**773**	**621**
Part-time	511	460	436	438	408	389	73	52	47
Full-time	1 308	1 135	985	453	414	411	855	721	574
Men	**5 582**	**5 160**	**4 827**	**4 206**	**3 954**	**3 841**	**1 376**	**1 206**	**986**
Part-time	615	548	535	573	527	521	42	21	14
Full-time	4 967	4 612	4 292	3 633	3 427	3 320	1 334	1 185	972

	Group as a whole			Switzerland			International		
In FTEs	✓ **2023/24**	**2022/23** [3)]	**2021/22**	✓ **2023/24**	**2022/23** [3)]	**2021/22**	✓ **2023/24**	**2022/23**	**2021/22**
Total	**7 022.7**	**6 418.9**	**5 936.6**	**4 752.1**	**4 454.0**	**4 348.4**	**2 270.5**	**1 964.9**	**1 588.2**
Part-time	747.7	671.9	660.0	666.1	613.0	617.4	81.5	58.9	42.5
Full-time	6 275.0	5 747.0	5 276.6	4 086.0	3 841.0	3 731.0	2 189.0	1 906.0	1 545.6
Women	**1 630.4**	**1 424.3**	**1 263.1**	**722.5**	**659.8**	**655.6**	**907.9**	**764.5**	**607.5**
Part-time	322.4	289.3	278.5	269.5	245.8	244.6	52.9	43.5	33.8
Full-time	1 308.0	1 135.0	984.6	453.0	414.0	411.0	855.0	721.0	573.6
Men	**5 392.2**	**4 994.6**	**4 673.5**	**4 029.6**	**3 794.2**	**3 691.8**	**1 362.6**	**1 200.4**	**980.7**
Part-time	425.2	382.6	381.5	396.6	367.2	372.8	28.6	15.4	8.7
Full-time	4 967.0	4 612.0	4 292.0	3 633.0	3 427.0	3 320.0	1 334.0	1 185.0	972.0

1) The figures refer to the permanent employees on monthly and hourly wages, including apprentices, as of the cut-off date of 30.09.2024. No significant activities are carried out by workers who are not employees of Axpo. There are no significant seasonal fluctuations. The data is extracted from the HR system. Data not included in the HR system is collected from the relevant companies using templates and consolidated with the other data. No assumptions had to be made.
2) In FY 2023/24, Axpo had a total of 103 temporary employees, of whom 31 were women and 72 men. Of these, 76 were based in Switzerland and 27 abroad.
3) The figures for the reporting period 2022/23 were adjusted retrospectively.

Total number and rate of new hires and employee turnover by age group, gender and region [1] GRI 401–1

	Total new hires (headcount)			Rate of new hires (%)			Total departures (headcount)			Turnover rate (%)		
	2023/24	2022/23 [2]	2021/22	2023/24	2022/23 [2]	2021/22	2023/24	2022/23	2021/22	2023/24	2022/23	2021/22
Group	**1 288**	**1 436**	**1 038**	**18.6**	**22.7**	**17.9**	**619**	**601**	**527**	**8.9**	**9.5**	**9.1**
Switzerland	**735**	**863**	**645**	**15.7**	**19.7**	**15.4**	**433**	**405**	**376**	**9.3**	**9.3**	**9.0**
Women	**148**	**180**	**140**	**17.1**	**22.5**	**18.5**	**81**	**68**	**88**	**9.4**	**8.5**	**11.6**
< 30	49	48	40	31.4	33.1	33.9	16	16	17	10.3	11.0	14.4
30–49	82	105	85	18.1	24.9	21.5	46	32	43	10.2	7.6	10.9
≥ 50	17	27	15	6.7	11.5	6.2	19	20	28	7.5	8.5	11.5
Men	**587**	**683**	**505**	**15.4**	**19.1**	**14.7**	**352**	**337**	**288**	**9.2**	**9.4**	**8.4**
< 30	216	268	163	31.6	32.6	27.4	129	112	79	18.9	13.6	13.3
30–49	279	318	274	15.0	19.7	17.0	140	132	124	7.5	8.2	7.7
≥ 50	92	97	68	7.3	8.5	5.6	83	93	85	6.6	8.1	7.0
International	**553**	**573**	**393**	**24.4**	**29.4**	**24.5**	**186**	**196**	**151**	**8.2**	**10.1**	**9.4**
Women	**214**	**210**	**137**	**23.4**	**27.6**	**22.1**	**57**	**55**	**52**	**6.2**	**7.2**	**8.4**
< 30	85	105	64	37.1	50.7	38.1	24	18	23	10.5	8.7	13.7
30–49	117	94	71	19.5	19.7	17.7	29	33	22	4.8	6.9	5.5
≥ 50	12	11	2	14.0	14.5	3.9	4	4	7	4.7	5.3	13.7
Men	**339**	**363**	**256**	**25.1**	**30.6**	**26.0**	**129**	**141**	**99**	**9.5**	**11.9**	**10.1**
< 30	142	170	139	41.3	54.3	50.7	42	50	47	12.2	16.0	17.2
30–49	176	176	104	20.9	23.6	16.8	74	79	46	8.8	10.6	7.4
≥ 50	21	17	13	12.6	13.1	14.4	13	12	6	7.8	9.2	6.7

1) The figures refer to permanent employees receiving a monthly or hourly salary. The rates are calculated on the basis of the number of employees joining or leaving the company in relation to the number of employees on the reporting date.
2) The figures for the reporting period 2022/23 were adjusted retrospectively.

Parental leave[1] GRI 401–3

	Number of employees entitled to parental leave			Number of employees who took parental leave			Number of employees who returned to work after parental leave			Number of employees who were still employed 12 months after returning from parental leave		
Number	✓ **2023/24**	**2022/23**[2]	**2021/22**	✓ **2023/24**	**2022/23**	**2021/22**	✓ **2023/24**	**2022/23**	**2021/22**	✓ **2023/24**	**2022/23**	**2021/22**
Group	**7 401**	**6 755**	**6 248**	**267**	**243**	**237**	**248**	**225**	**223**	**226**	**226**	**178**
Switzerland	**5 097**	**4 776**	**4 641**	**148**	**124**	**151**	**143**	**118**	**149**	**114**	**119**	**121**
Women	891	822	800	31	22	24	31	18	23	21	18	18
Men	4 206	3 954	3 841	117	102	127	112	100	126	93	101	103
International	**2 304**	**1 979**	**1 607**	**119**	**119**	**86**	**105**	**107**	**74**	**112**	**107**	**57**
Women	928	773	621	48	57	37	37	46	25	50	54	22
Men	1 376	1 206	986	71	62	49	68	61	49	62	53	35

	Return to work rate – Number of employees who returned to work after parental leave returned to working life			Retention rate[3] – Number of employees who were still employed 12 months after returning from parental leave		
	✓ **2023/24**	**2022/23**	**2021/22**	✓ **2023/24**	**2022/23**	**2021/22**
Group	**92.9**	**92.6**	**94.1**	**100.4**	**101.3**	**91.3**
Women	86.1	81.0	78.7	110.9	150.0	74.1
Men	95.7	98.2	99.4	96.3	88.0	97.9
Switzerland	**96.6**	**95.2**	**98.7**	**96.6**	**79.9**	**93.8**
Women	100.0	81.8	95.8	116.7	78.3	81.8
Men	95.7	98.0	99.2	93.0	80.2	96.3
International	**88.2**	**89.9**	**86.0**	**104.7**	**144.6**	**86.4**
Women	77.1	80.7	67.6	108.7	216.0	68.8
Men	95.8	98.4	100.0	101.6	108.2	102.9

1) The figures refer to permanent employees on monthly or hourly salary.
2) The figures for the reporting period 2022/23 were adjusted retrospectively.
3) The retention rate includes all permanent employees who took maternity or paternity leave in the reporting period and were still employed by the company at the end of the reporting period as a percentage of all permanent employees in the previous fiscal year who took maternity or paternity leave in the corresponding period (FY 2022/23).

Occupational accidents and injuries [1) 2)] GRI 403–9, 403–10

Number of cases	2023/24 [3)]	2022/23 [4)]	2021/22
Cases of death	0	0	0
Occupational accidents [5)]	218	142	167

	Rate of occupational accidents [6)]			Rate of illness [6)]			Rate of absence [6)]			Rate of injury [6) 7)]		
	2023/24	2022/23	2021/22	2023/24	2022/23	2021/22	2023/24	2022/23	2021/22	2023/24	2022/23 [4)]	2021/22
Group	**35.0**	**30.7**	**21.6**	**532.5**	**545.1**	**529.4**	**639.5**	**656.5**	**630.7**	**3.4**	**2.5**	**2.8**
Women	13.9	5.0	5.6	856.1	774.0	665.5	897.1	828.6	703.7	1.3	0.8	1.6
Men	41.4	38.5	26.0	435.1	475.4	491.8	562.0	604.1	610.5	4.1	3.0	3.2
Switzerland	**46.6**	**43.2**	**27.0**	**567.9**	**584.0**	**529.6**	**718.0**	**743.8**	**662.5**	**4.5**	**3.4**	**3.4**
Women	6.3	3.6	4.7	971.4	884.4	526.8	1 035.5	999.4	592.2	1.6	1.2	0.9
Men	53.7	50.2	31.1	496.0	530.9	530.1	661.5	698.7	675.4	5.0	3.8	3.9
International	**10.9**	**3.2**	**4.9**	**458.6**	**459.3**	**528.8**	**475.5**	**464.1**	**533.7**	**1.2**	**0.5**	**1.1**
Women	19.9	6.1	6.7	764.7	686.4	826.7	787.3	692.9	833.5	1.1	0.4	2.4
Men	4.9	1.1	3.7	255.8	297.3	325.9	269.0	300.8	329.6	1.3	0.6	0.2

1) The figures relate to temporary and permanent employees on monthly and hourly salary, including apprentices.
2) Actual working hours (regular working hours minus accident and illness-related absences) were 12 688 771 hours for the reporting year.
3) The methodology for recording occupational accidents was adjusted for the reporting period 2023/24, newly including minor accidents, making the values not directly comparable to those of previous years.
4) The figures for the reporting period 2022/23 were adjusted retrospectively in accordance with the previously applied methodology.
5) According to the prescribed reporting procedures (SUVA), cases of work-related illnesses are handled administratively in the same way as accidents. They are included in the reported figures and are not separately disclosed.
6) The rates are expressed in days per 200,000 planned working hours or in number of injuries per 200,000 actual working hours. The occupational accident rate is calculated using 'working calendar days'. The occupational accident rate is counted from the first day.
7) The most common injuries are cuts and bruises, primarily to the hands.

Average hours of training per year for each employee [1] GRI 404–1

	Employees			Management		
In hours	**2023/24**	**2022/23**	**2021/22 [2]**	**2023/24**	**2022/23 [2]**	**2021/22**
Total	**14.3**	**16.7**	**17.8**	**23.6**	**15.3**	**14.7**
Switzerland	**14.3**	**19.5**	**19.9**	**26.6**	**16.4**	**16.9**
Women	12.4	19.5	22.3	26.5	16.4	26.6
Men	14.7	19.5	19.4	26.6	16.4	15.2
International	**14.5**	**10.7**	**12.4**	**18.3**	**11.0**	**6.4**
Women	12.1	9.1	11.1	10.7	9.4	12.5
Men	16.2	11.7	13.4	21.2	11.4	5.3

1) The figures refer to permanent employees receiving a monthly or hourly salary.
2) The figures for the reporting periods 2021/22 and 2022/23 were adjusted retrospectively.

Diversity of governance bodies GRI 405–1

	Board of Directors			Executive Board		
In %	**2023/24**	**2022/23**	**2021/22**	**2023/24**	**2022/23**	**2021/22**
< 30	0	0	0	0	0	0
30–49	0	0	11	0	17	17
≥ 50	100	100	89	100	83	83

	Board of Directors			Executive Board		
In %	**2023/24**	**2022/23**	**2021/22**	**2023/24**	**2022/23**	**2021/22**
Women	11	11	11	17	17	17
Men	89	89	89	83	83	83

Diversity among employees GRI 405–1

In % (headcount)	2023/24	2022/23	2021/22
< 30	25.3	23.5	19.9
30–49	50.7	51.5	52.3
≥ 50	24.0	25.0	27.7

In % (headcount)	2023/24	2022/23	2021/22
Women	24.6	23.6	22.7
Men	75.4	76.4	77.3

Share of women in management positions 1)

	✓ 2023/24	✓ 2022/23	2021/22
Group	**19.1**	**18.1**	**16.4**
Switzerland	14.6	13.8	13.5
International	29.1	28.2	23.7

1) The KPI is defined as the percentage of female workforce within all management positions, calculated based on headcount and rounded to one decimal place. It includes employees with permanent employment contracts at function level 8 or above, earning a monthly salary or hourly wage, in Switzerland and abroad.

Ratio of basic salary and remuneration of women to men 1) GRI 405-2

	2023/24	2022/23
Employees' level	0.98	0.96
Management level	0.99	0.95

1) Excluded are the Executive Board, traders, employees with an hourly salary as well as apprentices. Furthermore, the following fully consolidated companies were excluded: Axpo Systems AG inkl. DeltaNet, Steiner Energie AG, Elektro Fürst AG, Elektro Basilik AG, Möckel + Günter Elektro AG, Camenzind & Partner, Soller Elektro SA, Rebmann Elektro, Iseli Elektro, Axpo entities outside of Switzerland.

Collective bargaining agreements 1) GRI 2–30

In %	2023/24	2022/23 2)	2021/22
Total	**35.1**	**33.5**	**22.1**
Switzerland	14.2	14.7	9.6
International	81.4	79.0	58.2

1) The figures refer to temporary and permanent employees receiving a monthly or hourly salary, including apprentices.
2) The figures for the reporting period 2022/23 were adjusted retrospectively.

Number of apprentices

Headcount	2023/24	2022/23	2021/22
Total	**462**	**431**	**454**
Switzerland 1)	✓ 426	✓ 400	452
International	36	31	2

1) The KPI is defined as the total number of active apprentices (headcount) within the overall group in Switzerland. The scope includes all employees who are participating in a "vocational education and training", who earn a monthly salary or an hourly wage, in Switzerland.

Number of trainees and interns

Headcount	2023/24	2022/23	2021/22
Total	**55**	**54**	**15**
Switzerland	24	25	3
International	31	29	12

KPI report governance and compliance

Conflicts of interest GRI 2–15

Axpo Group has regulated the identification of potential conflicts of interest in its Code of Conduct and the General Terms and Conditions of Employment. Existing or potential conflicts of interests are addressed internally. The mandates currently held by the Executive Board and the Board of Directors are disclosed in the annual report.

Communication of critical concerns GRI 2–16

The Board of Directors is regularly updated by the CEO on important events. Ethics & Compliance and Internal Audit act as independent monitoring functions and have direct access to the Board of Directors in the event of critical incidents.

Processes to remediate negative impacts GRI GRI 2–25

The Axpo Group maintains a comprehensive system for monitoring and managing the risks associated with its business activities. Axpo has a compliance system in place that covers various topics with potential negative effects (see the section on ethical business conduct).
Beyond that, Axpo has a holistic approach to ensuring the occupational health and safety of its employees (see the section on occupational health and safety). Besides, Axpo has established numerous processes and responsibilities that help to counteract negative effects concerning power plants and grids (see Disclosure Report on safe power plant and grid operation).

Compliance with laws and regulations GRI 2–27

Axpo strives to comply with laws and regulations. The overarching framework for ensuring this compliance is set out in the Code of Conduct. For case-specific information, please refer to GRI 417-3.

Membership associations GRI 2–28

Axpo represents its interests directly or indirectly as a member or in a supporting function in a large number of associations and organisations. The most important of these include:

Association/Interest group	Description of the membership
National level	
The federation of Swiss electricity companies (VSE)	Umbrella organisation for Swiss electricity companies
Suisse Eole	Umbrella organisation for wind energy
economiesuisse	Umbrella organisation for the Swiss economy
SwissHoldings	Trade association for multinational companies in Switzerland
International level	
Eurelectric – The Union of the Electricity Industry	Umbrella organisation for the European electricity sector
European Federation of Energy Traders (EFET)	Organisation for European energy traders
WindEurope	Umbrella organisation for the European wind energy
SolarPower Europe	Umbrella organisation for the European photovoltaic energy
Hydrogen Europe	Umbrella organisation for the European hydrogen industry
European Clean Hydrogen Alliance	Platform of the European commission for the coordination of the Euopean hydrogen industry
Energy Charter	International organisation for states to ensure investment security and cross-border energy trade
Renewable Energy Certificate System (RECS)	Association for the development organisation of trade in green certificates
Conseil International des Grands Réseaux Électriques (CIGRE)	International organisation for the exchange of information in the field of energy transmission and supply

Organisational units assessed for corruption risks GRI 205–1

Risk assessments are conducted regularly across all Axpo operations. Exposure to corruption risks is embedded as part of the Group Risk Report and reported to governance bodies within Axpo, incl. the Executive Board, Audit and Finance Committee and Board of Directors. Ethics and compliance risks (with corruption as a sub-category are assessed as part of the risk process, based on Axpo's Compliance Strategy approved by the Board of Directors. The Chief Ethics and Compliance Officer reports biannually to the Audit and Finance Committee and annually to the

Board. Compliance risks are identified by business areas and the Ethics & Compliance function and integrated into the risk process, with corresponding mitigation measures developed and monitored. Internal Audit conducts an annual independent risk assessment across all operations, considering a broad range of risks, including corruption. Its assurance activities address corruption risks as part of the Audit Plan, following a risk-based approach.

Communication and training about anti-corruption GRI 205–2

The employees and corporate bodies are familiar with the anti-corruption guidelines. The prohibition of corruption and bribery set out in the Code of Conduct for Business Partners applies when dealing with business partners. In November 2023, updated anti-bribery and anti-corruption training was introduced throughout the Axpo Group, accompanied by an awareness-raising campaign.

Confirmed incidents of corruption and actions taken GRI 205–3

There are no known confirmed incidents of corruption in the reporting period. Axpo is also not aware of any employee terminations or cancellation of contracts with business partners due to incidents of corruption in the reporting period.

Legal actions for anti-competitive behaviour GRI 206–1

There are no known legal proceedings due to anti-competitive behaviour, cartels or monopolies in the reporting period.

Incidents of discrimination and corrective actions taken GRI 406–1

Five cases of discrimination were reported internally during the reporting period. All cases were investigated, although one is still pending. Disciplinary and labour law measures, such as warnings or dismissal, are generally taken in the event of compliance violations.

Operations and suppliers at significant risk of child labour GRI 408–1

There are no known cases of child labour in the company or in the supply chain. Axpo uses various specialised data platforms (including Ecovadis) to assess its suppliers on the basis of ethical, environmental, social and human rights criteria (including child labour and forced labour).

Operations and suppliers at significant risk for incidents of forced labour GRI 409–1

There are no known cases of forced labour in the company or supply chain. Axpo has introduced various specialised data platforms (including EcoVadis) to assess its suppliers on the basis of ethical, environmental, social and human rights criteria (including child labour and forced labour).

Incidents of non-compliance concerning product information GRI 417–2

There are no known violations in the reporting period.

Incidents of non-compliance concerning marketing communications GRI 417–3

A fine was imposed on a subsidiary in connection with (contested) allegations by a consumer protection authority. The subsidiary or commercial agents commissioned by it are alleged to have solicited customers in an unlawful manner. An appeal has been lodged against the fine.

Complaints concerning customer privacy breaches and losses of customer data GRI 3-3, 418–1

A Group-wide data protection management system ensures that the personal data of employees, customers and business partners is handled lawfully and responsibly. It is continuously developed by the internal data protection organisation. This includes the DPO Axpo Group (Data Protection Officer), who regularly reports to the Executive Board and the Board of Directors, data protection coordinators in the various Group companies as well as continuous training of all employees. Axpo takes account of European and Swiss data protection law in particular and follows a risk-based approach.

Axpo is not aware of any complaints concerning breaches of customer privacy in the reporting period. The company is also not aware of any data theft or loss during the reporting period.

Disclosure report on safe power plant and grid operation

Axpo operates a large number of different power plants – including nuclear power plants that are particularly critical from a safety perspective – as well as an electricity distribution grid in various parts of Switzerland. Safety-related aspects are therefore of key importance at Axpo. The following data and information refer to topics relevant in this context.

Mission statement

Axpo is obliged to take a precautionary approach to risks. The need to ensure safety in the production plants and in electricity transmission, and thus also ensure the safety and health of customers, takes first priority. Axpo complies with all national legal legislation and requirements for electricity production.

Axpo continuously invests in the safety of its plants with the aim of ensuring that the power plants it manages are among the most reliable by international standards. When it comes to safety, Axpo takes an integral approach that encompasses five safety disciplines: physical safety, information security, crisis management, business continuity management and occupational health and safety

Potential impact on local communities GRI 304–2

By operating large hydroelectric power plants as well as the Beznau nuclear power plant, Axpo provides important jobs for local people. This is particularly true for hydroelectric power plants in sometimes very remote mountainous areas. Although Axpo gives top priority to the safety of its power plants and implements a variety of measures to ensure that safety, it is the nature of the business that residual risks cannot be fully mitigated. Examples include the effects of hydropeaking in hydroelectric power plants.

Physical safety GRI 403–3

Physical security is closely linked to information security through a common framework and covers the protection of persons, property, hardware, programmes, networks and data within the Axpo Group against external hazards and events that may cause serious loss or damage. Axpo follows national and international standards as well as best practices in order to meet the requirements for a critical infrastructure.

The health and safety discipline is dealt with in the chapter on occupational health and safety (see page 28).

Information security

Within Axpo, the Chief Information Security Officer (CISO) is responsible for information security. The CISO issues specifications based on the ISO/IEC27001 standard and the NIST cybersecurity framework. Compliance is monitored on an ongoing basis by means of audits, penetration tests and vulnerability scans. The systems are monitored using state-of-the-art anti-malware software. The Security Operation Center (SOC) reacts 24/7 when an incident occurs and initiates corrective measures. Employees undergo regular security awareness training. Behaviour is continuously monitored using phishing simulations.

Axpo continuously improves its level of maturity in terms of information security through various measures. The information security policies at Group level were reviewed and updated during the reporting period. In order to combat cyber threats, it is critical for Axpo that employees remain informed and vigilant. Axpo therefore offers all employees various training courses each year on the subject of information security.

In addition, all new employees must complete user policy training. This outlines the most important principles for using information systems in the Axpo Group for end users and defines requirements and best practices for protecting the Axpo Group's information property.

Crisis management and business continuity management

Axpo's Crisis Management and Business Continuity Management (BCM) jointly aim to ensure that incident management is adapted to the situation so that the continuity of critical processes and resources can be ensured if an incident occurs. With an overarching Business Continuity standard developed in the reporting year, roles and responsibilities are clearly defined. Additionally, continuous improvement is pursued, which includes the identification of BCM scenarios as well as the development, testing, and practicing of Business Continuity plans. Axpo ensures that the planned processes are complied with in the event of a crisis by providing training to members of the crisis team and conducting periodic crisis team exercises.

Safe dams

Axpo's dams comply with the highest safety standards. They are permanently monitored and regularly checked. Dams of a certain category have to be resistant to earthquakes of a magnitude that is only expected once every 10,000 years. Axpo's dams are used exclusively for electricity production from hydropower. The reservoir is used to store the large summer outflow for electricity production in winter. Depending on the size of the reservoir, it can make a significant contribution to protection from flooding. The possible containment volume means large flood inflows can be stored in the reservoir, breaking up the flood peak for those downstream. This reduces and delays the flood outflow, helping to protect the downstream population.

Protection against electrosmog in power grids GRI 403–2, 403–7

Compared with other countries, Switzerland has very strict official directives when it comes to protection against non-ionising radiation. Since the introduction of the Ordinance on Protection against Non-Ionising Radiation (NIR Ordinance) in 2000, places with sensitive use (where people regularly spend lengthy periods of time, for example, in homes, offices, etc.) are much better protected. To ensure the best possible protection, the limit value of 1 µT already applies, which is considerably stricter than the usual international standard of 100 µT. For existing facilities, the NIR Ordinance prescribes a phase optimisation to reduce the fields for existing power lines, which Axpo has already implemented throughout the Group. In the case of new lines, the specifications described above will be implemented in every case. As a result, all statutory provisions regarding electrosmog are strictly adhered to for both existing and new plants.

Safe operation of nuclear power plants GRI 403–1

Axpo complies with the international standards of the IAEA Safety Convention (International Atomic Energy Agency) on nuclear safety ratified by Switzerland. National and international authorities carry out nuclear safety checks on a regular basis. Periodic safety inspections serve as the basis for all measures to maintain and improve safe plant operation. In addition, nuclear safety is regularly analysed and appraised by WANO (World Association of Nuclear Operators). WANO is a global association of nuclear power plant operators for the mutual exchange of information.

Since its commissioning, the Beznau nuclear power plant (KKB) has been regularly refurbished. The Beznau nuclear plant has passed all the European stress tests carried out in the wake of the Fukushima disaster. In addition to the safety of its nuclear plants, the safe handling of radioactive waste is also of utmost importance to Axpo.

Monitoring nuclear power

The relevant provisions for monitoring nuclear power are set out in the Nuclear Energy Ordinance, the Radiological Protection Ordinance and various ordinances of the Swiss Federal Nuclear Safety Inspectorate (ENSI). The Swiss nuclear power plants have been built to withstand extreme conditions such as earthquakes, floods and aeroplane crashes.

Axpo's facilities meet all the relevant regulatory requirements in Switzerland and are constantly being modernised and upgraded. To highlight its commitment to nuclear safety and radiation protection, Axpo has adopted a Nuclear Safety Charter.

Radioactive waste GRI 3–3, 306–1, 306–2, 306–3, 306–5

Radioactive waste is the most important type of waste for Axpo. Safety is a top priority in the handling of this waste. In the case of radioactive waste from the Beznau nuclear power plant, a distinction is made between operational waste, used fuel elements and waste from reprocessing. At the Beznau nuclear power plant, radioactive operational waste is regularly accrued by the water purification systems as well as the flue gas and exhaust air cleaning processes. Other waste is generated by the replacement of components when performing maintenance, refurbishment or retrofitting work and by the consumables used during these processes.

Radioactive waste from the Beznau nuclear power plants GRI 306–5

	LILW unconditioned		LILW conditioned		HLW from nuclear fuel	
	m^3	m^3/MWh	m^3	m^3/MWh	tU	tU/MWh
Beznau nuclear power plant	23	4.0×10^{-6}	6	1.0×10^{-6}	11.6	2.0×10^{-6}

The radioactive raw waste is collected, conditioned in batches and transferred to intermediate storage. The unconditioned waste at the Beznau nuclear power plant is stored in the facilities provided for this purpose. At the Beznau nuclear power plant, conditioning procedures such as incorporating resins with polystyrene and cementing the radioactive sludge are used. Flammable and fusible raw waste as well as exhaust air filters are provided for treatment in the plasma plant of the interim storage facility for radioactive waste in Switzerland. The required type approvals have been obtained for all processes in accordance with the Nuclear Energy Ordinance and ENSI guideline B05. The conditioned waste packages are stored in the plant's own interim storage facility. The Beznau nuclear power plant also uses the capacities of the central interim storage facility in Würenlingen.

The Beznau nuclear power plant's radioactive waste is entered in an electronic accounting system used by all Swiss nuclear facilities. This means that information about the volumes, storage location and radiological features of the waste is always available. A key element in the minimisation of radioactive waste is the inactive clearance measurement of materials from the controlled zone. In 2023, a total of around 21 tonnes of material at the Beznau nuclear power plant were measured as cleared in accordance with the requirements of ENSI-B04 policy.

Fuel elements and waste from reprocessing are stored for several years in the plant's own wet storage pool for cooling. Once the heat output has dropped sufficiently, the fuel elements are placed in temporary storage casks. These storage casks are built in compliance with international standards and are licensed and stored in Switzerland in accordance with ENSI guidelines G04 and G05. The loaded containers are stored in the ZWILAG central interim storage facility and the plant's own interim storage facility (Zwibez) until a final repository for radioactive waste goes into operation. The containers will be monitored throughout the entire period of interim storage and are inspected and maintained as part of an ageing monitoring programme. This ensures the transport and storage capability of each stored container on an ongoing basis.

Transport of radioactive materials GRI 306–5

The internationally applicable regulations for the transport of radioactive materials are based on the IAEA regulations for the safe transport of radioactive materials and have been transposed into Swiss law by means of corresponding implementing ordinances such as the Ordinance on the Carriage of Dangerous Goods by Road (SDR). Furthermore, the regulations on radiation protection, security and fissile material control as well as nuclear energy liability must be observed.

No incidents or deviations in the application of the regulations have been identified for the transports carried out during the reporting period. The transport operations inspected by ENSI were rated as normal.

Radiation protection GRI 403–2, 403–7

Axpo implements all radiation protection regulations on a consistent basis. Normal operation of nuclear power plants does not result in any radiation exposure that is hazardous to health in the vicinity of the nuclear plants. The local dose or local dose rate resulting from external radiation is monitored via the MADUK measurement network in the immediate environment of the nuclear plants and with passive dosimeters both in the immediate environment and at the perimeter fence. In addition, ENSI carries out random quarterly dose rate measurements at the perimeter fence, as well as specific measurement campaigns as required. The Radiological Protection Ordinance in Switzerland specifies radiation protection limits and policy for the health and safety of employees. Axpo complies with these regulations and monitors as well as reports them to ENSI.

Reportable incidents

Since 2010, nuclear power plant operators have communicated all nuclear energy key figures (reportable incidents, operational availability, dose values) on a calendar year basis only, in order to ensure comparability with the official ENSI and WANO reports. To avoid contradictory data and misinterpretation of the ENSI and WANO reports, a conscious decision was taken to forgo the additional effort of converting and communicating these figures for other time periods (hydrological year). There were no accident incidents involving measurable release of radioactive material in the reporting year.

Number of reportable incidents in 2023

Number of reportable incidents in 2023				
Beznau nuclear power plant Block 1 and Block 2	Total 7	0 INES 1	7 INES 0	0 INES NA [1]

1) Incidents that do not fall under Chapter 5.1 "Nuclear safety reporting criteria", but rather under Chapter 5.3 "Reporting criteria: Public Interest" or Chapter 5.4 "Reporting criteria: safety" according to ENSI guideline B03 are rated as INES "Not applicable" (NA).

Reportable incidents do not mean that measurable quantities of radioactive substances have been accidentally released. They actually indicate that an irregular event took place during operations, which had to be monitored and reported.

Flow temperature increase with cooling water discharge GRI 304–2

The discharge of cooling water at the Beznau nuclear power plant warms up the River Aare. The interim order issued by the Swiss Federal Office of Energy (SFOE) on 4 July 2019 applies to the discharge of heated cooling water. The order replaces large sections of the previously applicable stipulations (Federal Council discharge permit for Beznau I and II dated 15 December 1997) for the discharge of cooling water for the duration of the ongoing review process in respect of the discharge permit and takes into account the requirements of the Waters Protection Ordinance (WPO) in force since 1999. The calculated temperature of the Aare water after the cooling water has been discharged and mixed extensively beneath the hydroelectric power plant may only exceed 25°C for a few days. To comply with this limit, the load is reduced, which can in some cases result in the temporary shutdown of one or both units of the plant.

During the calendar year 2023, operation of the Beznau nuclear power plant caused the water temperature to increase by around 9°C when the cooling water flowed back into the Aare (before mixing). The water level of the Aare was in line with the long-term average during the period under review. Following complete mixing underneath the hydraulic power plant, the water flow of the Aare and the cooling water discharged resulted in a slight calculated temperature increase of 0.9°C. In 2023, temperature-related load reductions of up to approx. 50 per cent of the thermal output had to be carried out several times in both units in order to comply with the legal limit values. The interim ruling was observed as required in the reporting period. Information was exchanged in a timely manner with the authorities involved (SFOE, ENSI, ElCom, Swissgrid), on the basis of which the framework conditions for continued operation of the plants (grid stability, security of electricity supply, nuclear safety) could be assessed.

Provisions for dismantling nuclear power plants and disposing nuclear waste GRI 3–3

As the operator of the Beznau nuclear power plant, Axpo Power AG is required to decommission the plant at the end of its operational life and dispose of the radioactive waste. At the partner plants Kernkraftwerk Leibstadt AG and Kernkraftwerk Gösgen-Däniken AG, in which Axpo has a stake, the plants themselves are responsible for decommissioning and dismantling the plants as well as disposing of their nuclear waste, and thus also for the financing.

The operators of nuclear power plants make regular contributions to the Decommissioning Fund for Nuclear Facilities and Waste Disposal Fund for Nuclear Power Plants (STENFO) to ensure that financial liabilities will be covered even after a nuclear power plant has reached the end of its useful life, assumed to be 50 years. Both funds are under the supervision of the Swiss federal government. The fund contributions are calculated based on the five-yearly cost estimates for decommissioning and dismantling nuclear power plants as well as disposing of nuclear waste in accordance with the Ordinance on the Decommissioning Fund and the Disposal Fund for Nuclear Installations (DDFO).

The currently valid provisional determination of the expected amount of the decommissioning and nuclear waste disposal costs for each nuclear plant as well as the provisional determination of the annual contributions for 2022-2026 to the Decommissioning Fund and the Disposal Fund were made with the ruling of the STENFO Administration Committee dated 1 April 2022. This was based on the 2021 cost studies submitted by swissnuclear in October 2021, which were audited by ENSI and external experts in 2022. The definitive determination of the expected amount of the decommissioning and waste disposal costs and the definitive determination of the annual contributions in 2022-2026 for both funds by the STENFO Administration Committee is expected over the course of the 2024/25 financial year.

According to the ruling issued by the STENFO Administration Committee of 1 April 2022, Axpo Power AG did not have to make any further contributions to the Decommissioning Fund and the Disposal Fund for the Beznau nuclear power plant on a provisional basis for 2024, as in the prior year. As the Beznau nuclear power plant has already exceeded its operating life of 50 years, an operating life of 60 years will be assumed in future for the Beznau nuclear power plant as the basis for calculating costs and fund contributions (see also "Financial Report of Axpo Holding AG 2022/23", pages 63-66) in accordance with the decision of the STENFO Administration Committee of June 2023.

08

Appendix

About this report

Reporting period

The information in this report covers the 203/24 financial year (01 October 2023 to 30 September 2024).

System boundaries

The system boundaries for sustainability reporting are formed by the fully consolidated companies. Deviations from this are made for voluntarily reported emissions (GRI 305-3) and for installed capacity (GRI EU1) and net energy production (GRI EU2) in accordance with the avoidances in the respective footnotes. Axpo reports according to the operational control approach, which takes into account the GHG emissions of the sites that are considered fully consolidated.

Restatements of information

Where, in individual cases, a new form of presentation, calculation method or optimised data collection has led to different results for previous years, this is noted accordingly under the relevant information.

External assurance

The content labelled with ✓ was externally audited by KPMG AG to obtain limited assurance regarding the compliance of the reported information with the GRI Standards or specially developed criteria.

CO Index

The chapters mentioned in the following concordance table contain the reporting on non-financial matters and on the fulfilment of due diligence obligations regarding conflict minerals and child labour in accordance with Art. 964a ff. and Art. 964l of the Swiss Code of Obligations (CO).

Requirements under article 964a ff. CO	Corresponding chapter in the report	Page
General Information		
Business model	Company	6
	Company structure	7
	Value chain	8
Non-financial matters		
Environmental matters	Energy transition	17
	Decarbonisation	19
	Biodiversity and landscape	22
	Resource efficiency and waste	24
Social matters	Stakeholder dialogue	15
	Community engagement	32
	Reliable energy supply	38
	Knowledge transfer	46
Employee-related matters	Diversity, equity and inclusion	26
	Occupational health and safety	28
	Development and career opportunities	30
Respect for human rights	Responsible supply chains	34
	Due diligence in relation to child labour and conflict minerals	35
Combating corruption	Ethical business conduct	36

GRI Index

Universal standards

GRI Standard / disclosure	Reference / page / information / omission	externally assured
Statement of use: Axpo has reported in accordance with the GRI Standards for the period 1 October 2023 to 30 September 2024.		
GRI 1: Foundation 2021		
Applicable GRI Sector Standards	No sector standards apply.	
General disclosures		
GRI 2: General disclosures 2021		
The organisation and its reporting practices		
2-1: Organisational profile	page 6	
2-2: Entities included in the organisation's sustainability reporting	page 69	
2-3: Reporting period, frequency and contact point	page 69	
2-4: Restatements of information	page 69	
2-5: External assurance	page 75	
Activities and workers		
2-6: Activities, value chain and other business relationships	pages 7, 8	
2-7: Employees	page 55	✓
2-8: Workers who are not employees	page 55	
Governance		
2-9: Governance structure and composition	Axpo annual report 2023/24, page 18	
2-10: Nomination and selection of the highest governance body	Axpo annual report 2023/24, page 19	
2-11: Chair of the highest governance body	Axpo annual report 2023/24, page 19	
2-12: Role of the highest governance body in overseeing the management of impacts	Axpo annual report 2023/24, page 20	
2-13: Delegation of responsibility for managing impacts	Axpo annual report 2023/24, page 21	
2-14: Role of the highest governance body in sustainability reporting	page 10	

2-15: Conflicts of interest	page 61	
2-16: Communication of critical concerns	page 61	
2-17: Collective knowledge of the highest governance body	page 10	
2-18: Evaluation of the performance of the highest governance body	Axpo annual report 2023/24, page 21	
2-19: Remuneration policies	Axpo annual report 2023/24, page 20	
2-20: Process to determine remuneration	Axpo annual report 2023/24, page 20	
2:21: Annual total compensation ratio	Remuneration of the highest governance bodies are disclosed in the financial report. Ratios of individual remunerations are not disclosed due to confidentiality obligations.	
Strategy, policies and practices		
2-22: Statement on sustainable development strategy	page 3	
2-23: Policy commitments	page 36	
2-24: Embedding policy commitments	page 36	
2-25: Processes to remediate negative impacts	page 61	
2-26: Mechanisms for seeking advice and raising concerns	Axpo annual report 2023/24, page 20	
2-27: Compliance with laws and regulations	page 61	
2-28: Membership associations	page 61	
Stakeholder engagement		
2-29: Approach to stakeholder engagement	page 15	
2-30: Collective bargaining agreements	page 60	
Material Topics		
GRI 3: Material topics 2021		
3-1: Process to determine material topics	page 12	✓
3-2: List of material topics	page 13	✓
Energy transition		
GRI 3: Material topics 2021 | 3-3: Management approach	page 17	
Decarbonisation		
GRI 3: Material topics 2021 | 3-3: Management approach	pages 19, 49, 54	
GRI 305: Emissions 2016		
305-1: Direct (Scope 1) GHG emissions	pages 20, 54	✓
305-2: Energy indirect (Scope 2) GHG emissions	pages 20, 55	✓
305-3: Other indirect (Scope 3) GHG emissions	pages 20, 56	✓
305-4: GHG emissions intensity	pages 17, 54	✓

305-5: Reduction of GHG emissions	Specific GHG emissions reductions were mainly conducted for customers or at owned power plants. However, a reliable quantification of the reduction in GHG emissions was not possible.	
305-6: Emissions of ozone-depleting substances	Axpo has assessed the ozone-depleting substances and determined that these do not play a significant role in the consideration of the overall environmental impact. The assessment was therefore not continued.	
305-7: Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	pages 20, 54	
GRI G4 Sector Disclosures: Electric Utilities		
EU21: Emissions per MWh from combustion power plants	page 49	
Biodiversity and landscape		
GRI 3: Material topics 2021 | 3-3: Management approach	pages 22, 63, 66	
GRI 304: Biodiversity 2016		
304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Several power plants are located in protected areas. There, they fulfill the relevant regulations. However, a quantification of these locations was not feasible to be implemented.	
304-2: Significant impacts of activities, products and services on biodiversity	pages 22, 63, 66	
304-3: Habitats protected or restored	Several power plants are located in protected areas. There, they fulfill the relevant regulations. However, a quantification of these locations was not feasible to be implemented.	
304-4: IUCN Red List species and national conservation list species with habitats in areas affected by operations	page 22	
Resource efficiency and waste		
GRI 3: Material topics 2021 | 3-3: Management approach	page 24	
GRI 302: Energy 2016		
302-1: Energy consumption within the organisation	page 52 The breakdown of energy consumption into electricity, heat, cooling, and steam consumption is not disclosed in this report, as data on cooling and steam energy consumption is not available. The information regarding the sale of electricity, heat, cooling, and steam is not disclosed in this report due to the unavailability of data.	✓
302-2: Energy consumption outside of the organisation	page 52	✓
302-3: Energy intensity	page 53	✓
302-4: Reduction of energy consumption	pages 17, 24	
302-5: Reductions in energy requirements of products and services	pages 17, 24	
GRI 303: Water and Effluents 2018		
303-1: Interactios with water as a shared resource	pages 17, 24	

303-3: Water withdrawal	page 53	
303-4: Water discharge	page 53	
303-5: Water consumption	page 53	
GRI 306: Waste 2020		
306-1: Waste generation and significant waste-related impacts	page 64	
306-2: Management of significant waste-related impacts	page 24	
306-3: Waste generated	pages 53, 64	
306-5: Waste directed to disposal	pages 53, 65	
Diversity, equity and inclusion		
GRI 3: Material topics 2021 | 3-3: Management approach	page 26	
GRI 401: Employment 2016		
401-1: New employee hires and employee turnover	page 56	
401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees	page 30	
401-3: Parental leave	page 57	✓
GRI 405: Diversity and Equal Opportunity 2016		
405-1: Diversity of governance bodies and employees	page 59	
405-2: Ratio of basic salary and remuneration of women to men	page 60	
GRI 406: Non-discrimination 2016		
406-1: Incidents of discrimination and corrective actions taken	page 62	
Occupational health and safety		
GRI 3: Material topics 2021 | 3-3: Management approach	pages 28, 63	
GRI 403: Occupational Health and Safety 2018		
403-1: Occupational health and safety management system	page 28	
403-2: Hazard identification, risk assessment and incident investigation	page 28	
403-3: Occupational health services	page 29	
403-4: Worker participation, consutation and communication on occupational health and safety	page 29	
403-5: Worker training on occupational health and safety	page 29	
403-6: Promotion of worker health	page 29	
403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	page 29	
403-8: Workers covered by an occupational health and safety	page 28	

403-9: Work-related injuries	pages 58	✓
403-10: Work-related ill health	pages 58	✓
Development and career opportunities		
GRI 3: Material topics 2021 | 3-3: Management approach	pages 30	
GRI 404: Training and Education 2016		
404-1: Average hours of training per year per employee	page 59	
404-2: Programs for upgrading employee skills and transition assistance programs	page 31	
Community engagement		
GRI 3: Material topics 2021 | 3-3: Management approach	pages 22, 32	
GRI 413: Local Communities 2016		
413-1: Operations with local community engagement, impact assessments and development programs	pages 15, 22, 33	
413-2: Operations with significant actual and potential negative impacts on local communities	pages 15, 22	
Responsible supply chain		
GRI 3: Material topics 2021 | 3-3: Management approach	pages 34, 62	
GRI 308: Supplier Environmental Assessment 2016		
308-1: New suppliers that were screened using environmental criteria	page 34	
308-2: Negative environmental impacts in the supply chain and actions taken	page 34	
GRI 408: Child Labour 2016		
408-1: Operations and suppliers at significant risk for incidents of child labor	page 62	
GRI 409: Forced or Compulsory Labor 2016		
409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labor	page 62	
GRI 414: Supplier Social Assessment 2016		
414-1: New suppliers that were screened using social criteria	page 34	
414-2: Negative social impacts in the supply chain and actions taken	page 34	
Ethical business conduct		
GRI 3: Material topics 2021 | 3-3: Management approach	pages 36, 61, 62	
GRI 205: Anti-corruption 2016		
205-1: Operations assessed for risks related to corruption	page 62	
205-2: Communication and training about anti-corruption policies and procedures	page 36, 62	
205-3: Confirmed incidents of corruption and actions taken	page 62	
GRI 206: Anti-competitive behavior 2016		
206-1: Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	page 62	

GRI 417: Marketing and Labelling 2016	
417-1: Requirements for product and service information and labeling	Axpo's products and services comply with the relevant labelling requirements. However, it was not possible to systematically collect data in this regard in the reporting year.
417-2: Incidents of non-compliance concerning product and service information and labeling	page 62
417-3: Incidents of non-compliance concerning marketing communications	page 62
GRI 418: Customer Privacy 2016	
418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	page 62
Reliable energy supply	
GRI 3: Material topics 2021 | 3-3: Management approach	pages 17, 38, 48, 49
GRI G4 Sector Disclosures: Electric Utilities	
EU1: Installed capacity, broken down by primary energy source and by regulatory regime	pages 38, 48
EU2: Net energy output broken down by primary energy source and by regulatory regime	pages 38, 48
EU4: Length of above and underground transmission and distribution lines by regulatory regime	page 48
EU11: Average generation efficiency of thermal plants by energy source and by regulatory regime	page 49
EU12: Transmission and distribution losses as a percentage of total energy	page 49
EU28: Power outage frequency	page 49
EU29: Average power outage duration	page 49
Safe power plant and grid operation	
GRI 3: Material topics 2021 | 3-3: Management approach	page 63
Sustainable financing	
GRI 3: Material topics 2021 | 3-3: Management approach	pages 41, 50
Green growth	
GRI 3: Material topics 2021 | 3-3: Management approach	page 43
Innovation and technology	
GRI 3: Material topics 2021 | 3-3: Management approach	page 45
Knowledge transfer	
GRI 3: Material topics 2021 | 3-3: Management approach	page 47

External assurance

Independent limited assurance report on selected sustainability information of Axpo Holding AG

To the Board of Directors of Axpo Holding AG, Baden

We have undertaken a limited assurance engagement on Axpo Holding AG's (hereinafter "Axpo") and its subsidiaries (the Group) following selected Sustainability Information in the Sustainability Report for the year 2023/2024 (hereinafter "Sustainability Information").

- Global Reporting Initiative (GRI) related KPIs, which marked with *a checkmark*.
- Axpo's internally developed KPIs, which marked with *a checkmark*.

Understanding how Axpo Holding AG has Prepared the Sustainability Information

Axpo prepared the Sustainability Information using the following criteria (hereinafter referred to as the "Sustainability Reporting Criteria"):

- For Global Reporting Initiative (GRI) related KPIs – GRI Standards
- For Axpo's internally developed KPIs, criteria as outlined in the footnotes of the relevant tables within Axpo's Sustainability Report.

Consequently, the Sustainability Information needs to be read and understood together with these standards and criteria.

Our Limited Assurance Conclusion

Based on the procedures we have performed as described under the *'Summary of the work we performed as the basis for our assurance conclusion'* and the evidence we have obtained, nothing has come to our attention that causes us to believe that the selected Sustainability Information is not prepared, in all material respects, in accordance with the Sustainability Reporting Criteria ("Criteria").

Our assurance engagement does not extend to information in respect of earlier periods or future looking information included in the Sustainability Report 2023/2024, information included in the Financial Report 2023/2024, information included in the Business Report 2023/2024, information linked from the Sustainability Report 2023/2024, information linked from the Financial Report 2023/2024 or any images, audio files or embedded videos.

Inherent Limitations in Preparing the Sustainability Information

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities may occur in disclosures of the Sustainability Information and not be detected. Our engagement is not designed to detect all internal control weaknesses in the preparation of the Sustainability Information because the engagement was not performed on a continuous basis throughout the period and the audit procedures performed were on a test basis.

Axpo's Responsibilities

The Board of Directors of Axpo is responsible for:

- Selecting or establishing suitable criteria for preparing the sustainability information, taking into account applicable law and regulations related to reporting the sustainability information;
- The preparation of the sustainability information in accordance with the criteria;
- Designing, implementing and maintaining internal control over information relevant to the preparation of the sustainability information that is free from material misstatement, whether due to fraud or error.

Our Responsibilities

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our independent conclusion to the Board of Directors of Axpo Holding AG.

As we are engaged to form an independent conclusion on the Sustainability Information as prepared by the Board of Directors, we are not permitted to be involved in the preparation of the Sustainability Information as doing so may compromise our independence.

Professional Standards Applied

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements other than Audits or Reviews of Historical Financial Information* and in respect of greenhouse gas emissions, with the *International Standard on Assurance Engagements (ISAE 3410) Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board (IAASB).

KPMG

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our work was carried out by an independent and multidisciplinary team including assurance practitioners and sustainability experts. We remain solely responsible for our assurance conclusion.

Summary of the Work we Performed as the Basis for our Assurance Conclusion

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Sustainability Information is likely to arise. The procedures we performed were based on our professional judgment. Carrying out our limited assurance engagement on the Sustainability Information included, among others:

- Assessment of the design and implementation of systems, processes and internal controls for determining, processing and monitoring sustainability performance data, including the consolidation of data;
- Inquiries of employees responsible for the determination and consolidation as well as the implementation of internal control procedures regarding the selected disclosures;
- Inspection of selected internal and external documents to determine whether quantitative and qualitative information is supported by sufficient evidence and presented in an accurate and balanced manner;
- Assessment of the data collection, validation and reporting processes as well as the reliability of the reported data on a test basis and through testing of selected calculations;
- Analytical assessment of the data and trends of the quantitative disclosures included in the scope of the limited assurance engagement;
- Assessment of the consistency of the disclosures applicable to Axpo with the other disclosures and key figures and of the overall presentation of the disclosures through critical reading of the Sustainability Report 2023/2024.

KPMG

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

KPMG AG

Rolf Hauenstein
Licensed Audit Expert

Cyrill Kaufmann
Licensed Audit Expert

Zurich, 4 December 2024

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