Axpo Holding AG

Sustainability Report 2020/21

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Ernst & Young Ltd. has provided limited assurance on these disclosures.

1. Introduction

For Axpo CEO Christoph Brand, it is clear that sustainability is crucial for successful corporate management.

Christoph Brand, why is sustainability important for the Axpo Group?
If a company does not operate sustainably, it will not be successful. And that's a positive thing, because we are all facing global challenges that we can only overcome with sustainable solutions. The energy system in particular is undergoing fundamental change, with digitalisation, decarbonisation and decentralisation all key megatrends. We want to secure the company's long-term success in the context of this far-reaching transformation. Sustainable solutions are our compass.

So sustainability is about more than "just" how limited resources are handled?
The three dimensions of sustainability as defined by the UN – economic, environmental and social – go hand in hand at Axpo. We have a strong economic base, as is underlined by the solid annual results. We have achieved further growth in renewable energy and improved the company's environmental sustainability. We have a major responsibility towards society as a company of relevance for energy supply and a responsible employer.

How is economic sustainability reflected in the Axpo Group's results?
Axpo once again achieved a solid annual result. Although the adjusted EBIT of CHF 500 million was 40% below the previous year's figure, the free cash flow was significantly higher than in the previous year at CHF 562 million. Our trading activites even achieved an absolute record result with an EBIT (Performance View) of CHF 531 million. These figures underline our long-term operational strength.

And looking to the future?
In the past financial year, we defined a clear Group strategy for Axpo. We are focusing on three strategic priorities: renewable energy, trading & origination and the Swiss business. This will enable us to pool our strengths, concentrate on clear growth areas and lay the foundations for the company's long-term success.

Why the focus on renewable energy?
Axpo is already Switzerland's largest producer of renewable energy. Since they were established, our subsidiaries Urbasolar and Volkswind have realised around 686 MW (Urbasolar) and 1,240 MW (Volkswind) worldwide. So we are building on a very strong base. Renewable energy will become increasingly important in the context of climate change; we will only be able to meet the growing demand for electricity with energy from renewable sources. We see huge potential for growth here, particularly on an international level. We are aiming to increase our photovoltaic portfolio by 10 GW – making it some 20 times bigger than it is today – by 2030. We are also planning a tenfold increase in our onshore wind capacity to around 3 GW.

And what about batteries and hydrogen?
These are absolutely technologies of the future if we are serious about further expanding renewable energy. Green hydrogen produced from renewable energy reduces industry and transport emissions and makes renewable energy transportable and storable. Large batteries are important for ensuring security of supply in a CO_2-free energy world. That is why Axpo is investing in both technologies, creating dedicated new teams and initiating projects in the financial year just ended.

What specific steps is Axpo taking to combat climate change?
At around 87 g CO_2 per kilowatt hour, our power plants produce three times less CO_2 emissions than the European average. In Switzerland, for example, we operate a virtually CO_2-free power plant portfolio thanks to our nuclear and hydroelectric power plants and other sources of renewable energy such as biomass and solar power. Internationally, we are not just expanding wind and solar power; our gas trading activities are helping many customers wean themselves off coal and thus also make a contribution to combating climate change. But that is not enough for us. Our ambition is to achieve a constant further reduction in our environmental footprint and play an active role in shaping the energy turnaround.

What are Axpo's objectives for Trading & Origination?
Here too, we are building on existing strengths. We market around 19,700 MW of renewable energy in Europe, primarily wind and photovoltaic power. We combine economic and environmental sustainability, for example through long-term power purchase agreements (PPAs) for renewable energy. Our PPA customers benefit from our expertise in portfolio management, structured products, emissions trading and renewable energy. We bring operators and customers together with customised PPAs, giving them security with regard to prices and planning. PV and wind power plants thus become marketable and are increasingly able to operate without subsidies. We want to quadruple the PPA volume by 2030.

Axpo is also a leading gas trader. How does this fit with the commitment to sustainability?
We have to look at other countries besides Switzerland. In many places – particularly in Asia – gas is currently displacing coal, leading to an enormous reduction in CO_2 emissions. This is an important intermediate step on the road to renewable production, and global trading is the enabler here. In the long term, however, we must also move away from fossil gas or use it in a CO_2-neutral way.

What are the objectives for the Swiss market?
We are consolidating our leading role in the transformation of energy supply. During the last financial year, Axpo invested CHF 220 million in Switzerland (excluding investments in partner plants) to optimise hydro power, expand renewables, put money into hydrogen and battery projects, and ensure that the nuclear power plants are operated safely and efficiently. Through our subsidiary CKW, we aim to add around 200 MW of photovoltaic capacity by 2030, equivalent to some 10,000 installations or an area of over 150 football pitches.

What role does the AlpinSolar large-scale PV plant play?
We have implemented a bold and pioneering project in conjunction with our partners IWB and Denner – the largest PV plant in the Swiss Alps. We are breaking new ground and expect to gain important insights for PV systems in the Alps. Such plants produce half of the electricity in winter, i.e. when Switzerland is particularly reliant on imports. This makes all the more disturbing that this pioneering project is unlikely to be profitable despite a long-term purchase agreement with Denner; unfortunately the general conditions are once again too unfavourable. This is further proof of why the expansion of renewable energy in Switzerland is progressing far too slowly.

How did the social dimension of sustainability manifest itself in the last financial year?
With its distribution grids and portfolio of around 100 power plants, Axpo plays a key role in Switzerland's economy and society. The Federal Office for Civil Protection, for example, views a large-scale and prolonged electricity shortage as the greatest risk for our country, even ahead of the threat of a pandemic.

Speaking of pandemics, how is Axpo handling the coronavirus crisis?
We coped well with the decline in demand in certain markets. Of course, the crisis has created major challenges for our employees. We have adapted our working methods and received a big push towards digitalisation and flexible working. The safety of our employees and the safe and secure operation of our plants have always been our top priorities. I am proud to be able to say today that our plants and grids have operated reliably throughout, for which our employees deserve special thanks.

Has the headcount grown again?
Yes, Axpo created around 400 new jobs in the past financial year, primarily in the areas of renewable energy and energy trading. One thing I am particularly pleased about is that Axpo is now a very diverse and international company. Although our roots are in Switzerland, we now have a presence in 31 other countries in Europe, the USA and Southeast Asia and in over 40 markets. Our employees come from over 60 nations, have around 150 different professional profiles and cover a wide range of ages. Axpo thrives on the unique ideas and perspectives of its employees, who apply their experience, expertise and passion to develop future-oriented solutions. I firmly believe that this diverse mix and the dynamic environment it engenders are the key factors driving Axpo's sustainable corporate success.

2. Action fields and goals

The focus of Axpo's commitment to sustainability is the business itself and all related activities. However, Axpo is also part of the Swiss economy and Swiss society. Based on this broad understanding of sustainability, Axpo is committed to the following six action fields and is working to achieve the targets set for each one.

1. Axpo ensures its long-term economic success

The challenge: Ensuring the long-term success of the business is a priority. The key megatrends of "decarbonisation", "decentralisation" and "digitalisation" are fundamentally transforming the energy market. Axpo must find answers to this transformation. The challenge, however, is to accelerate the transformation to a sustainable energy system through targeted investments and to not just stabilise economic profitability, but expand it. Due to the substantial production capacity at Axpo's disposal, we are heavily dependent on trends in wholesale prices, which affects the securing of refinancing for this capital-intensive business.

Axpo's approach: The available investment capital will be used for further growth in existing business areas and also in future markets such as green hydrogen. Furthermore, we will be focusing on strengthening our innovative capacity and driving forward digital transformation. This will increase efficiency in our existing business activities and gain us the capabilities we need to identify and successfully open up new areas of business. New approaches will be required in order to pool the various capabilities within Axpo and in our external partnerships in the most effective way possible.

2. Axpo reduces its carbon footprint and increases energy efficiency

The challenge: Climate change is one of the global challenges of our time, and the overwhelmingly negative consequences can only be countered by a global rethink and global action. Under the Paris Agreement of December 2015, the member states of the United Nations Framework Convention on Climate Change commit to limiting man-made global warming to well below 2°C compared with pre-industrial levels, the aim being to cap the increase at 1.5°C. Developed industrial nations such as Switzerland set an example towards achieving this goal.

Axpo's approach: Axpo's contribution involves the low greenhouse gas intensity of its production mix and boosting energy efficiency. The relevant possibilities for increasing energy efficiency lie in maintaining the production plants with the most up-to-date and efficient technology, reducing energy losses on the distribution grids and making careful and efficient use of energy in its buildings. Axpo's products and services also help its customers to improve their own energy efficiency and promote decarbonisation.

3. Axpo enforces sustainability principles among its business partners

The challenge: In today's globalised world, supply chains are complex and there are often few opportunities for influencing downstream suppliers and their own suppliers in particular.

Axpo's approach: To do justice to its understanding of sustainable corporate governance, Axpo creates a binding basis on which its business partners can engage with their own corporate responsibility. Axpo achieves this by means of its Code for Business Partners.

4. Axpo plays an active role in shaping the energy transition

The challenge: Energy systems are in the process of transformation throughout Europe. The number of decentralised elements is increasing, the passive consumer is transforming into a discerning customer and "prosumer" and, due to changing customer needs and ever-sinking costs, renewable energy is booming. At the same time, state subsidies for renewable energy with fixed feed-in tariffs are being replaced with market-driven funding, or even abolished outright in many European countries. The upshot of these regulatory changes is that investors in new plants are increasingly exposed to the risk of changing wholesale prices. As renewable energy volumes are increased, the volatile electricity production associated with them must also be adaptable in line with demand. This is making electricity storage technologies ever more important.

Axpo's approach: Axpo is helping through various business activities to reshape the energy system. In Switzerland, Axpo is the leading producer of renewable energy. Furthermore, its flexible hydro power plants create the capacity needed to balance out volatile electricity production. Axpo is actively driving the expansion of renewable energy through the wind farm developer Volkswind and the photovoltaic developer Urbasolar, with projects including onshore wind farms in Germany and France and large-scale solar plants in France, Spain and Italy. These acquisitions have also enlarged Axpo's own renewable energy portfolio in Europe outside Switzerland.

As well as building and operating its own plants, Axpo is positioning itself as one of Europe's leading marketers of electricity from renewable energy sources. The customer portfolios it manages chiefly comprise wind and photovoltaic energy and are spread right across Europe. Axpo offers investors in renewable energy individual and long-term power purchase agreements (PPAs), thereby enabling the construction of new plants which are not subsidised by fixed feed-in remuneration. These PPAs give investors planning certainty, particularly if they lack expertise in marketing electricity. Institutional investors such as pension funds and other investment funds are increasingly being joined by large corporations which, under various initiatives, are committed to achieving 100% renewable electricity supply (one example being the RE-100 Initiative).

Axpo is responding to the trend towards increasingly decentralised and intelligent elements in the energy system through its subsidiary CKW and its sites in Italy and Spain. Products and services focusing on decentralised production and optimised consumption (photovoltaics, batteries, e-mobility), heat solutions and intelligent control are offered to private and commercial customers. Solutions to increase energy efficiency, for flexibility management and in the area of building technology are offered to business customers.

5. Axpo is a responsible employer

The challenge: As a responsible operator of power plants and infrastructure relevant to the supply of energy, Axpo views responsibility for people and the environment as one of its key tasks. The emphasis here is on the health and safety of our employees, our external contractors and the wider public.

The success and long-term continuance of Axpo as a going concern is based on the achievements, motivation and continuing development of its employees. The main challenges are successfully recruiting qualified employees, training them successfully and continuously throughout their professional lives, and retaining them by offering attractive employment packages.

Axpo's approach: Axpo has established a management system for occupational health and safety. This has been implemented on the basis of national guidelines (EKAS 6508), industry solutions and the occupational health and safety management system according to ISO 45001:2018. The core elements of the occupational health and safety management system are the definition of safety objectives, the operation of a safety organisation, systematic hazard identification and risk assessment, and ultimately the implementation of improvement measures and monitoring of their success.

Axpo also seeks to achieve a high level of employee satisfaction, particularly at times when it is focusing on new business areas and services, because this is a prerequisite for good performance and a driver of innovation. The key to this is the development of a highly diverse range of skills within the company. This is promoted at Axpo through a broad array of training and education courses. As a modern employer, Axpo is also committed to gender equality. To this end, it has implemented appropriate measures in the areas of recruitment, communication, talent management and succession planning.

6. Axpo makes a contribution to society

The challenge: As a public-sector enterprise, Axpo has a particular duty to demonstrate a commitment to society as well. Besides providing and operating a reliable energy supply infrastructure, it must also make meaningful contributions in other areas.

Axpo's approach: For Axpo, credible commitment is based on open and honest dialogue with all stakeholders and on setting down roots in the regions where it its located. In this respect, Axpo focuses on the transparent and politically neutral communication of knowledge on all aspects of energy at its power plants, a comprehensive annual reporting suite on all sustainability topics of relevance to Axpo, and support for over 100 different organisations, institutions and projects which are committed to culture, the environment or young and disabled sporting talent.

Action fields	Goals	Performance 2020/21
1) Axpo ensures its long-term economic success	Expansion of business that is not dependent on electricity prices	• Expansion of PPA business for photovoltaics and wind in Europe and the USA • Strengthening of the international gas and LNG business, which will play an important role in the transition to a CO_2-free energy future in many regions of the world • Expansion of the portfolio of large-scale wind and photovoltaic plants in Europe
	Diversification into new areas of business	• Targeted investment in the promising business areas of hydrogen and battery storage and the creation of dedicated departments • Positioning as a leading provider of solar energy in Switzerland through the subsidiary CKW
	Ensuring long-term capital market viability	Axpo maintains its investment grade rating, ensuring its capital market viability.
2) Axpo reduces its carbon footprint and increases energy efficiency	Annual measurement of greenhouse gas emissions in accordance with ISO 14064	Verification (reasonable assurance) of Group-wide greenhouse gas inventory conducted by independent auditors Ernst & Young Ltd
	The greenhouse gas intensity of electricity generation from our own plants and associates is below the European target path for the electricity sector to achieve the 2°C target set in the Paris Agreement.	The greenhouse gas intensity of Axpo's electricity generation is 87 kg CO_2e/MWh. ✓ The European target path for the electricity sector is around 200 kg CO_2e/MWh by 2022.
	By the end of the 2021/22 financial year, improvement of 150,000 MWh in energy efficiency as regards electricity in the production and distribution of electricity, in operations and at customers, compared with the 2015/16 base year	A total increase of 7,300 MWh was achieved (+44.8% compared with the previous year). The cumulative energy efficiency gain since the base year is 43,270 MWh. A number of major projects with large energy efficiency gains in production and grids have been delayed due to the current coronavirus situation or due to objections. However, it still seems likely that the objectives will be achieved in 2021/22 (gains of around 105,000 MWh are planned for the 2021/22 financial year).

Action fields	Goals	Performance 2020/21
3) Axpo enforces sustainability principles among its business partners	By the end of the 2018/19 financial year, 60% of the order volume[1] in excess of CHF 100,000 that Axpo can influence was to be placed with business partners that have accepted the Axpo Code for Business Partners on compliance with the principles of business ethics and minimum social and environmental standards, rising to 90% by the end of the 2021/22 financial year.	Around 86% of the order volume that Axpo can influence was placed with business partners that have accepted the Axpo Code[2]. The ambitious target for the 2021/22 financial year currently appears to be achievable.
4) Axpo plays an active role in shaping the energy transition	Annual development and creation of renewable energy capacity in Switzerland and abroad, in MW	Expansion of around 339 MW: • Wind: +132 MW • Photovoltaics +222 MWp Wind: Completion of eight onshore wind farms in France by Volkswind Photovoltaics: - Construction of large-scale plants, mainly in France (Urbasolar), with a total capacity of around 209 MWp - Development and installation of PV plants for customers with a capacity of around 13 MWp
	Annual expansion of renewable energy by third parties, enabled by a long-term power purchase agreement with Axpo, in MW	Expansion of around 1,880 MW, mainly wind farms in Poland and solar and wind farms in France
	Total capacity of renewable energy marketed by Axpo for customers in Europe, in MW	Total approx. 19,697 MW The biggest portfolios are in Spain (8,550 MW), Scandinavia (3,745 MW) and Italy (2,259 MW).

[1] The order volume that Axpo can influence involves the purchase of goods and services. It does not include official levies and charges, costs for energy procurement and grid utilisation, financing, membership and association fees, sponsorship and insurance.

[2] The percentage of the order volume is derived from the proportion of business partners in Switzerland and international companies. Around 93% of the order volume in Switzerland that can be influenced is placed with business partners that have signed the Axpo Code. The order volume in other countries is estimated using a conservative approach, as the data cannot yet be fully recorded.

Action fields	Goals	Performance 2020/21	
5) Axpo is a responsible employer	Axpo's annual rate of occupational accidents (= number of occupational accidents per 1,000 FTEs) is below the industry average (Energy; NOGA 2008 of the Swiss Federal Statistical Office) for Switzerland, based on reported cases in accordance with the Swiss Accident Insurance Act.	At around 29.2, the annual rate of occupational accidents was well below the industry average of 41.	
	The absence rate (= number of lost days due to illness (including work-related mental illness such as burnout), occupational and non-occupational accidents per FTE) is below the industry average for the economic activities of manufacturing and energy supply, as calculated by Suva.	At 5.4 days' absence per FTE, the absence rate was below the [2019] industry average of 7.6 calculated by Suva for the economic activities of manufacturing and energy supply.	
6) Axpo makes a contribution to society	Each year, Axpo imparts transparent and politically neutral knowledge on all aspects of energy at its power plants and via its digital channels.	Several power plants remained largely closed due to the current coronavirus situation. Axpo has also closed the Axporama visitor centre due to falling visitor numbers. However, Axpo stepped up the provision of background information on its website, in newsletters and on social media.	
	Each year, Axpo reports with the greatest possible transparency on its sustainability performance in line with the Global Reporting Initiative (GRI) requirements.	Reporting with the "Comprehensive" option in compliance with the GRI Standards was achieved.	
	Through sponsorship and cooperation agreements, Axpo supports organisations, institutions and projects committed to culture, the environment, and youth and disability sport.	Around 100 different organisations, institutions and projects were supported in the reporting year. As a longstanding partner of PluSport, the umbrella organisation for Swiss disability sport, Axpo is also committed to supporting people with disabilities. Since 2019, Axpo has been the main sponsor of the PluSport Day in Magglingen and has supported PluSport football groups as part of its funding project.	

3. Green bond reporting

As Switzerland's largest producer of renewable energy, Axpo makes an important contribution to efforts to counter climate change, one of the greatest challenges of our time. With the acquisitions of the wind farm developer Volkswind in 2015 and French photovoltaic developer Urbasolar in 2019, Axpo is strengthening its growth in the area of renewable energy and is focusing specifically on investments in environmental and sustainable projects. The issue of the green bond on 23 July 2020 supports the growth of Axpo's climate-friendly project portfolio, consisting of wind and solar projects. The green bond gives investors the opportunity to participate in specific aspects of Axpo's sustainable investment policy.

The Axpo Green Bond is accompanied by a Green Bond Framework, which is based on the Green Bond Principles published by the ICMA in June 2018. The framework provides investors with a transparent overview of the selection process for "green" projects and the intended use of the proceeds from green bond issues.

Key data on the Axpo Green Bond

Issuer	Axpo Holding AG
ISIN	CH0468581571
Status	Senior unsecured
Volume in CHF	133 000 000.00
Payment	23 July 2020
Term in years	7
Coupon in % p.a.	1.002
Denomination in CHF	5 000.00

Reporting on the allocation of issue proceeds and environmentally sustainable impacts

Transparency regarding the use of the proceeds from green bond issues is a core component of the ICMA Green Bond Principles. Axpo therefore publishes an annual report within the Axpo sustainability report, showing:

- the total amount of the net proceeds from green bond issues already allocated to the project portfolio
- the breakdown of the reported net proceeds from green bond issues by use for new financing, refinancing and amounts not yet allocated
- "green" projects that were (re)financed in the reporting year, including project descriptions
- any allocation adjustments in the green bond project portfolio if projects no longer meet the Green Bond Asset criteria of Axpo's Green Bond Framework

Global overview of the allocation of issue proceeds

Technology	Project	Country	Commis-sioning	Type of financing	Status	Installed capacity	Energy produced 2020/2021	Greenhouse gases avoided 2020/2021	Capital in-vested
			[year]			[MW]	[MWh]	[t CO_2 equivalents]	[CHF m]
Wind	Benet 2	France	2019	Refinancing	Opera-tional	17,0	37,639	1,923	0.72
	Bois de la Hayette	France	2022	Financing	Planning stage	26,4	0	0	0.44
	Saint-Quentinois	France	2022	Financing	Planning stage	24,0–27,6	0	0	7.20
								∑ Wind	**8.36**
Photovoltaics	Bove	Italy	2022	Financing	Planning stage	17,4	0	0	0.08
	Cigliano	Italy	2022	Financing	Planning stage	5,8	0	0	0.03
	Viglione	Italy	2022	Financing	Planning stage	11,8	0	0	0.06
								∑ Photovoltaics	**0.17**
								∑ Total allocated	**8.53**
								∑ Not allocated	**124.47**
								∑ Total issue volume	**133.00**

Calculation of CO_2 emissions avoided:
The calculation of CO_2 emissions avoided is based on the assumption that the electricity produced by the project financed by the green bond would otherwise have been generated with the country-specific production mix. The source for emission factors for the production mixes of European countries is the European Environment Agency's EUROSTAT database. The CO_2 emissions avoided in tonnes are calculated by multiplying a project's production volume attributable to the green bond by the CO_2 emission factor for the production mix of the country in which the project is located. In the reporting year, the Benet 2 project in France produced renewable electricity with no direct CO_2 emissions. The emission factor for France's production mix is 51.1 g CO_2/kWh[1].

[1] Source: European Environment Agency

An example from the Axpo Green Bond portfolio – Benet 2

A wind farm with a capacity of 17 MW in the French municipality of Benet was connected to the grid in 2019. Benet 2 is a project in the Axpo Green Bond portfolio that was designed, built and commissioned by the Axpo subsidiary Volkswind. Since the five wind power plants were commissioned, they have enabled around 1,920 t of CO_2 emissions to be saved annually in the region. That is equivalent to driving a car around the world 300 times.

Biodiversity is a central consideration

Before starting construction in 2018, various measures were taken to preserve biodiversity, including protecting birds and bats. The start of construction was geared specifically around the breeding season of the local bird species, and nesting sites were identified and protected in advance.

Electricity for 7,000 households

The wind farm also benefits the local community in the municipality in western France. The mayor of Benet, Daniel David, praises the project and is pleased that Axpo is able to supply the community with clean and sustainable electricity. The 30 GWh of electricity produced annually on average is enough to cover the electricity consumption of around 7,000 households.

Externe assurance

KPMG

Independent limited assurance report on selected disclosures in the global overview of the allocation of issue proceeds of Axpo Holding AG

To the Green Bond Committee of Axpo Holding AG, Baden

We have been engaged to perform a limited assurance engagement on selected disclosures in the Global overview of the allocation of issue proceeds published on page 11 of the Sustainability Report 2020/21 of Axpo Holding AG.

Our independent assurance engagement to obtain limited assurance covers the following disclosures for the business year ended 30 September 2021:

- The total amount of net proceeds from Green Bond issues already allocated to the project portfolio ("Total allocated") and the total amount not yet allocated ("Not allocated").
- The breakdown of the allocated net proceeds from Green Bond issues in terms of use ("Type of financing") for new financing and refinancing.
- The invested capital per reported project ("Capital invested").
- The reporting on any allocation adjustments in the Green Bond project portfolio if projects no longer meet the Green Bond asset criteria of this framework

The objective of our engagement is neither an examination of further disclosures not mentioned above nor of prior period disclosures, future-related disclosures, statements from external sources, environmentally sustainable impacts or expert opinions. The assessment of the Green Bond Framework and the compliance of eligible green projects with the criteria defined therein was performed by another service provider. Therefore, our engagement does not include any conclusion on disclosures other than those described in the previous paragraph.

In accordance with Axpo Holding AG's Green Bond Framework and the Green Bond Principles (GBP) published in June 2018 by the International Capital Market Association (ICMA), the allocation of issue proceeds from a Green Bond should be used exclusively for lending and investing activities of green projects. The project evaluation and selection are carried out by Axpo Holding AG as the issuer of the Green Bond, respectively by the Green Bond Committee of Axpo Holding AG. The selection is based on Axpo Holding AG's judgement and general understanding of what qualifies as a green project according to the criteria defined in the Green Bond Framework and how it may contribute positively to environmental objectives. This understanding is described in the Axpo Green Bond Framework. It is therefore possible that the categorization of a project may be interpreted differently by a report reader.

Responsibility of the Green Bond Committee

The Green Bond Committee of Axpo Holding AG is responsible for the preparation of the selected disclosures in accordance with the reporting criteria. The company applies the Green Bond Framework of Axpo Holding AG, published in July 2020, which is in line with the Green Bond Principles published by the ICMA in June 2018, as reporting criteria and publishes the report under the title "Sustainability Report 2020/21".

This responsibility includes, on the one hand, the selection of the green projects, the application of appropriate methods as well as making assumptions and estimates for individual disclosures that are appropriate under the circumstances. It also includes the design, implementation and maintenance of systems, processes and internal controls to enable the preparation of selected disclosures that are free from material misstatement whether due to fraud or error. In addition, the Green Bond Committee is responsible for establishing the Green Bond Framework and applying the reporting criteria.

Externe assurance

Independent Auditor's Responsibility

Our responsibility is to perform a limited assurance engagement and to express a conclusion, based on our procedures and the evidence obtained, as to whether any matters have come to our attention that cause us to believe that the selected disclosures in the Global overview of the allocation of issue proceeds published on page 11 of the Sustainability Report 2020/21 of Axpo Holding AG have not been prepared, in all material respects, in accordance with the requirements of the Green Bond Framework of Axpo Holding AG.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB). That standard requires that we plan and perform the engagement to obtain limited assurance whether the selected disclosures in the Global overview of the allocation of issue proceeds have been prepared, in all material respects, in accordance with the requirements of Axpo Holding AG's Green Bond Framework.

The procedures performed in a limited assurance engagement are less in extent than for a reasonable assurance engagement, and consequently the level of assurance obtained is substantially lower. The procedures selected depend on the auditor's judgment. Taking into account risk and materiality considerations, we have performed procedures in order to obtain sufficient and appropriate evidence. This included, among others:

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 qualitative and quantitative 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.

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

Inherent limitations

Due to the inherent limitations of any internal control structure it is possible that errors or irregularities in the selected disclosures may occur and not be detected. Our engagement is not designed to detect all weaknesses in internal controls over the preparation of the selected disclosures, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Independence and quality assurance

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

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Conclusion

Based on the procedures performed and the evidence obtained nothing has come to our attention that causes us to believe that the selected disclosures in the Global overview of the allocation of issue proceeds published on page 11 of the "Sustainability Report 2020/21" of Axpo Holding AG for the financial year ended 30 September 2021 are not prepared, in all material respects, in accordance with the requirements of the Green Bond Framework of Axpo Holding AG.

KPMG AG

Silvan Jurt
Licensed Audit Expert

Nadine Herzog
Licensed Audit Expert

Zurich, 6 December 2021

4. Reporting in accordance with GRI Standards

Axpo has once again prepared its report for the 2020/21 financial year in accordance with the Standards of the Global Reporting Initiative (GRI). This report was prepared in accordance with the GRI Standards: "Comprehensive" option. Limited assurance has been continued and is explicitly indicated for each disclosure that has been assured (see Sustainability Report 2020/21, GRI content index, p. 75).

Important sustainability aspects are addressed in the annual report, but comprehensive reporting now takes place separately in this Sustainability Report, along the same lines as for financial reporting (for further information, see www.axpo.com).

Axpo applied the GRI reporting principles when preparing the report. These define the process for determining the report content and criteria for the quality of reporting. When it came to choosing the report content, an active dialogue was held with stakeholders so as to involve them in the sustainability reporting process. The action fields that were developed provide context, illustrating just how important the topic of sustainability is for Axpo. As required by the GRI Standards, the material topics and indicators were chosen based on their relevance to external stakeholders and impact on sustainable development. Care is taken to achieve a clear and balanced presentation of key figures, to facilitate the comparability of Axpo's performance over time and in the reporting year and to make this information accessible to all stakeholder groups.

When updating materiality this year, findings from the strategy process were used to reassess the relevance of topics, to augment topics, especially in the economic dimension, or to tighten up their formulation. The topic of "Diversity and inclusion" was also reassessed and added as a material topic (see Sustainability Report 2020/21, Choosing the material topics, p. 15) (GRI 102–48, 102–49). Axpo also considered the topic of the circular economy in its analysis and recognises its growing relevance, but feels that this currently has a smaller impact on sustainable development.

5. Reporting in accordance with the EU CSR Directive

Axpo is not subject to the reporting obligation under the EU CSR Directive (Directive 2014/95/EU). However, the company has nevertheless implemented the requirements of this directive in its Sustainability Report 2020/21, reporting on environmental matters, social and employee-related matters, respect for human rights, and anti-corruption and anti-bribery matters. In the reporting process, specific topics were identified as material if they are relevant to Axpo's business activity and have a significant impact on sustainability aspects (see Sustainability Report 2020/21, Choosing the material topics, p. 15). The Sustainability Report contains disclosures for each of the material topics mentioned, pertaining to the concepts and the associated results as well as the due diligence processes and risk management.

6. Materiality analysis

Choosing the material topics

This materiality analysis has been broadened for this reporting year through the addition of new topics, based on relevant developments and foreseeable trends in the energy sector. In terms of method, an assessment was conducted from three perspectives, as in the previous year, in order to implement the requirements of both the GRI Standard and the EU CSR Directive.

The materiality analysis covered all the topics from three perspectives:
- relevance to Axpo's business activity and business success
- relevance to the various stakeholder groups
- relevance to impacts on sustainable development

As in previous years, the analysis of relevance to Axpo's business activity and business success is based on an internal assessment. The extent of any significant positive or negative effects on sustainability aspects such as environmental concerns, employee concerns, anti-bribery and anti-corruption, observance of human rights and social concerns was assessed (GRI 102-46). The analysis of relevance from a stakeholder perspective is based on a broadly diversified view of the stakeholder groups relevant for Axpo and includes the results of various surveys of the following stakeholder groups: "Axpo employees", "Board of Directors of Axpo Holding AG", "Customers", "Politicians and authorities", "Associations and NGOs" and "Lenders". The assessment of the material topics was updated slightly in the reporting year.
In view of the new corporate strategy and the changed circumstances, the material topics were analysed and slightly adjusted during the reporting year in consultation with internal stakeholder groups. Relevance to sustainable development was ascertained both by Axpo's and CKW's Sustainability Management function and in the stakeholder survey conducted by Axpo Italia.

By considering three perspectives, we are able to fulfil the requirements of both the GRI Standards and the EU CSR Directive at the same time. According to the GRI Standards, topics that are relevant to stakeholders and that have a significant impact on sustainable development are deemed material. For the purposes of the EU CSR Directive, topics that are relevant both to business activity and business success and that have a significant impact on sustainability aspects are material.

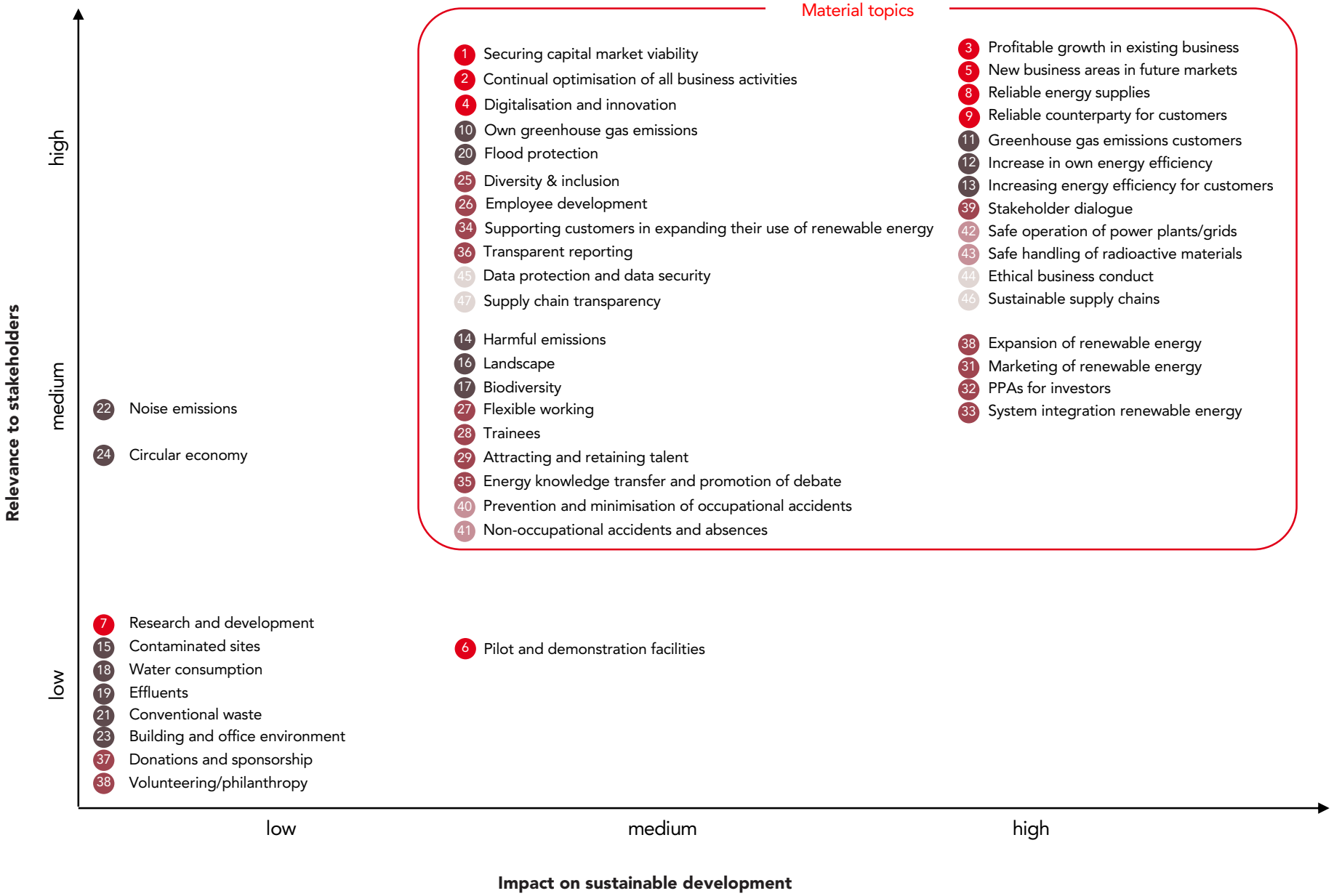
All topics were analysed from three perspectives, applying the relevance categories "high", "medium" and "low". In both cases, topics are only considered material for reporting purposes if they are of at least medium significance in both relevant perspectives (see the two graphics on materiality according to GRI Standards and according to the EU CSR Directive).
The corresponding GRI Standards (topics) and indicators (disclosures) were assigned to the topics identified as material. For all indicators, the reporting boundaries refer to the fully consolidated companies. Differences in reporting periods are highlighted in context and explained accordingly (GRI 102-45).

In the charts and tables below, the topics are broken down according to the five dimensions of Axpo's sustainability policy[1]:

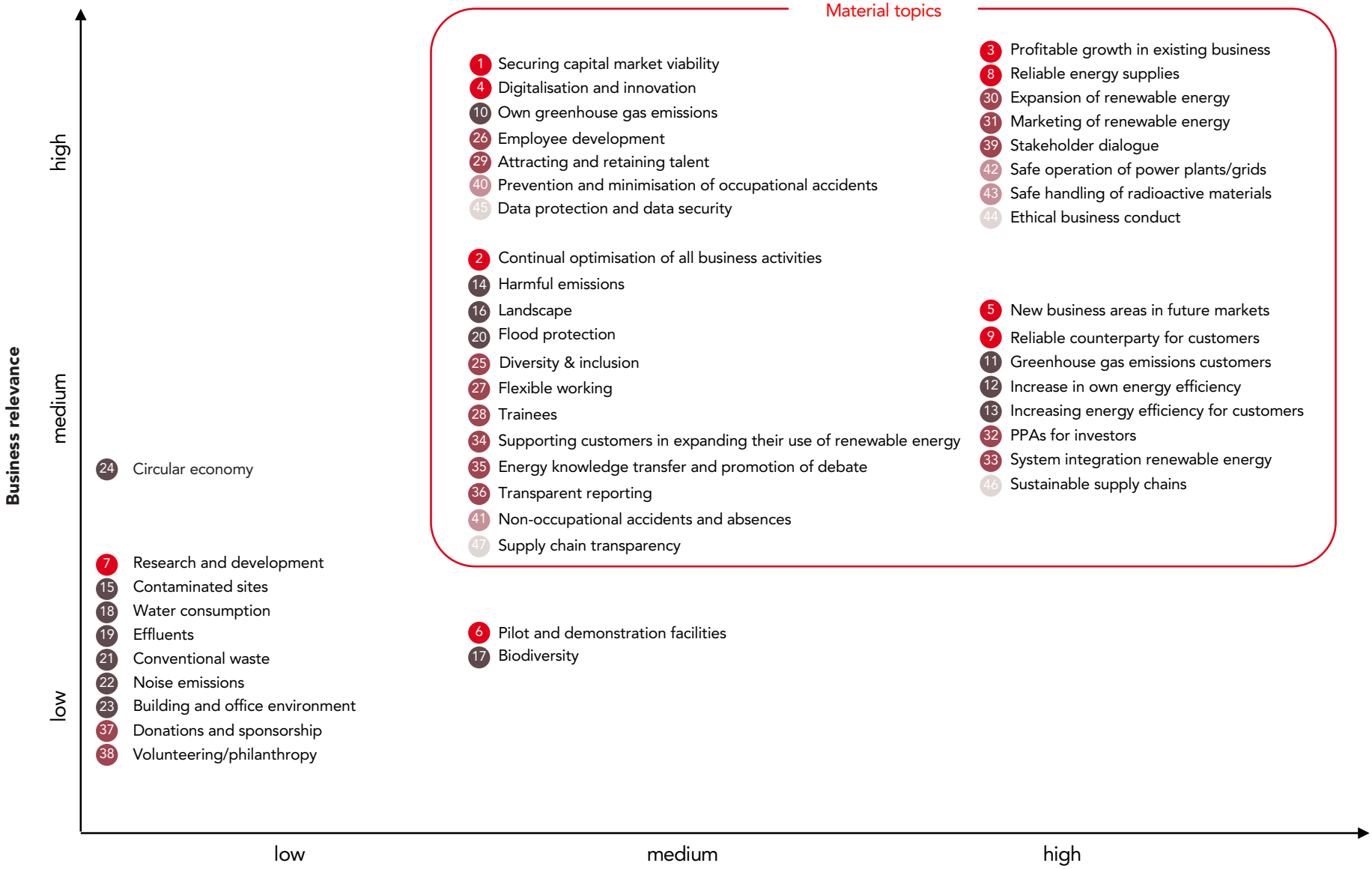
I Economy	Ensuring the long-term success of the business; customer focus and reliability
II Environment	Protecting the environment; increasing energy efficiency
III Social dimension	Attractive employer; energy turnaround; dialogue with stakeholders
IV Safety	Operational and occupational safety; safe operation of power plants and grids
V Ethical business conduct	Ethical business conduct at the company; sustainability in the supply chain

[1] The Axpo sustainability policy can be downloaded at www.axpo.com.

Materiality analysis according to the GRI Standards



Materiality analysis according to the EU CSR Directive



Overview of the material topics and reference to GRI indicators (GRI 102-47)

Material topics for Axpo from the economic dimension

Topic		Materiality		Reporting	
No.	Topic	GRI	EU Directive	Report	Reference
Economic dimension: Ensuring the long-term success of the business					
	Action field 1: Ensure the long-term success of the business				
1	Maintain long-term capital market viability to ensure that future investments can be financed on favourable terms and to contribute to the nuclear energy fund	Yes	Yes	Yes	Economic performance, p. 35
2	Continually optimise all business activities in terms of costs and investments	Yes	Yes	Yes	Economic performance, p. 35
3	Achieve profitable growth in existing business with a focus on wind, PV, origination & trading	Yes	Yes	Yes	Economic performance, p. 35
4	Drive digitalisation and innovation in all business activities	Yes	Yes	Yes	Economic performance, p. 35
5	Build up new businesses in the future markets of hydrogen and battery storage	Yes	Yes	Yes	Economic performance, p. 35
6	Support pilot and demonstration facilities	No	No	No	–
7	Support research and development	No	No	No	–
Economic dimension: Customer focus and reliability					
8	Reliable energy supplies and service provision at competitive prices	Yes	Yes	Yes	Economic performance, p. 35
9	Stable and reliable counterparty for customers	Yes	Yes	Yes	Economic performance, p. 35

Material sustainability topics for Axpo from the environmental dimension

Topic		Materiality		Reporting	
No.	Topic	GRI	EU Directive	Report	Reference
Environmental dimension: Protecting the environment and increasing energy efficiency					
	Action field 2: Climate and energy efficiency				
10	Quantification and reduction of the company's own greenhouse gas emissions	Yes	Yes	Yes	Energy and emissions, p. 41
11	Helping customers reduce their greenhouse gas emissions	Yes	Yes	Yes	Energy and emissions, p. 41
12	Increasing energy efficiency of power plants and grids	Yes	Yes	Yes	Energy and emissions, p. 41
13	Increasing energy efficiency for customers	Yes	Yes	Yes	Energy and emissions, p. 41
14	Reduction of harmful emissions	Yes	Yes	Yes	Energy and emissions, p. 41
15	Management of contaminated sites	No	No	No	–
16	Protection of the visual landscape	Yes	Yes	Yes	Local communities, p. 65
17	Protecting biodiversity	Yes	No	Yes	Local communities, p. 65; water, p. 44; waste, p. 50
18	Reduction in water consumption	No	No	No	–
19	Reduction of effluents	No	No	Yes, voluntary	Water, p. 44; waste, p. 50
20	Contribution to flood protection	Yes	Yes	Yes	Customer health and safety, p. 69
21	Reduction of conventional waste	No	No	No	–
22	Reduction of noise emissions	No	No	No	–
23	Improve building and office environment	No	No	Yes, voluntary	Energy and emissions, p. 41
24	Improvement of circular economy for products and infrastructure	No	No	No	–

Material sustainability topics for Axpo from the social dimension

Topic		Materiality		Reporting	
No.	Topic	GRI	EU Directive	Report	Reference
Social dimension: Attractive employer					
25	Diversity and inclusion	Yes	Yes	Yes	Diversity and inclusion, p. 63
26	Further development of employees' skills and competencies	Yes	Yes	Yes	Training and education, p. 61; compliance, p. 72
27	Flexible working to support work-life balance	Yes	Yes	Yes	Training and education, p. 61
28	Training for apprentices	Yes	Yes	Yes	Training and education, p. 61
29	Attracting and retaining talent and key employees	Yes	Yes	Yes	Training and education, p. 61
Social dimension: Energy turnaround					
Action field 4: Energy transition					
30	Development and expansion of renewable energy	Yes	Yes	Yes	Economic performance, p. 35
31	Marketing of electricity from renewable energy sources	Yes	Yes	Yes	Economic performance, p. 35
32	Offering long-term power purchase guarantees (PPAs) for investors in renewable energy without state subsidisation	Yes	Yes	Yes	Economic performance, p. 35
33	Solutions for system integration of renewable energy	Yes	Yes	Yes	Economic performance, p. 35
34	Offering products and services that enable customers to switch to a renewable energy system	Yes	Yes	Yes	Economic performance, p. 35
Social dimension: Stakeholder dialogue					
Action field 6: Social commitment					
35	Communication of (energy-related) knowledge and connections	Yes	Yes	Yes	Local communities, p. 65
36	Transparent reporting and information for stakeholders	Yes	Yes	Yes	Local communities, p. 65; GRI 102-43, p. 31
37	Donations and sponsorship	No	No	Yes, voluntary	GRI 102-43, p. 31
38	Volunteering/philanthropy	No	No	No	–
39	Engagement with external stakeholders (stakeholder dialogue)	Yes	Yes	Yes	Local communities, p. 65; GRI 102-43, p. 31

Material sustainability topics for Axpo from the safety dimension

Topic		Materiality		Reporting	
No.	Topic	GRI	EU Directive	Report	Reference
Safety dimension: Guaranteeing operational and occupational safety					
Action field 5: Responsible employer					
40	Prevention and minimisation of occupational accidents	Yes	Yes	Yes	Occupational health and safety, p. 56
41	Minimisation of non-occupational accidents and absences due to illness	Yes	Yes	Yes	Occupational health and safety, p. 56
Safety dimension: Safe operation of power plants and grids					
42	Guarantee the safe operation of power plants and grids	Yes	Yes	Yes	Customer health and safety, p. 68
43	Safe handling of radioactive materials	Yes	Yes	Yes	Waste, p. 49

Material sustainability topics for Axpo from the ethical business conduct dimension

Topic		Materiality		Reporting	
No.	Topic	GRI	EU Directive	Report	Reference
Ethical business conduct dimension: Ethical business conduct at the company					
44	Enforce ethical business conduct at the company	Yes	Yes	Yes	Compliance, p. 71
45	Ensure data protection and data security	Yes	Yes	Yes	Customer privacy, p. 70
Ethical business conduct dimension: Sustainable supply chain					
Action field 3: Enforce sustainability principles at business partners					
46	Compliance with environmental and social standards in supply chains	Yes	Yes	Yes	Supply chain and supplier management, p. 66
47	Ensure supply chain transparency	Yes	Yes	Yes	Supply chain and supplier management, p. 66

7. GRI Report

7.1 General disclosures

Organisational profile

102-1 Name of the organisation
Axpo Holding AG

102-2 Activities, brands, products, and services
Axpo Holding AG bears strategic responsibility for the Axpo Group and ensures that it remains focused on the future. It was established in 2001 and has its registered office in Baden. Together with its subsidiaries, it forms the Axpo Group.

The Generation & Distribution business area operates Axpo's power plant portfolio (nuclear, hydro, gas, new energy) and distribution grids. It is also responsible for the ongoing optimisation of the power plant portfolio and targeted investments in new power plant and grid capacity. Since the 2020/21 financial year, the business area has also been responsible for building up the hydrogen and battery storage business.

The Trading & Sales business area engages in energy trading through its international subsidiaries. It trades in physical energy volumes and energy-related financial products on all major European energy exchanges and those in the USA, Tunisia, Turkey and Singapore. As a leading independent provider of origination services, it develops bespoke products and energy solutions for its customers – from private individuals and SMEs to large industrial customers – and for producers of electricity, especially from renewable energy sources.

The CKW Group is the leading provider of energy services in Central Switzerland. Its energy, grids and building technology activities provide comprehensive services for private individuals, companies and the public sector along the entire value chain from the turbine to the power socket.

The IT subsidiary Avectris was sold in the 2020/21 financial year (December 2020) and thus no longer falls within the scope of consolidation.

102-3 Location of headquarters
Axpo Holding AG
Parkstrasse 23
5401 Baden
Switzerland

102-4 Location of operations
Axpo operates in 36 European countries and in the USA, Tunisia, Turkey and Singapore. In 31 of those, it is represented with local offices.

102-5 Ownership and legal form

The cantons and cantonal utilities of North-Eastern Switzerland own 100% of the shares in Axpo Holding AG (see table below).

Shareholders of Axpo Holding AG	In %	In CHF million
Canton of Zurich	18.342	67,9
Electricity utilities of the Canton of Zurich	18.410	68,1
Canton of Aargau	13.975	51,7
AEW Energie AG	14.026	51,9
SAK Holding AG	12.501	46,3
EKT Holding AG	12.251	45,3
Canton of Schaffhausen	7.875	29,1
Canton of Glarus	1.747	6,5
Canton of Zug	0.873	3,2
Total share capital	**100.000**	**370,0**

102-6 Markets served

As a Swiss energy company, Axpo has local roots and a global reach. It is active in all stages of the value chain: electricity production, electricity distribution, trading in electricity, natural gas, other commodities, certificates and energy-based financial products, and electricity sales and services. Axpo operates in 36 European countries and in the USA, Tunisia, Turkey and Singapore.

102-7 Scale of the organisation

As at 30 September 2020, the number of Group-wide permanent full-time equivalents including apprentices was 5,338. These full-time equivalents comprise 5,602 people, of which 1,240 are women (around 22%) and 4,362 men (around 78%). Axpo employs 4,277 people in Switzerland (around 76%) and 1,325 abroad (around 24%).

Statement of comprehensive income: Financial Report of Axpo Holding AG 2020/21, p. 6.

Volume of electricity produced: Production from nuclear, hydro and conventional thermal power plants and from new energy totalled 36,573 million kWh.

102-8 Information on employees and other workers

The total number of employees by employment contract and gender, employment type and region can be found on page 52.

102-9 Supply chain

Sustainability Report 2020/21, Supply chain and supplier management, p. 66

102-10 Significant changes to the organisation and its supply chain
The changes in the scope of consolidation of the Axpo Group for the current reporting year are disclosed in the Financial Report 2020/21 in Note 6.1 "Changes in scope of consolidation", page 80. The sale of the subsidiary Avectris resulted in a change in the scope of consolidation.

The supply chain did not see any significant changes in the reporting year.

102-11 Precautionary principle or approach
Axpo is obliged to take a precautionary approach to risks. When it comes to the environment and the population, the safe operation of its production plants is of central importance.

To ensure the safety of its nuclear plants, Axpo is committed to complying with the international nuclear safety standards specified by the IAEA Safety Convention (International Atomic Energy Agency) and ratified by Switzerland. National and international authorities carry out nuclear safety checks on a regular basis. Regular safety checks are very important. They serve as the basis for all measures to maintain and improve safe plant operation. In addition, safety at the nuclear installations is analysed and appraised by WANO (World Association of Nuclear Operators) on a regular basis. WANO is a global association of nuclear power plant operators for the mutual exchange of information. Axpo's aim is for its nuclear installations to be among the best, and therefore safest, by international standards. Since its commissioning, the Beznau nuclear power plant has been regularly refurbished. Safety precautions at the Beznau nuclear plant are thus on a par with those at new power plants. 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 proper treatment of radioactive waste is a key concern for Axpo (see Sustainability Report 2020/21, Waste, p. 51).

Axpo's dams also meet the most stringent 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. They are subject to supervision by the Swiss Federal Office of Energy (SFOE).

In operating electricity grids, Axpo makes sure that all the legal rules and limits with regard to non-ionising radiation ("electrosmog") are strictly observed.

102-12 External initiatives
Axpo applies the following established international standards: the International Financial Reporting Standards (IFRS), IAEA Safety Convention, nuclear safety performance indicators of the World Association of Nuclear Operators (WANO), environmental product declarations pursuant to ISO 14025 and certified greenhouse gas protocol pursuant to ISO 14064. Axpo also has companies, divisions and business units certified according to ISO 9001 (quality), ISO 14001 (environment), ISO 22301 (BCM), ISO 27001 (information security), and ISO 45001 and OHSAS 18001 (occupational health and safety). Axpo erects its own office buildings in compliance with the Swiss Minergie standard.

102-13 Membership of associations

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

Association/organisation	Description of membership
National level	
VSE Association of Swiss Electricity Companies	Umbrella association of Swiss electricity companies: – Axpo is an industry member – Axpo is represented on the board – Axpo is represented in all strategically relevant working groups
SwissHoldings	Business association for multinational companies in Switzerland: – Axpo is a member – Axpo is represented in working groups
International level	
Eurelectric The Union of the Electricity Industry	Umbrella association of the European electricity industry: – The VSE is the Swiss member – Axpo is represented in all strategically relevant working groups
EFET European Federation of Energy Traders	Association of European energy traders: – Axpo is a full member – Axpo is represented on the board – Axpo is represented in all strategically relevant working groups
WindEurope	Umbrella association of the European wind energy industry: – Axpo is a full member – Axpo is represented in strategically relevant working groups
SolarPower Europe	Umbrella association of the European photovoltaic industry: – Axpo is a full member – Axpo is represented in strategically relevant working groups
Hydrogen Europe	Umbrella association of the European hydrogen industry: – Axpo is a full member – Axpo is represented in strategically relevant working groups
European Clean Hydrogen Alliance	European Commission platform for coordinating the European hydrogen industry: – Axpo is a member
Energy Charter	International organisation for countries to ensure investment security and cross-border energy trading: – Axpo is a member of the Industry Advisory Panel (an advisory committee consisting of representatives of the energy sector)
RECS Renewable Energy Certificate System	Association for the development and organisation of trading in green certificates: – Axpo is a full member

Strategy

102-14 Statement from senior decision-maker
Interview with CEO Christoph Brand, Sustainability Report 2020/21, p. 1

102-15 Key impacts, risks, and opportunities
Axpo's key impacts on sustainable development lie in its contribution to the sufficient, secure and environmentally benign production of energy through its climate-friendly electricity mix. As the biggest producer of electricity in Switzerland, Axpo ensures the reliable supply of energy to its customers. By expanding and marketing renewable energy, Axpo contributes to the restructuring of the energy supply system that is desired by politicians and society in general. With innovative PPAs, Axpo also offers investors the environment they need to make investments in renewable energy (see Sustainability Report 2020/21, Action field 4, p. 8). As an operator of power plants and grids, Axpo has a responsibility to the population to ensure safe and environmentally friendly operations (see Sustainability Report 2020/21,102-11 Precautionary principle or approach, p. 25, Customer health and safety, p. 68). This includes securing funding for decommissioning nuclear power plants and disposing of radioactive waste (see Sustainability Report 2020/21, Provisions for the dismantling of nuclear power plants, p. 40). Axpo has a duty to its employees to guarantee their safety in all their activities (see Sustainability Report 2020/21, Occupational health and safety, p. 56). As a major employer, Axpo also attaches great importance to the professional training and development of its employees and offers a challenging environment which guarantees equal opportunities for all employees and protects them against discrimination thanks to clearly defined rules (see Sustainability Report 2020/21, Training and education, p. 60, Compliance, p. 71).

The main sustainability trends that have a significant influence on Axpo's business activities are the moves to continuously decarbonise the electricity sector and, driven by this, the further expansion of renewable energy throughout Europe. These trends present opportunities for Axpo's long-term development, as Axpo already has a climate-friendly production portfolio (see Sustainability Report 2020/21, Action field 2, p. 7) and can further consolidate the business activities built up in recent years in the wind and photovoltaic energy segments and in the marketing of energy from renewable energy sources for customers (see Sustainability Report 2020/21, Action field 4, p. 8). Most of the major risks faced by Axpo relate to the future shape of the electricity market in Switzerland and Europe and access to the European electricity market. There is the risk that, depending on the regulatory framework for and the trend in wholesale prices, hydro power plants and the other conventional power plants will lose value, which translates directly into reduced investment values for power plant operators (see Sustainability Report 2020/21, Action field 1, p. 7).

Ethics and integrity

102-16 Values, principles, standards, and norms of behaviour
Sustainability Report 2020/21, Compliance, p. 71

102-17 Mechanisms for advice and concerns about ethics
Sustainability Report 2020/21, Compliance, p. 71

Governance

102-18 Governance structure
The Axpo Group is managed via its management structure. The Group companies that comprise the legal structure represent the legal entities in which business is transacted. The business of the Axpo Group is transacted legally via the individual subsidiaries of Axpo Holding AG (Axpo Power AG, Axpo Solutions AG, Axpo Services AG and Centralschweizerische Kraftwerke AG).

The duties of the Board of Directors are based on the provisions of the Swiss Code of Obligations. The Board of Directors is responsible for formulating the corporate strategy, which incorporates objectives relating to the

economic, environmental and social aspects. The Board of Directors is also responsible for the top-level management of the company and for supervising the Executive Board. In particular, it is responsible for establishing organisational structures, arranging the accounting system, financial controlling and financial planning, appointing the members of the Executive Board and determining their salaries, producing the annual report, and preparing the Annual General Meeting and implementing its resolutions. There are currently three standing committees whose task is to analyse in greater depth all business or personnel-related decisions submitted by the Executive Board: the Audit and Finance Committee (AFC), the Remuneration and Nominations Committee and the Strategy Committee.

102-19 Delegating authority

Economic, environmental and social topics are covered by the targets within the corporate strategy formulated by the Board of Directors. As the Executive Board is responsible for the operational implementation of the corporate strategy, it takes all strategic decisions on sustainability. The Executive Board also approves the sustainability strategy. Responsibility for the preparation and implementation of this strategy lies with the Head of Corporate Development, who delegates this task to the Head of Sustainability Management.

The Executive Board monitors the implementation of the sustainability strategy, and thus also developments in Group-related sustainability performance, by reviewing the annual internal sustainability reports and topic-specific motions submitted to the Executive Board for decisions. This is the responsibility of the Head of Corporate Development, who delegates the task to the Head of Sustainability Management.

102-20 Executive-level responsibility for economic, environmental, and social topics

Developing sustainability within the Axpo Group is the responsibility of Sustainability Management, which falls under the Strategy & Transformation Group function. The Head of Sustainability Management submits all sustainability reports to the Executive Board.

102-21 Consulting stakeholders on economic, environmental, and social topics

Engagement with stakeholders primarily takes place during the process of operational implementation of the corporate strategy, for which the executive management is responsible (see Sustainability Report 2020/21, Stakeholder engagement, p. 31). The CEO regularly updates the Board of Directors on business performance and important events.

102-22 Composition of the highest governance body and its committees

Annual Report of Axpo Holding AG 2020/21, Board of Directors and Executive Board, p. 14–15

102-23 Chair of the highest governance body

The Chairman of the Board of Directors is not a member of the Executive Board.

102-24 Nominating and selecting the highest governance body
As the company's owners, the cantons of North-Eastern Switzerland determine the composition of the Board of Directors of Axpo Holding AG. The composition of the Board of Directors is important for the performance of the tasks and responsibilities of the Board of Directors of Axpo Holding AG. The Requirements and Skills Matrix forms the basis for formulating a meaningful proposal to the owners for the selection and nomination of members of the Board of Directors. This matrix illustrates the relevant criteria in regard to professional experience and expertise for the various necessary roles on the Board of Directors. They serve as the basis for the detailed requirement profile for holding a mandate on the Board of Directors and are taken into account when identifying and nominating new Board members.

102-25 Conflicts of interest
None of the members of the Executive Board belong to any other boards or own shares in any supplier companies or other stakeholder companies. Furthermore, no controlling shareholders are represented on the Executive Board, and none of the members have ties to any related companies or persons.

102-26 Role of highest governance body in setting purpose, values, and strategy
It is part of the remit of the Board of Directors to adopt the corporate strategy, which incorporates objectives to improve Axpo's sustainability performance in all three dimensions.

The Executive Board is responsible for the operational implementation of the corporate strategy, including the sustainability objectives.

102-27 Collective knowledge of highest governance body
The Board of Directors' Strategy Committee deals with all strategically relevant topics that affect the Group, which it subsequently submits to the full Board of Directors. In this role, it is responsible for monitoring the implementation of the corporate strategy.

102-28 Evaluating the highest governance body's performance
Economic, environmental and social topics are addressed by the corporate strategy. All managers are set targets for their implementation which relate to the environmental, economic or social dimensions, or to governance or safety.

102-29 Identifying and managing economic, environmental, and social impacts
Axpo's risk management process has been in place for many years. As part of this process, Axpo identifies the risks every six months and assesses them according to probability of occurrence and impact. The overall risk is determined by aggregating the individual risks using a Monte Carlo simulation. The results of this Group-wide risk analysis are compiled every six months in a risk report and discussed in the Corporate Risk Council. The Corporate Risk Council consists of the Executive Board, representatives of various Group functions and a representative of the Board of Directors of Axpo Holding AG. The risk report is subsequently discussed by the Audit and Finance Committee and by the Board of Directors.

102-30 Effectiveness of risk management processes
The Board of Directors performs its role of monitoring and controlling the risk management process by having a representative of the Board on the Risk Council and by having the Audit and Finance Committee as well as the full Board of Directors discuss the risk reports.

102-31 Review of economic, environmental, and social topics
The risk reports are submitted to the Board of Directors and are prepared and discussed every six months.

102-32 Highest governance body's role in sustainability reporting
The Executive Board of Axpo Holding AG is responsible for reviewing and approving the Sustainability Report.

102-33 Communicating critical concerns
The CEO regularly updates the Board of Directors on important economic, environmental and social developments and events.

102-34 Nature and total number of critical concerns
Anonymity is guaranteed as a principle of whistleblowing; for this reason, Axpo does not divulge any details about this. For more on complaints, discrimination and corruption, please consult the Sustainability Report 2020/21, Compliance, p. 71.

102-35 Remuneration policies
The Board's Remuneration and Nominations Committee reviews the fees paid to the members of the Board of Directors and the committees and submits requests for changes if required. The Board of Directors determines the fee to be paid to its members. The members of the Board of Directors receive a fixed fee which differs for the positions of Chairman, Vice-Chairman, Chairman of the Audit and Finance Committee (AFC), the members of the AFC and the other members of the Board of Directors. The (fixed) remuneration for a member of the Board of Directors currently consists of a fixed annual fee plus a meeting attendance fee (except for the Chairman of the Board of Directors). Axpo Holding AG does not generally make severance payments to members of the Board of Directors or Executive Board who resign.

The remuneration of the members of the Executive Board consists of a fixed basic salary and a variable salary component, plus pension benefits and benefits in kind. The actual variable salary component, which can generally be a maximum of 75% of the basic salary for members of the Executive Board and a maximum of 97.5% in the case of the CEO, is based on the degree of attainment of the financial and individual thematic objectives defined by the Board of Directors. The thematic objectives can refer to all three sustainability dimensions. There are no other forms of remuneration.

102-36 Process for determining remuneration
With effect from this financial year, company-wide and area-specific financial targets are weighted more heavily than in the past when calculating the variable pay of the Executive Board members and other managers. External salary comparisons were once again carried out in this financial year to serve as a basis when setting salaries for individual roles.

102-37 Stakeholders' involvement in remuneration
The Board of Directors takes the final decision regarding the remuneration framework for the Executive Board and the Board of Directors. The Remuneration and Nominations Committee decides on the salaries of the Executive Board members within this remuneration framework. The Committee proposes changes to the remuneration of the Board of Directors to the latter. As a non-listed company, Axpo is not subject to the provisions of the ERCO (the Ordinance against Excessive Remuneration in Listed Companies Limited by Shares). The introduction of a simplified form of involvement of the AGM is currently under review (vote or advisory vote on the remuneration elements and the remuneration report).

The Executive Board decides upon changes to the salaries and allowances of Axpo employees only after consultation with the Staff Council. Any decision deviating from the Staff Council's recommendation must be justified.

102-38 Annual total compensation ratio
Based on permanent and fixed-term full-time employees in Switzerland, the ratio of annual total compensation for the highest-paid individual employee to the median annual total compensation for all employees is 10.9 to 1 (previous year: 9.8 to 1).

102-39 Percentage increase in annual total compensation ratio
The ratio of the percentage increase in compensation between the highest-paid staff member and all employees is 4.5%.

Stakeholder engagement

102-40 List of stakeholder groups

Sustainability Report 2020/21, 102-43, p. 31

102-41 Collective bargaining agreements
Percentage of total employees covered by collective bargaining agreements

	Switzerland		International	
	2020/21	2019/20	2020/21	2019/20
Total	**10.05%**	**9.37%**	**53.21%**	**60.28%**
Women	0.84%	0.93%	48.19%	52.68%
Men	11.90%	11.05%	56.50%	65.70%

Note: Permanent and fixed-term employees receiving a monthly salary or hourly wage, including apprentices

102-42 Identifying and selecting stakeholders
Sustainability Report 2020/21, 102-43, p. 31

102-43 Approach to stakeholder engagement
Axpo attaches great importance to open, active and honest dialogue with all key stakeholders, with an emphasis on communication that meets the needs of the target groups. Axpo provides its stakeholders with transparent information on its activities, performance and goals. This is achieved by producing annual, sustainability and financial reports and numerous other publications, as well as through its power plants. It also engages in direct dialogue between representatives of Axpo and its key stakeholders, and through associations and organisations in which Axpo is a member and can thus voice its position.

Axpo's key stakeholders are customers, shareholders, suppliers, politicians, employees, suppliers, concession grantors (cantons and municipalities), the local population, NGOs, the media and the general public, all of which can be affected by Axpo's activities and/or are able to influence such activities. Active and continuing dialogue is therefore key to successfully managing the company.

Dialogue with employees:

Employee performance and motivation is a decisive factor in successfully establishing a leading position for a company in the face of competition and rapidly changing markets. Axpo maintains regular dialogue with its staff members. Another focus during the last twelve months was Axpo's strategy in response to the persistently challenging market environment and the resulting tasks and scope of each individual. Key topics included the Europe-wide expansion of the renewable energy business, in particular the strengthening of photovoltaics and wind and the development of hydrogen and batteries, further growth in international markets, and how Axpo can help shape the shift to alternative energy sources in Switzerland.

Information-sharing and dialogue take place at employee information events at the head offices and other locations, through line management and in electronic form. The Intranet enables interactive dialogue, and staff members are actively and specifically encouraged to get involved. The Executive Board also uses various communication channels to provide regular information about important decisions and the latest core issues.

Employee concerns are discussed at regular meetings between the Group CEO, the Head of Corporate Human Resources and employee representatives, from which actions are developed. Each year, the Executive Board holds a half-day dialogue with delegates of the Staff Councils of all Axpo companies. A Group-wide employee survey is conducted every two to three years, most recently during the 2018/19 financial year.

Dialogue with politicians:

Dialogue with politicians is transparent, open and relates to specific issues that reflect the current political debate. It takes place either through direct dialogue with Axpo representatives (employees from Public Affairs or top management) or through associations of which Axpo is a member. During the reporting year, for instance, there was direct dialogue between the Chairman of the Board of Directors of Axpo Holding and government and parliamentary representatives at cantonal and federal level. Together with the CEO, he presented Axpo's position regarding the future shape of the Swiss electricity market to senior representatives of two Federal Council parties. The CEO was also invited to take part in another round table discussion on the future expansion of hydro power by the government representative responsible for this area. Employees from Public Affairs again gave individual members of the Federal Parliament an in-depth insight into the economic and regulatory framework in which Axpo operates.

Dialogue with the general public:

Dialogue with the public enhances credibility and promotes an understanding of the Group's business policies. The general public can contact Axpo or obtain information via its website, its media office and various social media channels. Various Axpo power plants also encourage direct dialogue where permitted under Covid regulations. Axpo CEO Christoph Brand used his increased presence in the mass media to inform the general public about the context and framework conditions of the energy transition in Switzerland. Particular emphasis was placed on maintaining a dialogue with people in the canton of Glarus, where construction of the AlpinSolar solar plant on the Muttsee dam commenced in the reporting year.

Dialogue with the media:

The Axpo media office can be contacted round the clock, 365 days a year. Around 60 media releases regarding current events and developments at the Group and its subsidiaries were sent out to the media in the reporting year. One particular highlight was the communication relating to the AlpinSolar solar plant at the Muttsee dam, which included a media conference and various media visits to the site. The media office also organised an increasing number of background discussions and media briefings to cultivate direct contacts with journalists. The articles on the axpo.com website are also part of the company's media relations work. They provide background information on the production, transmission and trading of electrical energy.

Dialogue with shareholders:

The shareholders' rights of participation are described in detail in the corporate governance section of the Axpo Holding AG Annual Report 2020/21, p. 14–18. Exchanges with shareholders mainly took place at the twice-yearly shareholder information events and the Annual General Meeting. In order to comply with the politically determined governance strategies of some cantons that apply to the management of companies in which the cantons hold an investment, regular meetings on specific topics are also scheduled between the specialist units and employees of Axpo's Public Affairs department. One example during the reporting year was a discussion on the impact of Axpo's business activities on employment in individual cantons.

Dialogue with business associations:

An important dialogue with the business sector was channelled through Economiesuisse, the umbrella association for the Swiss business community, in which Axpo holds individual membership. Exchanges were topic-focused and took place in working groups. During the reporting year, the future shape of the electricity market in Switzerland and its impact on the security of supply and the expansion of renewable energy were major concerns for both sides.

Reporting practice

102-44 Key topics and concerns raised
Sustainability Report 2020/21, 102-43, p. 31

102-45 Entities included in the consolidated financial statements
All indicators for the reporting period refer to the fully consolidated companies. Differences in reporting periods are highlighted in context and explained accordingly.

Financial Report of Axpo Holding AG 2020/21, Notes to the consolidated financial statements, p. 87–92

Sustainability Report 2020/21, Materiality analysis, p. 14

102-46 Defining report content and topic boundaries
Sustainability Report 2020/21, Materiality analysis, p. 14

102-47 List of material topics
Sustainability Report 2020/21, Overview of the material topics and reference to GRI indicators, p. 18

102-48 Restatements of information
Sustainability Report 2020/21, Reporting principles, p. 14

102-49 Changes in reporting
Sustainability Report 2020/21, Reporting principles, p. 14

102-50 Reporting period
The contents of this report relate to the financial year 2020/21 (1 October 2020 to 30 September 2021).

102-51 Date of most recent report
The last Sustainability Report was published for the 2019/20 financial year on 10 December 2020.

102-52 Reporting cycle
The first two GRI reports each covered a period of two years (first 2005/06 and 2006/07; second 2007/08 and 2008/09). Since the publication of the Annual and Sustainability Report 2009/10, Axpo has issued annual reports based on the GRI guidelines and, for the last three years, based on the GRI Standards.

102-53 Contact point for questions regarding the report
For contact information, see the Sustainability Report 2020/21, Publishing details, p. 86

102-54 Claims of reporting in accordance with the GRI Standards
This report was prepared in accordance with the GRI Standards: "Comprehensive" option.

102-55 GRI content index
Sustainability Report 2020/21, GRI content index, p. 75

102-56 External assurance
Ernst & Young Ltd has provided limited assurance on selected disclosures. The disclosures concerned have been identified in the Sustainability Report 2020/21 with a ✓ symbol. See the Sustainability Report 2020/21, External assurance, p. 74

7.2 Additional information for electricity companies

GRI Sector Supplements

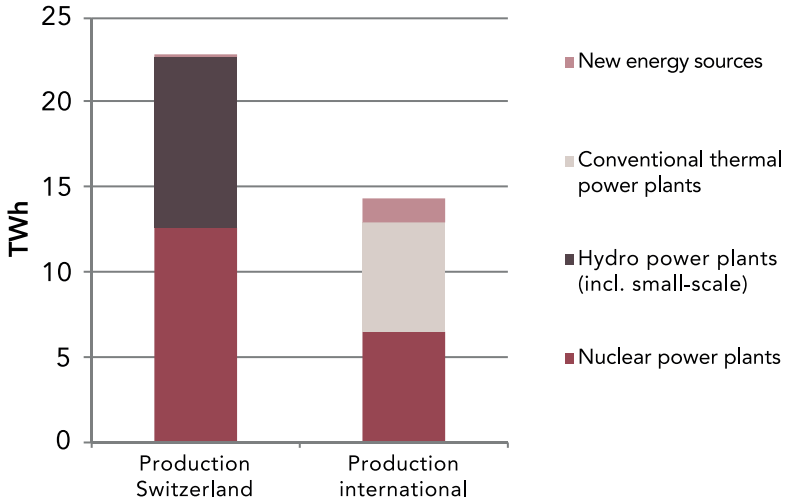
EU1 Installed capacity

Axpo (including CKW) has a total installed power plant capacity of around 9,500 MW. This includes the fully consolidated plants and all investments in other companies based on the share of ownership (renewable energy) and of energy (other technologies). The breakdown by technologies and countries is as follows:

Technologies and countries	Approx. installed capacity FY 2020/21	Approx. installed capacity FY 2019/20
Hydro power Switzerland, including small-scale hydro power plants	4,400 MW	4,400 MW
Nuclear energy Switzerland, including long-term contracts	1,500 MW	1,500 MW
New energy sources Switzerland, without small-scale hydro power plants, mainly biomass	30 MW	30 MW
Foreign nuclear energy (long-term contracts with France)	1,200 MW	1,200 MW
Foreign gas-fired combined-cycle power plants (CCGTs, Italy)	1,700 MW	1,700 MW
New energy sources international, mainly wind and photovoltaic power (Germany, France, Italy, Spain)	700 MW	650 MW
Total	**9,500 MW**	**9,500 MW**

The values in the table have been rounded. The main changes compared with the previous year relate to the acquisition of the KLL energy share from the Canton of Glarus (hydro power) and the net increase in wind and PV (new energy sources international).

EU2 Net energy output FY 2020/21



Energy procurement from fully consolidated power plants and power plant holdings in the 2020/21 financial year

EU3 Number of residential, industrial, institutional and commercial customer accounts

In Switzerland, Axpo mainly sells electricity to the B2B sector. Its biggest customers are five cantonal utilities and two municipal utilities. Through its subsidiary CKW, Axpo delivers electricity directly to some 200,000 private customers and some 5,000 business customers, as well as indirectly to other customers through a total of eleven local distributors. In Italy, Spain, Portugal and Poland, Axpo supplies electricity to around 360,000 customers and gas to 210,000 customers, both directly and through its sales partners.

EU4 Length of transmission and distribution lines

Grid level	Overhead line	Cable
Grid level 1 (stub lines – Axpo only)	–	1 km
Grid level 3 (cross-regional distribution grid)	2,097 km	469 km
Grid level 5 (regional distribution grid)	709 km	1,628 km
Grid level 7 (local distribution grid, including home electricity connections – CKW only)	243 km	4,749 km

EU11 Generation efficiency of thermal plants
The net generation efficiency of the Beznau nuclear power plant in the reporting year was 33.7% for Block 1 and 32.3% for Block 2.

The gas-fired combined-cycle power plants in Italy reported an average generation efficiency for the reporting year of 52.0% (Calenia) and 52.6% (Rizziconi).

EU12 Transmission and distribution losses
Losses on the distribution grids of Axpo grids (grid levels 1 to 5) during the reporting year were 0.7%, while those on the CKW grids (grid levels 3 to 7) were 2.9%.

EU28 Power outage frequency
Reliability and security of supply are core requirements for electricity customers. Axpo uses the distribution codes developed by the Association of Swiss Electricity Companies (VSE) to measure the reliability of electricity supply.

The average interruption frequency per end-consumer, per year (SAIFI, System Average Interruption Frequency Index) was 0.017 [1/a] for Axpo grids and 0.31 [1/a] for CKW grids.

EU29 Average power outage duration
The average interruption duration per end-consumer, per year (SAIDI, System Average Interruption Duration Index) was 0.54 [min/a] for Axpo grids and 15.74 [min/a] for CKW grids.

7.3 Specific Standard Disclosures

Economic dimension

Economic performance

Relevance
As the need to secure the company's long-term economic success is a requirement for all of Axpo's future activities, it is also the Group's key objective. The key megatrends of "decarbonisation", "decentralisation" and "digitalisation" are fundamentally transforming the energy market. Axpo must find answers to this transformation.

Management approach disclosures
Axpo has further developed its strategy and made a number of initial strategic decisions. Going forward, it will focus on three pillars: in Switzerland, on its leading role in the transition to a CO_2-free energy future, and internationally, on its customer and trading business and on the expansion of renewable energy, with battery storage and hydrogen playing a more important role in the future alongside hydro power, wind and solar energy.

Switzerland still lacks an adequate framework for large-scale investment in renewable energy. Despite this, Axpo has joined forces with IWB to build Switzerland's largest Alpine solar plant at the Muttsee dam in the canton of Glarus, a pioneering project made possible by a long-term PPA with the Swiss retailer Denner.

Impacts and results
In trading business, Axpo took advantage of the opportunities presented by the volatility on the energy markets and achieved a strong result thanks to the excellent market knowledge of its specialists.
The uncertainty in the markets also led to higher customer demand for customised risk management solutions. The trend towards long-term supply contracts (power purchase agreements; PPAs) in the renewable energy sector, in which Axpo is one of the leading suppliers in Europe, continues una-

bated. Axpo concluded numerous new PPAs in the past financial year, underlining its leading position in this attractive future market. In addition to the progress made in Scandinavia, the UK and eastern Europe, Axpo sees great potential in southern Europe and has significantly expanded its position in the region, particularly on the Iberian peninsula.

Axpo is also involved in the development, planning, construction and operation of solar and wind power plants through its two subsidiaries Volkswind and Urbasolar. Volkswind, which was acquired in 2015, has so far realised more than 80 wind farms with a total installed capacity of over 1,350 MW. Further plants with a total capacity of more than 3,000 MW are in the pipeline. While some of the wind farms built by Volkswind will remain in Axpo's portfolio, others will be sold to investors to generate additional income. For example, in July 2021 Axpo announced that it had completed the sale of five newly built wind farms in France with an installed capacity of 74.5 megawatts. Following its acquisition of Urbasolar in 2019, Axpo is also one of the biggest companies in France's solar energy industry. The Montpellier-based company is one of the leading developers of solar plants and currently operates several hundred of these. Plants with an installed capacity of 348 MW were constructed in the reporting year. The project pipeline comprises over 5,700 MW.

In the area of hydro power, Axpo benefited from the rise in wholesale prices, although Swiss hydro power is still economically unattractive and investment in this form of energy is not worthwhile under current conditions. For nuclear power, the conditions were created for longer operating lives in order to gain sufficient time for the expansion of renewable energy and achieve the desired energy turnaround. In addition to the usual annual overhaul work at the Leibstadt nuclear power plant, the condenser also was replaced. These renovations and efficiency improvements will increase the plant's electrical output by 10 MW and lay the foundations for an operating life of at least 60 years. With its more than 100 power plants, its power purchase agreements and the investments it has made in its efficient distribution grid, Axpo is making a substantial contribution to ensuring a secure electricity supply in Switzerland.

Swiss production also achieved a strong result. This improvement was primarily attributable to the higher electricity prices compared with the previous year. With its production capacity of around 25 billion kWh and thanks to the investments in its efficient distribution grid, Axpo is making a substantial contribution to ensuring security of supply.

Axpo is making targeted investments in the two promising business areas of green hydrogen and battery storage and established dedicated departments in the reporting year to drive further development in these fields. Green hydrogen is one of the most important climate-friendly energy sources in the areas of industry and mobility. In many countries, particularly in the EU, it is a key element of decarbonisation efforts. Axpo plans to use existing Swiss hydro power plants for the production of green hydrogen. Axpo has been involved in the construction, operation, management and marketing of large batteries for some time, with projects both in Switzerland and abroad. Overall, the company markets around 100 MW of battery storage capacity across Europe. In the reporting year, Axpo took over the management and marketing of a newly built battery storage system in Domat/Ems with an output of 1.25 MW from Rhiienergie. It is also planning a battery storage system at CKW in Rathausen with an output of 6.25 MW, which will be the only one of its kind in Switzerland.

Axpo made further progress with the digitalisation of its various business areas. The Hydro 4.0, Grid 4.0 and Nuclear 4.0 initiatives, along with the pioneering in-house developments of Urbasolar, have created the basis for digital tools designed to ensure the maintenance, expansion and operation of energy supply and set the highest standards for power plant operation. The data platform in energy trading is being digitalised and modernised. The establishment of the Technology Management department also created a structure that operates competence centres for operational data, business intelligence, software development and digital strategy and focuses on strategic initiatives in relation to technology, data and digitalisation.

The Axpo subsidiary Centralschweizerische Kraftwerke AG (CKW) also recorded an excellent result in the 2020/21 financial year. CKW has established itself as a leading provider in the solar energy sector. It further strengthened its position during the reporting year with the acquisition of Solarville AG, which specialises in the planning, installation and maintenance of solar plants, and expanded geographically into North-Eastern and North-Western Switzerland. In Switzerland, Axpo is also currently focusing on optimising its existing hydro power plants and investing in the safety and upkeep of its existing nuclear power plants.

For more information, see the Annual Report of Axpo Holding AG 2020/21, p. 2–9, and the Financial Report of Axpo Holding AG 2020/21.

201-1 Direct economic value generated and distributed

	2020/21	2019/20
Total income (in CHF m)	6,056	4,808
Result for the period (in CHF m)	607	570

For more information, see the Annual Report of Axpo Holding AG 2020/21, p. 9, and the Financial Report of Axpo Holding AG 2020/21.

201-2 Financial implications and other risks and opportunities due to climate change

Combating climate change is one of the biggest challenges of our times. At the climate conference in Paris in 2015, the UN member states for the first time reached a general, legally binding and global climate protection agreement. The aim of the agreement is to limit global warming to well below 2°C, with the goal of a maximum temperature rise of 1.5°C. Under the European Climate Law, which entered into force on 29 July 2021, the European Union has set itself a binding target of net zero emissions by 2050. The European Climate Law is part of the European Green Deal. Switzerland also ratified the Paris Agreement on 6 October 2017, targeting a 50% reduction by 2030 compared with 1990 (2°C target). On 28 August 2019, the Federal Council made this a more stringent target of net zero emissions by 2050 (1.5°C target).

As shown by the climate change scenarios published by the Federal Office for the Environment (Swiss Climate Change Scenarios CH2018), Switzerland will be particularly badly hit by the consequences of climate change. Because of changes to the distribution of rainfall (less rain in summer) and the general decline in run-off, combined with a possible increase in extreme weather events with high rainfall volumes and the resulting increase in soil erosion, climate change will have a particularly strong impact on the water management sector. This could have a negative financial impact on Axpo as the largest Swiss producer of hydro power.

As part of the Clean Energy Package, the European Union had set itself the following targets for EU energy and climate policy for the period to 2030:

- 40% lower greenhouse gas emissions compared with 1990;
- Renewable energy to account for 32% of the energy mix;
- 32.5% greater energy efficiency compared with 2007.

Under the European Green Deal, these targets are to be tightened as follows:

- 55% lower greenhouse gas emissions compared with 1990 (tightening has already come into force with the European Climate Law);
- Renewable energy to account for ≤ 40% of the energy mix (tightening as part of the ongoing revision of the Renewable Energy Directive);
- ≤ 39% greater energy efficiency (reference: development without new measures; tightening as part of the ongoing revision of the Energy Efficiency Directive).

Axpo's low-CO_2 generation mix should benefit from the European Green Deal, as should investments in new renewable energy sources (photovoltaic, wind). There are risks relating to a possible carbon border adjustment mechanism (CBAM). In view of its comprehensive climate protection measures, the EU sees this as a means of preventing unfair competition through third-country imports and the migration of industry to third countries with less ambitious climate policies (carbon leakage). The CO_2 border tax will apply to electricity imports. Switzerland is thankfully excluded from the scope of the legislative proposal for a CO_2 border tax regime presented by

the European Commission on 14 July 2021 as part of the "Fit for 55" package. Care must be taken to ensure that this exemption remains in place throughout the EU legislative process.

The European Union Emissions Trading System (EU ETS) is a key instrument of EU climate policy. Prices for CO_2 emissions rights have risen sharply since summer 2018. As Axpo's gas-fired combined-cycle power plants in Italy are covered by the EU ETS, their electricity production could become more expensive going forward. Looking at the entire production portfolio, however, Axpo's low-CO_2 energy mix would benefit from a more robust EU ETS. The Fit for 55 package also includes proposals for expanding (transport, buildings, shipping) and strengthening the EU ETS, but it is not yet possible to draw any definitive conclusions as to how the large number of ongoing EU legislative processes in the energy sector will affect the price of CO_2.

Almost every aspect of the EU's internal electricity market (market design, risk provisioning/security of electricity supply, promotion of renewable energy, energy efficiency – particularly in buildings) has been overhauled as part of the Clean Energy Package (CEP), and most of the relevant legislation has now come into force. The purpose of the CEP is to strengthen competition on the wholesale market and in the end-customer business. This will create new opportunities for Axpo, in both origination and the end-customer business. The European Commission is set to publish proposals for a corresponding revision of the EU's internal natural gas market on 14 December 2021. These are intended to strengthen competition in the wholesale market and in the end-customer business while also contributing to the decarbonisation of the EU's internal gas market. This will open up new opportunities for Axpo in trading, origination (in connection with sustainable molecules) and hydrogen.

The European Green Deal also entails risks, however, as the energy policy objectives of security of supply and efficient energy markets are subordinate to sustainability and the fight against climate change. To ensure that the climate targets are met, extensive subsidies are being made available and state aid guidelines softened, which could lead to a risk of unfair competition.

The Federal Council's decision to break off negotiations with the EU on an institutional agreement on 26 May 2021 also means there is no immediate prospect of an electricity agreement. This threatens Axpo's continued participation in the EU's internal electricity market and in the EU hydrogen economy that will develop in the future. The deteriorating cooperation between Swissgrid and transmission system operators in neighbouring EU states also poses risks for the security of grids and supply.

In Switzerland, there is potential for CKW in particular with private customers for new products and services and with the range of green electricity products, and also with the range of new renewable energy sources in the installation business. More products and services will also be available to business customers in the areas of energy optimisation and green electricity products.

201-3 Defined benefit plan obligations and other retirement plans

The Axpo Group operates pension plans in accordance with national legislation in each country. Most companies belong to the PKE-CPE Energy Pension Foundation, a legally independent pension fund which qualifies as a defined benefit plan under IAS 19. There are also some non-material defined benefit and defined contribution plans.

The purpose of the PKE-CPE foundation is occupational pension provision in accordance with the Swiss Federal Act on Occupational Retirement, Survivors' and Disability Pension Plans (BVG) and its implementing ordinances, protecting the employees of the member companies and the families and survivors of such employees against the financial consequences of old age, invalidity and death. The foundation is an independent and all-inclusive pension fund, and the contributions and benefits exceed the minimum legal requirements.

For further information, see the Financial Report of Axpo Holding AG 2020/21, Employee benefits, p. 73.

201-4 Financial assistance received from government
The company does not receive any significant financial allocations from state funds. Axpo receives contributions from subsidy programmes and the compensatory feed-in remuneration (CFR) in Switzerland for the operation of its power plants in the area of new energy, e.g. for the wood-fired power plant in Domat/Ems, or under similar European subsidy programmes such as the German Act on the Expansion of Renewable Energy Sources (abbreviated title: Renewable Energy Sources Act) for offshore wind farms, for example. The subsidies are the same for all market players.

Anti-corruption

Management approach: Sustainability Report 2020/21, Compliance, p. 71

205-1 Operations assessed for risks related to corruption
Sustainability Report 2020/21, Compliance, p. 71

205-2 Communication and training about anti-corruption policies and procedures
Sustainability Report 2020/21, Compliance, p. 71

205-3 Confirmed incidents of corruption and actions taken
Sustainability Report 2020/21, Compliance, p. 71

Anti-competitive behaviour

Management approach: Sustainability Report 2020/21, Compliance, p. 71

206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices
Sustainability Report 2020/21, Compliance, p. 71

Sector-specific aspect: Provisions for the dismantling of nuclear power plants and disposal nuclear waste

Relevance
The task of guaranteeing the safe operation and safe handling of radioactive substances involves the entire value chain and life cycle of nuclear power plants. In particular, the funds for dismantling nuclear power plants and disposing of radioactive waste safely must be secured. As the operator of the Beznau nuclear power plant (KKB), Axpo Power AG is required to decommission the plant at the end of its operational life and dispose of the radioactive waste.

Management approach disclosures
The operators of nuclear power plants make regular contributions to the Federal Decommissioning Fund and Waste Disposal Fund for Nuclear Installations (STENFO) to ensure that financial liabilities will be covered even after a nuclear power plant has reached the end of its useful life. 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 and disposing of nuclear waste in accordance with the Ordinance on the Decommissioning Fund and the Disposal Fund for Nuclear Installations (DDFO). The current cost study was conducted in 2021 (previous study in 2016). The 2021 cost study used a cost breakdown structure based on international standards that estimates and values not only basic costs but also forecast inaccuracies, opportunities and risks.

Impacts and results
The current figures for the likely amount of the decommissioning and disposal costs for each nuclear plant and the definitive annual contributions to the decommissioning and disposal funds were determined in the STENFO Administration Committee's ruling issued in March 2021. The figures were based on the 2016 cost studies. In the meantime, the new 2021 cost studies were conducted between 2019 and 2021 and were published by Swissnuclear at the beginning of October 2021. The new 2021 cost studies will be examined by the Federal Nuclear Safety Inspectorate (ENSI) and external experts from Switzerland and abroad in 2022. The STENFO Administratio-Committee is expected to determine the new provisional figures for the likely amount of the decommissioning and disposal costs by mid-2023, and the new provisional figures for the annual contributions to the two funds for the years 2022 to 2026 by the end of 2021.

According to the definitive ruling issued by the STENFO Administration Committee in March 2021, Axpo Power AG did not have to make any further contributions to the decommissioning and waste disposal funds for the Beznau nuclear power plant for the years 2020 and 2021. In accordance with the DDFO, contributions to the funds are calculated on the basis of an operating life of 50 years, which the Beznau nuclear power plant reached at the end of 2020. As at 30 September 2021, the fund volumes are above the target values.
In the fourth revision of the DDFO, which is currently in progress, the findings of the Federal Supreme Court ruling of 6 February 2020 are to be implemented first and foremost by removing the powers of DETEC that are unlawful and adapting the references to them.

For more information, see the Financial Report of Axpo Holding AG 2020/21, Estimation uncertainties regarding provisions for nuclear waste disposal for Beznau nuclear power plant, p. 37.

Environmental dimension

Energy and emissions

Relevance
Climate-friendly electricity generation is essential to fulfilling the Paris Agreement. Firstly, the global energy sector is responsible for around 25% of the world's greenhouse gas emissions[1] and, secondly, the transport, buildings and, to some extent, industrial sectors can only be substantially decarbonised through electrification.

The entire Axpo Group has a binding commitment to environmental protection that is documented in the sustainability policy (see Sustainability at www.axpo.com). As the products and services of the Axpo Group are all related to energy, the focus falls on the environmentally benign and, most importantly, climate-friendly production, use and distribution of energy. Axpo consistently strives to minimise the impact of its business activities on people, animals and the environment as much as possible.

Management approach disclosures
The different companies, in particular the planning and producing units, are individually responsible for the practical implementation of environmental protection in line with regulatory requirements and the Group-wide sustainability strategy.

Energy efficiency gains are being made in the following four areas: production increases in power plants, reductions in transmission losses, reductions in consumption in building management and reductions in consumption by customers. For Axpo, it is important not only to generate more electricity with the same resources, but also to offer more services that can help customers make energy savings. Measures intended to increase energy efficiency – where economically feasible – are also being consistently implemented within the company itself.

[1] Source: IPPC, AR5, Synthesis Report

The generation and distribution of power always affect nature. To reduce this impact as much as possible, Axpo constantly optimises its production facilities. The environmental aspects of energy – in particular with regard to the use of non-renewable primary energy sources and emissions, mainly of greenhouse gases – are carefully monitored throughout the Group with the help of an ISO 14064-certified greenhouse gas inventory (see Sustainability Report 2020/21, Direct GHG emissions, p. 52).

As part of our commitment to the sparing use of resources, Axpo's 15 Kompogas plants recycle biowaste from households, gardens, commerce and industry into materials and energy. The fermentation of this waste produces energy in the form of biogas, which can then be converted into electricity, heat, fuel or biogas that has the same high quality as natural gas. Moreover, the residual waste from the fermentation process contains important nutrients, which means it can be used as a fertiliser to encourage new plant growth, thus completing the material cycle.

Axpo uses SF6-free gas-insulated switchgear when renovating substations. This climate-friendly insulation and switching medium replaces SF6 gas, which has been commonly used for around 50 years, and has a global warming potential that is almost 100% lower. By using this climate-friendly gas, Axpo is reaffirming its commitment to sustainable energy supply. Axpo built a standalone solar plant on the industrial site of the Altgass substation in Baar in the canton of Zug. The plant was commissioned in November 2020 and will in future produce renewable electricity for around 70 households in the region. With this plant, Axpo is further expanding its share of renewable energy in Switzerland and making a contribution to the Energy Strategy 2050. The plant was built by CKW. The renewable electricity produced is purchased by WWZ AG and distributed in the region.

Impacts and results
All energy efficiency and environmental measures that are mandatory by law, including the conditions attached to power plant concessions, are monitored by the competent public authorities. Axpo did not receive any fines for breaches of environmental laws or regulations in the reporting period. For more information, see the Sustainability Report 2020/21, Compliance, p. 76.

Energy efficiency was improved by a total of 7,300 MWh in the reporting period. The biggest contributors were efficiency gains at customers of Axpo (+5,992 MWh) and in production plants (+6,015 MWh). For more information, see the Sustainability Report 2020/21, Reduction of energy consumption, p. 47.

Furthermore, Axpo's low-CO_2 production mix makes an important contribution to protecting the climate: for all of Axpo's power plants combined, greenhouse gas intensity is 87 g of CO_2 equivalents per kWh. This is just a fraction of the GHG intensity of the European electricity mix of around 255 g of CO_2 equivalents per kWh[1].

302-1 Energy consumption within the organisation

Direct energy usage covers the fuels used in the company's fully consolidated production facilities, buildings and vehicles, namely natural gas, oil and renewable fuels.

Total energy consumption fell slightly compared with the previous reporting year. The reduced demand for nuclear fuel was largely offset by the higher utilisation of gas-fired power plant capacity.

Direct energy consumption in production and operations in TJ	2020/21	2019/20	2018/19	2017/18
Nuclear fuel for production: Beznau nuclear power plant, gross thermal energy production	63,607	66,610	62,713	52,740
Fossil fuels for production: Natural gas for gas-fired combined-cycle power plants, diesel for emergency backup generators	36,419	33,564	43,412	31,130
Fossil fuels for operations: Building heating with gas and oil; fuel for cargo, delivery and passenger vehicles	59	61	63	54
Renewable fuels: Biomass, biogas and wood for energy production	2,263	2,212	2,110	2,415
Total	**102,348**	**102,447**	**108,298**	**86,340**

Indirect energy consumption refers to the fuel volume supplied by pipeline and cable used within the company, such as electricity and district heating. It should be noted that the energy losses include all grid losses attributable to Axpo even if part of the transported energy is merely forwarded on behalf of other companies.

Pump energy consumption decreased compared with the previous year, in part because the facilities at the Linth-Limmern power plant (KLL) were offline for around two months in Q4 2020

Indirect energy consumption for production, in buildings and via transmission losses in TJ	2020/21	2019/20	2018/19	2017/18
Energy procurement for production: Electricity required for pumped-storage power plants (fully consolidated power plants) and for production facilities	6,609	7,487	6,360	6,045
Energy lost via transmission: Total transmission losses via Axpo's grids (caused by the transport of Axpo and third-party energy)	869	796	778	759
Energy required for building management: District heating and electricity used in buildings and data centres	45	70	71	61
Total	**7,523**	**8,353**	**7,210**	**6,865**

302-2 Energy consumption outside of the organisation

Indirect energy consumption for production, in buildings and via transmission losses in TJ	2020/21	2019/20	2018/19	2017/18
Energy procurement for production: Electricity required for pumped-storage power plants (partner plants)	560	845	684	727

[1] European Environment Agency / CO_2-emission intensity in 2019 (EU28)

302-3 Energy intensity

Total energy consumption per full-time equivalent was around 20,688 GJ (previous year: 20,826 GJ).

302-4 Reduction of energy consumption

Sustainability Report 2020/21, Energy and emissions, p. 45

As regards electricity, energy efficiency gains are being made in the following four areas: production increases in power plants, reductions in transmission losses, reductions in consumption in building management and reductions in consumption by customers.

Production increases in power plants are achieved by boosting generation efficiency. The measures vary depending on the technology and the type and location of the power plant (particularly relevant for hydro power plants). The following measures to increase production were implemented successfully in the reporting year:

Hydro power plants: energy efficiency gains of around 1,285 MWh were achieved at the Göschenen and Mattmark power plants during the reporting year.

Nuclear energy: no energy efficiency gains were achieved in the reporting year.

Biomass fermentation: no energy efficiency gains were achieved in the reporting year.

Transmission grids: the replacement of transformers enabled energy efficiency gains of around 25 MWh during the reporting year.

Building management: no substantial energy efficiency gains were achieved in the reporting year.

Increasing energy efficiency for customers

In Spain and Italy, Axpo offers customers from commerce and industry a wide range of services to help them increase their energy efficiency. In addition to consumption analyses and energy audits, specific energy efficiency measures were also implemented in the areas of heating technology and lighting at its customer premises and resulted in a reduction of around 6,000 MWh in electricity consumption.

Annual energy efficiency gains in MWh	2020/21	2019/20	2018/19
Production increases in power plants	1,285	960	800
Reductions in transmission losses	23	43	42
Reductions in consumption in building management and at computer centres	0	0	0
Reductions in consumption by customers (CKW, Axpo Italy, Axpo Iberia)	5,992	4,039	4,236
Total	**7,300**	**5,042**	**5,078**

302-5 Reductions in energy requirements of products and services

Sustainability Report 2020/21, Energy and emissions, p. 45

Water and effluents

Relevance
In respect of water and effluents, Axpo's business activities have two main impacts: the warming of the Aare river through the discharge of cooling water from the Beznau nuclear power plant and the effects of hydro power plants in terms of residual flows, hydropeaking, bedload balance and the disruption of fish migration patterns.

Management approach disclosures
The handling of water and effluents is determined separately for each power plant. The necessary compensation habitats and other compensation measures (environmental mitigation and replacement measures) are defined in detail during the environmental impact assessments. Environmental impact assessments are part of the standard approval procedure for new and rehabilitation projects. For hydro power plants, the concession conditions for using the water often also include measures to protect biodiversity. In special cases, additional protection plans agreed with the authorities have to be implemented. Investments and expenses related to environmental protection are usually part and parcel of all major infrastructure projects and are therefore included in the project costs.

Impacts and results
The Beznau nuclear power plant is the only power plant in Axpo's fleet whose operation causes a significant temperature increase in a body of water. In 2020, the cooling water from operation of the plant was on average 7.5°C warmer when discharged 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. Once the cooling water discharged back into the Aare had mixed completely with the rest of the water in the river downstream of the plant, this resulted in a slight increase of 0.74°C in the theoretical water temperature.

The interim order issued by the Swiss Federal Office of Energy (SFOE) on 4 July 2019 still 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. Once the discharged cooling water has mixed completely with the rest of the water in the Aare downstream of the plant, the temperature may only exceed 25°C for a few days. To comply with this limit, the load is reduced where necessary, which can in some cases result in the temporary shutdown of one or both blocks of the plant.
The impact of this requirement is to be minimised as far as possible by shifting the inspection shutdowns for the blocks to July/August. No temperature-related load reductions were necessary in 2021.
The interim order was fully complied with during the reporting period. Exceptions are only possible if this is necessary for reasons of nuclear safety, security of electricity supply or grid stability.

303-1 Interactions with water as a shared resource
Sustainability Report 2020/21, Water and effluents, p. 44

303-2 Management of water discharge-related impacts
Sustainability Report 2020/21, Water and effluents, p. 44

303-3 Water withdrawal, 303-4 Water discharge, 303-5 Water consumption
The operation of Axpo's power plants does not result in any withdrawal of water that has a significant negative impact on any bodies of water. The use of water for electricity generation can lead to conflicting objectives with other types of use. However, all of Axpo's hydro power plants are located in regions of Switzerland that do not present any major water risks.[1] This includes a consideration of water-related risks such as the risk of excessive water consumption, flooding or a drop in the groundwater table.
The technologies used by Axpo to generate electricity do not produce large volumes of effluents. The total volume of water withdrawn, discharged and consumed, broken down by quality and destination, is therefore not captured in detail.

[1] Source: World Resource Institute, Aqueduct Water Risk Atlas, https://www.wri.org/aqueduct

305-1 Direct (Scope 1) GHG emissions

In the reporting year, Axpo once again drew up an ISO 14064-certified greenhouse gas inventory for the Group as a whole. Greenhouse gas emissions are expressed in CO_2 equivalents. As with the Axpo Annual Report and Sustainability Report, the fully consolidated Group companies form the system boundaries for the greenhouse gas inventory. Exceptions are listed under voluntarily disclosed emissions (Scope 3 emissions). Additional, relevant emissions sources are shown over which Axpo exerts little influence, because they are non-controlling interests.

In the reporting year, Axpo emitted a total of around 3.2 million t of CO_2 equivalents. Total emissions from CCGTs increased by around 210,000 t, which largely accounts for the difference in the emissions figure compared with the previous year. However, indirect emissions from purchased electricity in Switzerland fell by around 10% year on year. The breakdown by source is as follows:

Detailed greenhouse gas emissions in tonnes of CO_2 equivalents	2020/21	2019/20	2018/19	2017/18
Production				
Direct emissions international	1,947,523	1,790,100	2,320,400	1,682,220
Direct emissions Switzerland	34,474	32,460	29,020	27,630
Indirect emissions international	3,960	6,780	5,970	6,110
Indirect emissions Switzerland	405,116[2]	460,560[2]	470,840	447,700
Voluntarily[1] disclosed indirect emissions in Switzerland (Scope 3 emissions from pump energy of shareholdings in pumped-storage power plants)	32,122[2]	51,130[2]	50,600	52,530
Voluntarily[1] disclosed direct emissions international (Scope 3 emissions from non-controlling interests in CCGTs)	765,935	712,890	946,900	881,020
Transmission (only relevant for Switzerland)				
Direct emissions (SF_6 emissions)	1,613	1,200	890	860
Indirect emissions (transmission losses)	2,717	4,470	11,460	13,770
Operation administration buildings				
Direct emissions international	149	140	150	190
Direct emissions Switzerland	4,206	4,410	4,530	3,820
Indirect emissions international	190	390	440	380
Indirect emissions Switzerland	170	540	1,100	1,170
Total greenhouse gas emissions	**3,198,175**	**3,065,080**	**3,842,300**	**3,117,400**

The values in the table have been rounded. Emissions from purchased pump energy are calculated on the basis of the time availability of our own power plants and a production mix from neighbouring Germany and France.
The emission factors for electricity consumption at country level were updated for the reporting period FY 2020/21 on the basis of IEA data (2018). Consequently, comparability with previous years' data is limited to some extent.

[1] Voluntary in the sense that, in order to fulfil the requirements of ISO 14064 on the preparation of greenhouse gas emissions inventories, direct emissions (Scope 1 emissions) and indirect emissions from purchased electricity (Scope 2 emissions) must be disclosed. All other emissions (Scope 3 emissions) may be listed voluntarily.

[2] The origin of the pump energy losses of 17% must be proven by means of certificates in accordance with the provisions on the labelling of electricity pursuant to Article 9 of the Energy Act. Assurance was provided through guarantees of origin that the electricity consumption resulting from pump energy losses was from CO_2-free sources.

The breakdown of emissions by scope is as follows:

Greenhouse gas emissions by scope in tonnes of CO_2 equivalents	2020/21	2019/20	2018/19	2017/18
Total greenhouse gas emissions	**3,198,175**	**3,065,080**	**3,842,300**	**3,117,400**
of which direct emissions (Scope 1)	1,987,948	1,828,260	2,354,970	1,714,660
of which indirect emissions from the generation of purchased energy (Scope 2)	411,921	472,050	488,900	468,320
of which voluntarily disclosed emissions (Scope 3)	798,306	764,770	998,430	934,420

The values in the table have been rounded.

The breakdown by greenhouse gas is as follows:

Emissions by greenhouse gas in tonnes of CO_2 equivalents	2020/21	2019/20	2018/19	2017/18
Total greenhouse gas emissions	**3,198,175**	**3,065,080**	**3,842,300**	**3,117,400**
of which CO_2	3,162,147	3,031,420	3,812,440	3,089,390
of which CH_4	29,950	28,390	25,500	23,992
of which N_2O	4,471	4,040	3,470	3,170
of which SF_6	1,539	1,130	840	720
of which refrigerants	69	110	50	130

The values in the table have been rounded.

EU15 Greenhouse gas intensity in CO_2 per MWh i) for total electricity generation capacity, ii) for conventional thermal power plants, and iii) in the delivery mix for end-customers

Greenhouse gas intensity of Axpo's Swiss production mix:
- 7 kg CO_2 equivalents per MWh (direct and indirect emissions; previous year: 7 kg CO_2 equivalents per MWh)

Greenhouse gas intensity of Axpo's total production mix:
- 87 kg CO_2 equivalents per MWh (direct and indirect emissions; previous year: 79 kg CO_2 equivalents per MWh)

Greenhouse gas intensity for fossil-based generation:
- The two gas-fired combined-cycle power plants in Calenia and Rizziconi (Italy) report direct greenhouse gas emissions of 396 kg and 390 kg CO_2 equivalents per MWh respectively.

EU16 Greenhouse gas intensity in CO_2 per MWh for electricity supplied to end-customers

Axpo supplies its end-customers in Switzerland via its subsidiary CKW. The delivery mix disclosure is prepared per calendar year. In the 2020 calendar year, the greenhouse gas intensity of CKW's delivery mix was 3.1 kg CO_2 equivalents/MWh (direct emissions) or 11.7 kg CO_2 equivalents/MWh (direct and indirect emissions).

305-2 Energy indirect (Scope 2) GHG emissions

Sustainability Report 2020/21, 305-1, p. 48

305-3 Other indirect (Scope 3) GHG emissions

Sustainability Report 2020/21, 305-1, p. 48

305-4 GHG emissions intensity

Greenhouse gas emissions (Scope 1 and 2) per full-time equivalent were around 450 t of CO_2 equivalents in the reporting year (previous year: 430 t CO_2 equivalents). The slight increase in greenhouse gas intensity was due mainly to the higher utilisation of the CCGT capacity in Italy.

305-5 Reduction of GHG emissions

Specific greenhouse gas reductions were achieved during the reporting year mainly as a result of energy efficiency gains at customers and in our own power plants. However, it is not possible to reliably quantify the reduction in greenhouse gas emissions.

CKW carried out offsetting for the use of pump energy, achieving emission reductions of 757 t.

305-6 Emissions of ozone-depleting substances (ODS)

Axpo evaluated its ozone-depleting substances and determined that they do not play a major role in the context of its overall environmental impact. The evaluation was therefore not continued.

305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions

The main power plants that emit air pollutants are the two gas-fired combined-cycle power plants in Italy. Changes compared with the previous year are due primarily to different operational circumstances of the plants. Emissions data is measured continuously at both power plants.

Air pollutant emissions in tonnes	NO_x emissions		CO emissions	
	2020/21	2019/20	2020/21	2019/20
Calenia combined-cycle gas turbine plant	194	168	27	21
Rizziconi combined-cycle gas turbine plant	213	201	16	14

EU21 Emissions per MWh from combustion power plants
The main power plants that emit air pollutants are the two gas-fired combined-cycle power plants in Italy.

Air pollutant emissions in kg/MWh	NO_x emissions		CO emissions	
	2020/21	2019/20	2020/21	2019/20
Calenia combined-cycle gas turbine plant	0.08	0.08	0.011	0.010
Rizziconi combined-cycle gas turbine plant	0.08	0.08	0.006	0.005

Waste

Relevance
Radioactive waste is the most important type of waste for Axpo. Axpo is responsible to the public and its employees for its nuclear facilities. The protection of the public, its employees and the environment against radiation has absolute priority. This also involves the proper treatment of radioactive waste.

Management approach disclosures
Radioactive waste originating from the operation of Beznau nuclear power plant is grouped into operational waste, spent fuel rods and waste from reprocessing.

The health and safety of employees are ensured through consistent implementation of the relevant regulations. The permitted radiation levels for employees defined in the Swiss Federal Nuclear Safety Inspectorate (ENSI) guideline G15[1] are monitored in accordance with the ENSI guideline B09[2] and reported to ENSI in accordance with its guideline B03.[3]

Operational waste (IAEA classification: short-lived low and intermediate-level waste (LILW)):

At the Beznau nuclear power plant, radioactive operational waste (raw waste) is regularly generated by the water purification systems and 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.

The radioactive raw waste is collected, conditioned in batches and transferred to intermediate storage. Unconditioned waste at the Beznau nuclear power plant is stored in purpose-designed areas in the controlled zone.[4] At the Beznau nuclear power plant, waste is conditioned by mixing resins with polystyrene and cementing the radioactive sludge. Flammable and fusible raw waste and exhaust air filters are prepared for treatment at the ZWILAG plasma plant. Specific approval has been obtained for all processes in accordance with the Nuclear Energy Ordinance and ENSI guideline B05.[5] It is routine to store the conditioned waste packages in the power plant's own interim storage facility (residue storage and low-level waste storage in the interim storage facility ZWIBEZ). The Beznau nuclear power plant also uses the facilities of the central interim storage facility in Würenlingen.

The Beznau nuclear power plant's radioactive waste is captured 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 testing of materials from the controlled zone to confirm that the levels of residual radioactivity are below regulatory limits. In the reporting year, a total of 12 t of material at the Beznau nuclear power plant was tested and confirmed to be inactive in accordance with ENSI guideline B04.[6]

Spent fuel rods and waste from reprocessing (IAEA classification: high-level waste, HLW):

[1] ENSI-G15: Radiation protection objectives for nuclear installations, November 2010
ENSI-B09: Collecting and reporting of doses of persons exposed to radiation, July 2011
ENSI-B03: Reports for nuclear installations, September 2008, rev. 2, 15 February 2010

[4] Controlled zones are marked or demarcated areas reserved for working with radioactive materials pursuant to Art. 69 of the Radiological Protection Ordinance (RPO 814.501).
[5] ENSI-B05: Requirements for the conditioning of radioactive waste, February 2007
[6] ENSI-B04: Clearance measurement of materials and areas from controlled zones, August 2009

After their final removal from the reactor core, spent fuel rods are stored in the power plant's own spent fuel pool for cooling for several years. As the temperature of the spent fuel rods decreases significantly during this time, the spent fuel rods can subsequently be packed safely into interim storage casks. These storage casks are built in compliance with international standards[1] and are licensed and stored in Switzerland in accordance with ENSI guidelines G04[2] and G05.[3] The packed casks are stored in the plant's own ZWIBEZ interim storage facility. Two consignments were transported from Block 1 and 2 to ZWIBEZ in the reporting year.

The Swiss regulations for the transport of radioactive materials by road and rail are based in part on the international regulations governing the carriage of dangerous goods by road[4] and by rail.[5] The IAEA recommendations for the safe transport of radioactive materials apply to all transport carriers.[6]

Impacts and results
To ensure consistency with the information provided in the 2020 ENSI safety report, the following figures concern the 2020 calendar year.

All radiation limits were met in 2020, and as such the safety and health of the employees were assured.

The volume of unconditioned operational waste (raw waste) generated at the Beznau nuclear power plant was 20 m^3. The nuclear plant also produced a further 10 m^3 of conditioned waste. In addition, the Beznau nuclear power plant reported 12.9 t of high-level waste from spent fuel rods.

The Leibstadt partner plant (KKL), which is managed by Axpo, generated 64 m^3 of unconditioned waste, 29 m^3 of conditioned waste and around 21.6 t of high-level waste from spent fuel rods.

	LILW unconditioned		LILW conditioned		HLW from nuclear fuel	
	m^3	m^3/MWh	m^3	m^3/MWh	tU	tU/MWh
KKB	20	3.5×10^{-6}	10	1.7×10^{-6}	12.9	2.3×10^{-6}
KKL	64	7.1×10^{-6}	29	3.2×10^{-6}	21.6	2.4×10^{-6}

No long-lived intermediate-level waste (ILW) resulting from the reprocessing of spent fuel rods was transported back to Switzerland in 2020, as all the obligations to take back waste for processing were fulfilled.

306-1 Waste generation and significant waste-related impacts
Sustainability Report 2020/21, Waste, p. 49

Waste

306-2 Management of significant waste-related impacts
Sustainability Report 2020/21, Waste, p. 49

306-3 Waste generated
Sustainability Report 2020/21, Waste, p. 49

[1] Regulations for the Safe Transport of Radioactive Material, 2012 edition, IAEA Safety Standards no. SSR-6.
[2] ENSI-G04: Design and operation of storage facilities for radioactive waste and spent fuel rods, rev. 1 March 2012.
[3] ENSI-G05: Requirements for transport and interim storage casks, April 2008.
[4] 0.741.621: European Agreement of 30 September 1957 concerning the International Carriage of Dangerous Goods by Road (ADR)
[5] 0.742.403.1: Convention of 9 May 1980 concerning International Carriage by Rail (COTIF)
[6] IAEA safety standards: Regulations for the Safe Transport of Radioactive Material, 2012 edition, Specific Safety Requirements SSR-6

Additional information for energy companies:
Since 2010, nuclear 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).
Reportable incidents do not necessarily entail the accidental leakage of measurable quantities of radioactive substances. They only indicate that an irregular event took place during operations, which had to be monitored and reported. There were no accidental incidents with leakage of measurable quantities of radioactive materials during the reporting year.

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).

Number of reportable incidents in 2020		
Beznau nuclear power plants, Block I and Block II	Total 8	7 INES 0, 1 INES 1
Leibstadt nuclear power plan (partner plant)	Total 4	1 INES NA, 3 INES 0
Gösgen nuclear power plant (partner plant)	Total 6	6 INES 0

306-4 Waste diverted from disposal, 306-5 Waste directed to disposal
Radioactive waste is the most important type of waste for Axpo (see Sustainability Report 2020/21, Waste, p. 49). There is no detailed recording of and reporting on other waste.

Environmental compliance

Management approach: Sustainability Report 2020/21, Compliance, p. 76

307-1 Non-compliance with environmental laws and regulations
Axpo did not receive any fines for breaches of environmental laws or regulations in the reporting period.

Supplier environmental assessment

Management approach: Sustainability Report 2020/21, Supply chain and supplier management, p. 66

308-1 New suppliers that were screened using environmental criteria
No figures can be determined for the "percentage of new suppliers that were screened". The KPI for the application of the Code for Business Partners relative to order volume is deemed more relevant from a management perspective.

Sustainability Report 2020/21, Supply chain and supplier management, p. 66

308-2 Negative environmental impacts in the supply chain and actions taken
Sustainability Report 2020/21, Supply chain and supplier management, p. 66

Social dimension

Employment

Management approach: Sustainability Report 2020/21, Training and education, p. 60

102-8 Information on employees and other workers

Total number of employees by employment contract and gender, employment type and region.

Number of employees; in FTEs	Total for Group		Switzerland		International	
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Total	**5,337.86**	**5,350.47**	**4,027.30**	**4,241.03**	**1,310.56**	**1,109.44**
Women	**1,111.25**	**1,037.20**	**596.15**	**579.68**	**515.10**	**457.52**
Part-time	273.25	246.20	249.15	218.68	24.10	27.52
Full-time	838.00	791.00	347.00	361.00	491.00	430.00
Men	**4,226.61**	**4,313.28**	**3,431.15**	**3,661.35**	**795.46**	**651.93**
Part-time	363.51	352.28	354.05	347.35	9.46	4.93
Full-time	3,863.10	3,961.00	3,077.10	3,314.00	786.00	647.00
Women						
< 20	40.00	8.00	39.00	7.00	1.00	1.00
20–29	209.71	177.75	84.00	84.75	125.71	93.00
30–39	371.24	320.08	161.15	131.36	210.09	188.72
40–49	273.05	289.38	142.95	169.84	130.10	119.55
50–59	178.23	203.66	134.03	156.41	44.20	47.25
≥ 60	39.02	38.33	35.02	30.33	4.00	8.00
Men						
< 20	362.00	46.00	359.00	44.00	3.00	2.00
20–29	676.80	653.60	483.80	534.30	193.00	119.30
30–39	1,037.77	1,102.35	739.77	855.45	298.00	246.90
40–49	956.21	1,106.83	729.00	906.35	227.21	200.48
50–59	911.14	1,095.89	842.89	1,018.64	68.25	77.25
≥ 60	282.69	308.61	276.69	302.61	6.00	6.00

Notes: Employees including apprentices on a permanent contract. No significant activities are carried out by workers who are not employees of Axpo. There are no significant seasonal fluctuations. The data is taken from the HR system and collated. Data not available in the HR system is obtained from the companies concerned using Excel templates and consolidated with the other data. No assumptions had to be made.

401-1 Total number and rates of new employee hires and employee turnover by age group, gender and region

EU-LA1 Average length of tenure of employees leaving

	Total new hires (people)		Rate of new hires		Total departures (people)		Length of tenure (years)**		Turnover rate*	
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Group	**694**	**777**	**13.34%**	**15.87%**	**488**	**406**	**6.53**	**9.20**	**9.38%**	**8.29%**
Switzerland	**402**	**555**	**10.37%**	**14.06%**	**360**	**334**	**7.75**	**8.62**	**9.29%**	**8.46%**
Women	**77**	**93**	**11.42%**	**14.23%**	**91**	**54**	**5.98**	**7.27**	**13.50%**	**8.26%**
< 20	2	1	25.00%	20.00%	2	1	1.50	0.30	25.00%	20.00%
20–29	18	18	20.22%	21.18%	14	9	2.57	3.06	15.73%	10.59%
30–39	26	30	14.05%	18.81%	24	20	3.14	4.95	12.97%	12.54%
40–49	15	31	8.52%	16.77%	28	10	4.70	4.60	15.91%	5.41%
50–59	12	11	7.27%	6.35%	19	4	11.00	6.00	11.52%	2.31%
≥ 60	4	2	7.84%	4.34%	4	10	22.25	19.60	7.84%	21.70%
Men	**325**	**462**	**10.15%**	**14.03%**	**269**	**280**	**8.35**	**8.88**	**8.40%**	**8.50%**
< 20	3	8	5.08%	23.59%	1	2	4.00	0.96	1.69%	5.90%
20–29	111	108	22.84%	22.32%	64	76	4.50	3.17	13.17%	15.71%
30–39	91	121	12.07%	16.72%	70	59	5.29	3.42	9.28%	8.15%
40–49	76	152	10.20%	19.33%	49	52	5.92	5.66	6.58%	6.61%
50–59	42	59	4.88%	6.14%	50	36	10.81	12.35	5.81%	3.75%
≥ 60	2	14	0.67%	4.59%	35	55	21.48	23.67	11.78%	18.03%

	Total new hires (people)		Rate of new hires		Total departures (people)		Length of tenure (years)**		Turnover rate*	
International	**292**	**222**	**22.04%**	**23.38%**	**128**	**72**	**3.09**	**11.89**	**9.66%**	**7.58%**
Women	**122**	**94**	**23.24%**	**24.26%**	**48**	**26**	**3.04**	**6.02**	**9.14%**	**6.71%**
< 20	0	0	0.00%	0.00%	0	0	0.00	0.00	0.00%	0.00%
20–29	65	46	49.24%	56.79%	19	8	1.89	1.58	14.39%	9.88%
30–39	37	35	17.29%	20.06%	15	12	2.36	8.58	7.01%	6.88%
40–49	14	9	10.77%	9.42%	10	4	4.57	6.50	7.69%	4.19%
50–59	5	2	11.36%	7.27%	3	1	9.67	0.00	6.82%	3.64%
≥ 60	1	2	25.00%	25.00%	1	1	0.00	15.00	25.00%	12.50%
Men	**170**	**128**	**21.25%**	**22.78%**	**80**	**46**	**3.04**	**15.21**	**10.00%**	**8.19%**
< 20	1	0	33.33%	0.00%	0	0	0.00	0.00	0.00%	0.00%
20–29	71	56	36.79%	50.91%	28	9	1.89	1.00	14.51%	8.18%
30–39	65	42	21.67%	17.95%	25	19	2.36	25.60	8.33%	8.12%
40–49	28	24	12.28%	14.37%	20	13	4.57	5.42	8.77%	7.78%
50–59	5	6	7.25%	13.95%	5	5	9.67	26.75	7.25%	11.63%
≥ 60	0	0	0.00%	0.00%	2	0	0.00	0.00	28.57%	0.00%

Notes: The data is based on employees with a permanent employment contract who earn a monthly salary or an hourly wage; the rates are based on the number of new hires and departures relative to the total number of employees. * Turnover excluding retirements, based on average values. ** Average length of tenure.

401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

In Switzerland, all employees, whether full-time or part-time, receive the same benefits. However, employees with a fixed-term contract of up to three months are not subject to the general employment conditions, but to the Swiss Code of Obligations. Nevertheless, annual leave entitlement is also due to employees with fixed-term contracts of up to three months under the general employment conditions. Internationally, company benefits depend on the country and employment contract and may vary for full-time and part-time employees. The statutory provisions are, however, always observed.

401-3 Parental leave

	Number of employees entitled to parental leave		Number of employees who took parental leave	
	2020/21	2019/20	2020/21	2019/20
Group	**5,602**	**5,689**	**199**	**163**
Switzerland	**4,277**	**4,566**	**127**	**109**
Women	715	755	23	18
Men	3,562	3,811	104	91
International	**1,325**	**1,123**	**72**	**54**
Women	525	467	35	28
Men	800	656	37	26

	Number of employees who returned to work after parental leave		Number of employees who were still employed 12 months after returning from parental leave	
	2020/21	2019/20	2020/21	2019/20
Group	**195**	**166**	**163**	**165**
Switzerland	**129**	**113**	**108**	**113**
Women	22	15	18	22
Men	107	98	90	91
International	**66**	**53**	**55**	**52**
Women	32	26	29	26
Men	34	27	26	26

Notes: The data is based on employees with a permanent employment contract who earn a monthly salary or an hourly wage; for reasons related to the IT systems, the rate of return and retention rate for the reporting year cannot be calculated.

Occupational health and safety

Relevance
As a responsible operator of large power plants and other infrastructure relevant to the supply of energy, Axpo views responsibility for people and the environment as one of its key tasks. The emphasis here is on the health and safety of our employees, our external contractors and the wider public.

Management approach disclosures
The overarching objectives, rules of conduct and responsibilities associated with the protection of people (employees and third parties) are set out in the Axpo House of Policies. Axpo has established a management system for occupational health and safety.

Impacts and results
Axpo's key figures on occupational health and safety are also obtained using a calculation method that permits a nationwide comparison of different sectors (see Sustainability Report 2020/21, Action field 5, p. 9). The comparative figures are based on the time series for accidents according to the Swiss accident statistics, which comprise the reported cases pursuant to the Swiss Accident Insurance Act (AIA). These case reports are broken down according to the general classification of economic activities (NOGA 2008 of the Swiss Federal Statistical Office). The term "industries" is also used as a synonym for these economic sectors. The data pool for the latest industry comparison figures is the "Energy Supply" industry.

At 29.2, Axpo's annual rate of occupational accidents (= number of occupational accidents per 1,000 FTEs) is well below the industry average of 41 (Swiss accident statistics, time series for accidents by industry (NOGA 2008), AIA, OAI, energy supply, companies with 80 or more FTEs, recognised cases in 2019). With regard to the rate of occupational accidents, it should be borne in mind that the Group is a diverse collective body and the figure is affected by the insured office operations as well as the electrical installation business. Rather than being coincidence, however, the low number of occupational accidents can be attributed to the high level of safety awareness coupled with targeted preventive measures. Clearly, the general environment in terms of processes and organisation is conducive to maintaining the good safety standards. There is no need for urgent action.

At 5.4, the number of lost days due to illness (including work-related mental illness such as burnout) and occupational and non-occupational accidents per FTE (absence risk) is well below the figure of 7.6 calculated by Suva for the duration of absences due to illness/accident in 2019 for the economic activities of manufacturing and energy supply. Nevertheless, the trend, particularly for illness-related absences, must continue to be monitored and preventive measures must be taken to avoid a rise in the figures.

403-1 Occupational health and safety management system
A systematic approach to prevention goes beyond merely remedying individual safety shortcomings and is designed, on a sustainable basis, to prevent such safety shortcomings being repeated or occurring in the first place across the business as a whole. This generally calls for a combination of systems-related, technical, organisational and HR measures. The occupational health and safety management system ensures this sustainability for all employees of the Axpo Group. It also brings together the main requirements in terms of occupational health and safety within a single handy tool. As regards implementation, Axpo abides by national directives (EKAS 6508), industry solutions and the occupational health and safety management system in accordance with ISO 45001:2018 "Occupational health and safety management systems. Requirements with guidance for use". Core aspects of the established occupational health and safety management system include:

1. setting safety objectives
2. operating a safety organisation and setting out responsibilities and competences accordingly within the area of health and safety
3. systematically identifying hazards and assessing risks with a view to recognising and evaluating actual hazards
4. establishing and consistently implementing measures for reducing or eliminating the dangers identified
5. monitoring whether objectives are being achieved.

The elements shown are repeated continuously in a kind of cycle with a view to achieving constant improvements in health and safety. The Swiss Accident Insurance Institution (Suva) is responsible for monitoring whether the EKAS directive is being properly implemented at Axpo in Switzerland.

Two years ago, the Generation & Distribution business area launched "Destination Zero, Zero Accidents" – a vision of a world without work-related accidents and illnesses. The top priority is the prevention of fatal and serious occupational accidents and diseases. It is intended to actively influence the safety culture and the behaviour of employees. Risks cannot be eliminated from everyday working life. If they are consciously managed, however, injuries and illnesses can be avoided and the "zero accidents" goal can be achieved together.

403-2 Hazard identification, risk assessment, and incident investigation

Safety officers are appointed in each Axpo Group company as process owners for the occupational health and safety management system. They give managers support and advice and help them assume their responsibility for occupational health and safety. The safety officer or occupational safety specialist/safety engineer is responsible in this regard for ensuring the recommendations they make are factually correct. However, the responsibility for implementing occupational safety remains with managers. Hazard identification and the planning of measures are at the heart of the occupational safety management system. Hazards are eliminated or reduced using the STOP principle (substitution, technical measures, organisational measures, personal protective measures).

The employees are actively involved in decisions made, by identifying dangers and devising suitable protective measures. The safety officer, together with the affected employees and responsible line managers, devises appropriate improvement and protective measures. All employees must say STOP in dangerous situations.

All undesirable events, such as accidents, near-misses and material damage are reported, systematically recorded and analysed. A standardised log is used for internal accident investigations. The aim of these investigations is to avoid similar events in the future and improve the operational safety system.

Axpo and the safety officers are in regular contact with Suva. The controls undertaken so far have not revealed any significant complaints.

403-3 Occupational health services

Axpo refers all cases showing signs of long-term absence due to disease or accident to a professional case manager as soon as possible. These cases are managed by the daily sickness benefits insurer, whose case managers analyse the situation in conjunction with the employee who is unfit for work. They decide on the next steps in cooperation with Axpo. Specifically, they coordinate the case and liaise with the general practitioner and other medical professionals involved, the company's medical officer, the relevant social or private insurance schemes, the employee's family and friends, and line managers and work colleagues. Axpo's Social Counselling department can also be contacted for support.

For Axpo, an important element of prevention is to avoid cases of burnout. Managers are trained to recognise the relevant signs and employees are offered courses on how to consciously manage the body's energy reserves. At Axpo, the health and safety of employees take top priority. Protective measures are implemented to eliminate or mitigate potential risks. To reduce non-occupational accidents, campaigns to raise awareness and support employees are periodically launched.¨

403-4 Worker participation, consultation, and communication on occupational health and safety

The safety officers, together with the Staff Council and staff representatives, form the Occupational Health and Safety Committee, which represents all employees. The Staff Council/staff representatives have a right of co-determination with regard to occupational health and safety.

403-5 Worker training on occupational health and safety

On taking up their positions, and periodically throughout their service, all employees, and new apprentices in particular, are given the training and development they need to be able at any time to identify potential hazards, adopt appropriate measures and take suitable steps at their own initiative to prevent accidents and protect people's health. Line managers establish what each employee needs in the way of training and draft training plans accordingly. Training, instruction and information measures are documented to provide the relevant evidence. In addition to classroom and on-site sessions, training is also provided through e-learning modules.

403-6 Promotion of worker health

CKW operates an operational health management (OHM) system with a focus on prevention. This includes activities and initiatives on topics such as exercise, performance, wellbeing at work, safety during leisure time and much more. CKW is thus creating a supportive foundation to ensure that employees remain healthy and able to perform effectively even during periods of change. Besides planning and implementing measures pertaining to relationships and behaviour, the aim of operational health management is to systematically integrate health aspects into corporate structures and management processes. During the Covid-19 crisis, several articles have been published on strengthening mental health and on working from home.

403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

Axpo imposes a contractual obligation on external contractors and/or subcontractors to take occupational health and safety precautions for the benefit of their employees. Third parties working on our behalf have provided assurances that the protection they enjoy against accidents and occupational damage to health is consistent with statutory requirements. They are informed about the dangers associated with their work at Axpo and their rights and obligations in terms of occupational health and safety.

The legal basis for this approach is the Ordinance on the Prevention of Accidents and Occupational Diseases (APO), Art. 9 Interaction between multiple companies. Where employees of multiple companies are employed at the same workplace, their employers must make the necessary arrangements to ensure occupational safety and order the necessary measures. The employers must inform each other and their respective employees about the hazards and the measures required to eliminate them. Employers must expressly draw the attention of third parties to the occupational safety requirements in the employer's company when they award contracts to them.

403-8 Workers covered by an occupational health and safety management system

The occupational health and safety management system covers the activities of all employees of the Axpo Group.

403-9 Work-related injuries

	Rate of occupational accidents		Rate of non-occupational accidents		Rate of illness		Rate of absence		Rate of injury	
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Group	**21.90**	**26.09**	**95.63**	**141.04**	**422.98**	**439.84**	**540.51**	**572.55**	**2.96**	**3.19**
Women	6.23	2.06	92.66	90.12	474.25	536.76	573.14	589.13	0.79	0.93
Men	26.20	29.75	96.45	148.80	408.91	417.85	531.55	568.79	3.55	3.70
Switzerland	**26.97**	**26.09**	**103.13**	**141.04**	**430.19**	**412.64**	**560.29**	**579.77**	**3.68**	**3.93**
Women	10.47	2.06	50.98	90.12	497.29	593.93	558.74	686.11	1.31	1.10
Men	29.83	29.75	112.15	148.80	418.58	385.01	560.56	563.56	4.09	4.36
International	**3.52**	**n.a.**	**68.48**	**n.a.**	**396.88**	**544.71**	**468.88**	**544.71**	**0.35**	**0.37**
Women	1.30	n.a.	140.98	n.a.	447.54	461.57	589.83	461.57	0.19	0.72
Men	5.41	n.a.	6.52	n.a.	353.59	597.37	365.53	597.37	0.48	0.15

Notes: Permanent and fixed-term employees receiving a monthly salary or hourly wage, including apprentices. Rates expressed as days per 200,000 regular working hours or number of injuries per 200,000 actual working hours. Actual working hours (regular working hours minus accident and illness-related absences) were 10,546,201 hours for the reporting year. The occupational accident rate also includes occupational illness. Minor accidents are included in the rate of injuries. "Work calendar days" are used as the basis for the rate for occupational accidents. The occupational accident rate is counted from the first day. The coronavirus situation in 2019/20 meant it was not possible to collect reliable data on occupational and non-occupational accidents in other countries.

The pandemic has continued to have a major impact on both everyday working life and leisure activities this year, resulting in fewer occupational and non-occupational accidents. There were 156 occupational accidents (down 6.6%) and 400 non-occupational accidents (down 10.5%) in the reporting year. By way of comparison, Suva recorded a 5.2% drop in occupational accidents and a 9.1% drop in non-occupational accidents in 2020. The decrease in non-occupational accidents in particular is attributable to the many sporting activities that were not allowed to take place in 2020 because of the pandemic.

To prevent occupational accidents, work-related hazards are systematically recorded according to the Suva hazard table, which comprises 13 hazard categories. Injuries with serious consequences could result from all hazard categories. The risks of falls (working at height) and electrical hazards are particularly relevant for Axpo. If these hazards cannot be sufficiently reduced with the familiar STOP measures (see 403-2, Hazard identification, risk assessment, and incident investigation, p. 64), the hazard is investigated in detail by means of a risk assessment and further measures are determined. Should an occupational accident nevertheless occur, employees report it immediately to their line manager and to Human Resources. Human Resources produces the accident report for the attention of the responsible insurance agency. Occupational accidents are always analysed (incident investigation), and appropriate measures are taken. There were no occupational accidents with serious consequences and no work-related deaths of Axpo employees in the reporting year. The top five causes of occupational accidents are consistent with Swiss accident statistics, with "trips and falls", "being hit" and "falling objects" also the most frequent causes of accidents at Axpo.

Responsibility for the occupational safety of third parties lies with their respective employers. As the principal, Axpo has a duty to expressly draw the attention of third parties to the company's occupational safety require-

ments. The employers in question must make the necessary arrangements to ensure occupational safety and order the necessary measures. The employers must inform each other and their respective employees about the hazards and the measures required to eliminate them. Axpo is not aware of any serious or fatal accidents suffered by employees of subcontractors while working on behalf of Axpo. Other key figures such as the number of occupational accidents or types of work-related injuries to third parties are not systematically recorded at Axpo; the applicable employers are responsible for reporting this information.

The number of non-occupational accidents, including the associated days of absence, fell significantly in the reporting year compared with the previous year. At 74.9 per 1,000 FTEs, the number of non-occupational accidents suffered by Axpo employees is significantly lower than the figure of 148 non-occupational accidents/1,000 FTEs for the energy supply sector as a whole (Swiss accident statistics, time series for accidents by industry (NOGA 2008), AIA, NOAI, energy supply, companies with 80 or more FTEs, recognised cases in 2019). The issue of safety-conscious behaviour must remain a priority, as this also impacts on behaviour during leisure time. Both accident rates are heavily influenced by the number of days of absence per occurrence, meaning that they will continue to fluctuate in future. The majority of the accidents in the reporting year were minor, which is reflected in the significantly lower rates.

The rate of illness fell by 3.8% compared with the previous year. The measures taken to contain the coronavirus pandemic, including social distancing, improved hygiene, ventilation and mask-wearing, also meant that the number of flu cases was lower than usual. There was also no flu epidemic last winter (2020/21). The absence rate is still heavily influenced by the illness rate.

No employees were excluded from this disclosure.

403-10 Work-related ill health

Similarly, systematic identification of the risks of occupational illnesses is seen as a key element in their prevention. In particular, the chemical, biological and physical effects and physical strain on the human body are assessed. Where there are substantiated suspicions of an occupational illness, the case is immediately reported to Suva. From an administrative point of view, an occupational illness is treated as an accident. An occupational illness is deemed to have occurred as soon as treatment is given or the employee is unable to work.

The implementation of measures in accordance with the STOP principle (see 403-2, Hazard identification, risk assessment, and incident investigation, p. 64) prevents activities from being carried out at Axpo where there is a high rate of illness or risk of illness. The same applies to work carried out by third parties on Axpo's behalf. There were no deaths or documented work-related illnesses of Axpo employees during the reporting year. Nor is Axpo aware of any work-related illnesses suffered by employees of subcontractors while working on behalf of Axpo. Again, no employees were excluded from this disclosure.

Training and education

Relevance

Axpo's employees are its most important asset for its long-term success. To continue to operate successfully, we need diversity in terms of the perspectives, attitudes and skills required to develop innovative solutions, in terms of age structure, and also in terms of the people who develop energy solutions for our customers through entrepreneurial and customer-focused thinking and actions. That is what Axpo understands by diversity.

Management approach disclosures

Given the challenges currently facing the energy sector, employee development at Axpo is an essential and well-planned process. The future challenges are also reflected in the new skills profiles prepared for managers and employees. These form the basis not only for employee development, training and education, but also for agreements on objectives and the

assessment of employee performance. Employee reviews take place twice a year. Employee performance is assessed and compared against the agreed objectives and development options. Employees receive bonus payments based on the overall performance of Axpo and its subsidiaries. Even in times of additional cost pressure, the company offers attractive fringe benefits, excellent insurance cover and attractive occupational pension scheme. In addition to the line managers and a professional HR team, employees have access to a capable social counsellor when they need support on specific matters. Changes in the workforce are measured by KPIs such as the turnover rate, and specific measures are implemented where necessary.

The company attends various student and graduate careers events in order to attract young, well-educated university graduates. Axpo offers a range of job opportunities for students and university graduates. They can combine theory and practice by preparing their bachelor's or master's thesis or gain their first practical work experience by completing an internship. Axpo offers the ideal career start through its tailored trainee programme or the opportunity to take on direct responsibility via entry-level positions in particular specialist areas. In the non-academic field, Axpo offers a wide range of apprenticeships, including training positions for electricians, electrical designers and cooks as well as careers in maintenance, information technology, mechanical and electrical engineering, and commercial professions.

The Axpo Academy aims to support employees in their work, make them more effective and help them acquire new skills and knowledge. A lot of development happens on the job. The Academy also offers a range of internal training and education courses to develop management and key skills along with IT, language and specialist skills. Axpo offers these through long-term partnerships with professional providers. The range of courses offered virtually was expanded considerably due to the lockdown and the measures taken to contain Covid-19. This had the positive side-effect of enabling employees at international locations to access and benefit from Academy courses more easily.

New Axpo employees are given an induction programme that covers aspects of the entire value chain, from production and trading to transmission and distribution, and also looks at sustainability in electricity production. The training and education offering is rounded off with special support measures for management trainees and managers under the Talent Management and Management Development umbrella, such as management programmes and development centres. Increasingly, however, the focus is on creating customised offers for teams (e.g. team development, team assessments), individual consultancy services (e.g. coaching, careers advice, 360° feedback) and support with change processes, to permit a more targeted response to the requirements of the organisation and its employees.

Diversity within the company is further promoted through the Diversity@ Axpo initiative. One of the first aims is to increase the proportion of women in the entire company, but especially in management positions. As a modern employer, Axpo is committed to gender equality. To this end, it has implemented appropriate measures in the areas of recruitment, communication, talent management and succession planning. Our membership of Advance, the leading business association for gender equality in Switzerland, provides additional support for diversity. Advance promotes the exchange of ideas on specialist or leadership topics and enables employees to build up a valuable professional network outside Axpo.

Impacts and results

Axpo attended six careers events (info lunches, guest lectures, university fairs, trips to the head office or to power plants) and two online careers fairs during the reporting year. Several careers events had to be cancelled due to the Covid-19 pandemic. Although the commitment to university marketing is paying dividends, it is also at the mercy of external factors such as scepticism towards the energy sector. In the Universum Swiss Student Survey, Axpo was voted one of Switzerland's most attractive employers in the specialist areas of Engineering (ranked 39), Natural Sciences (53) and IT (97). Axpo is improving its position in the rankings. In the energy sector, Axpo ranks second among engineering students. This financial year also saw the expansion of the Axpo traineeship scheme, which now offers six university graduates per year the ideal career start, beginning in April and October. In addition, 128 apprentices started at Axpo in 21 skilled trades during the reporting year. At the end of the reporting year, 481 apprentices and 15 trainees/interns, i.e. a total of 412, were employed in the Axpo Group.

5,378 training hours were provided in the reporting year. As a result of the Covid-19 measures, almost all face-to-face events were conducted as virtual events in 2020/21. Virtual sessions tend to be shorter in duration, which is reflected in the figures for hours of training. Managers have access to the New Ways of Leadership – Remote Leadership management programme to help them deal with the huge changes in their day-to-day work.

404-1 Average hours of training per year per employee

	Employees		Management	
	2020/21	2019/20	2020/21	2019/20
Total	**21.82**	**15.66**	**17.57**	**22.10**
Switzerland	**11.73**	**17.99**	**20.53**	**28.01**
Women	25.23	9.68	16.93	12.98
Men	26.82	19.73	21.56	30.16
International	**14.77**	**6.80**	**27.10**	**6.39**
Women	29.58	5.26	20.59	8.00
Men	7.25	8.00	8.63	6.00

Notes: This data is based on permanent employees who earn a monthly salary or an hourly wage.

404-2 Programmes for upgrading employee skills and transition assistance programmes

Sustainability Report 2020/21, Training and education, p. 60

404-3 Percentage of employees receiving regular performance and career development reviews

At Axpo, all employees receive a regular performance and skills review as part of the MbO process. The existing MbO process, in which an individual assessment of target achievement and competences has a direct impact on variable remuneration, is to be abolished with effect from the 2021/22 financial year. Collective financial and strategic objectives will now apply for remuneration at Group, business area and division level. Employees and managers are encouraged to exchange feedback with each other at least once a year on expectations for the performance of their functions. An organisational feedback tool is also due to be rolled out in 2022. Known as the Pulse Check, it enables employees to provide input about topics relevant to their work environment and team on an almost continuous basis. In addition to the collective objectives, a new Objectives & Key Results (OKR) approach to strategy implementation is being rolled out in stages across management and leadership teams. The new approach will allow them to define areas of focus and ambitions for the coming quarter and also ensure that these are communicated transparently throughout the organisation. At the same time, the option to define development objectives based on the review and feedback was created. A broad-based talent review was undertaken in the reporting year with a view to identifying employees with significant development potential. Objectives and ambitions were discussed with these people with the aim of devising and agreeing individual development plans.

Diversity and inclusion

Relevance

Axpo is committed to an open corporate culture and attaches great importance to diversity and inclusion. The company's working environment is characterised by mutual respect regardless of gender, nationality, ethnic or social origin, religion or beliefs, disability, age, sexual orientation or identity. Axpo helps its employees leverage their unique skills, experiences, perspectives and backgrounds to make an active contribution to its success as an energy company.

Diversity and inclusion enrich Axpo: having a broad range of perspectives enables the company to be innovative, embed broader knowledge and experience into its teams and develop better solutions.

Management approach disclosures

Diversity@Axpo pursues three goals: to increase diversity in the company and thus boost its competitiveness, to promote innovation and a customer-focused approach through interaction between employees with different skills and abilities, and to enhance Axpo's attractiveness as an employer.

Axpo employees should benefit from a modern corporate culture and flexible working models.

Researchers at the University of St. Gallen have found that diversity encourages a wide range of knowledge and perspectives. Good integration of employees from diverse backgrounds helps teams manage complex tasks effectively and can increase innovation, productivity and performance. Axpo firmly believes that inclusion is crucial to the success of targeted efforts to increase diversity. This creates impact in practice, adds value and creates an inclusive culture that is beneficial for employee retention, engagement and productivity.

The Axpo Group is also keen to employ more women in management positions and across the company as a whole. The aim is for 22% of managers (15% in 2019) to be female by 2024, with the proportion of women across the entire Group also continuing to increase. Axpo is taking concrete measures to support these targets, including a more active focus on women in recruitment and when filling vacancies. Such measures include adapting the language and formulations used in recruitment, ensuring that all advertisements contain a clear statement on diversity and holding unconscious bias training for employees such as HR staff involved in recruitment. At the same time, Axpo actively participates in or promotes networks for women.

The company's business principles have also been expanded to encourage diversity. They form part of Axpo's Code of Conduct, which sets out the company's core values and its commitment to diversity. Decisions on employment, promotion or training are based exclusively on objective, job-related requirements. The company does not tolerate discrimination or harassment.

Impacts and results
One successful milestone on the road to improved diversity is the Fair-ON-Pay certification, which the Axpo Group received in July 2021. The certification is awarded by Comp-On AG, which verifies that companies adhere to requirements on equal pay for women and men.

Every quarter, Axpo measures the change in the proportion of women and men, nationalities, age distribution and length of service with the company. There is one woman on the Executive Board, equating to 16.7% of the board's membership. Axpo is currently evaluating further indicators for measuring levels of diversity and inclusion within the company. This also includes the use of continuous feedback from the organisation (the Pulse Check). The Pulse Check is conducted online and provides insights into the reality of teamwork, leadership, collaboration and engagement in the different parts of the company. The public perception of Axpo as an employer is also assessed on a regular basis to determine the attractiveness and awareness of relevant attributes.

Non-discrimination

Management approach: Sustainability Report 2020/21, Compliance, p. 71

406-1 Incidents of discrimination and corrective actions taken
The Axpo Complaints Commission did not have to deal with any complaints in the reporting year. No incidents of discrimination were registered either.

Local communities

Relevance

Particularly when expanding its infrastructure, Axpo is very aware that the company's activities have to be aligned with the specific needs of individual stakeholder groups. Acceptance of its business activities and dialogue with all stakeholder groups are something Axpo values very highly. The main concerns of the various parties are very different, however. NGOs usually place most emphasis on the protection of biodiversity and the landscape and the sparing use of untouched areas of nature. The concession grantors are mainly interested in local security of supply and the public revenues flowing to the local community. The local population worries first and foremost about the specific impacts of projects: construction and operation of the actual energy plants, the required infrastructure (e.g. access roads), the harm done to the visual landscape, environmental changes and the impact on tourism versus job creation. Involving these groups at an early stage and conducting a regular exchange of views builds trust, facilitates compromises and helps to convey technically complex topics in a way that is understandable and factually correct. A high degree of social acceptance for an energy project speeds up the approval process, thus often improving its cost effectiveness. That is why Axpo is committed to a close dialogue with local people, stakeholders, and conservation and environmental associations.

Management approach disclosures

To assess the impact of its business activities on the community, in particular during the construction and operation of infrastructure measures, Axpo engages in transparent communication and investigates the expected effect of all its projects. From the planning stage through to the completion of a project, Axpo works closely with local authority representatives and involves the local population from the outset. This also applies to topics such as the use and production of new energy sources. Information events and discussions are staged in the immediate communities and cantons where power plants are located and in municipalities with grid concessions. The frequency of such events is dictated by topical events and needs. At the national level, responsibility for public dialogue lies with the Axpo Group and is handled by the Corporate Public Affairs department. At the local level, the local companies are responsible for stakeholder dialogue.

The general public have access to a wealth of information on the company at www.axpo.com. Axpo also focuses on the transparent and politically neutral communication of knowledge on all aspects of energy at its power plants and on its digital channels.

Impacts and results

Example relating to hydro energy:
There was a successful result in the reporting year relating to the completion of the recultivation project at the large-scale construction site for the Limmern pumped storage plant. During construction of KLL's Limmern pumped storage plant, Axpo was responsible for one of Switzerland's largest construction sites, between Tierfehd and Muttenalp. There is now barely a trace of the site to be seen, thanks to an expert recultivation project conducted over a number of years. The Swiss Association for Engineering Biology awarded its "Greener Prize 2021" to the recultivation project around the Limmern pumped storage plant "for the outstanding work before the actual greening and the flawless execution of the work, for the positive cooperation with the authorities and environmental associations, and for raising awareness among the construction companies."
Authorities and environmental conservation organisations are regularly invited to visit ongoing projects for updates on the project status.

Example relating to the distribution grid:
Grid operation and, in particular, grid expansion sometimes meet with hostility among the affected residents. Many are afraid of the potential health effects of electromagnetic radiation and worry about the impact on the landscape. To raise the level of social acceptance of a power line construction project and thereby simplify the approval process, Axpo engages in direct dialogue with all stakeholders. This also serves to strengthen trust, clarify critical questions at an early stage and enable technically complex topics to be conveyed at first hand in an understandable manner.

Example relating to CKW:
To assess the social impact of business operations, CKW works closely with cantonal and municipal authorities and with environmental organisations when developing new energy projects. Visits to existing power plants were organised for individual representatives of local government departments and associations. Further, specific implementation steps are taken when developing power plants involving new energy sources. All stakeholders are involved in the project process early on and support the development process from idea to operational plant. Intensive discussions have been taking place for several months now with the authorities (at federal, cantonal and municipality level) and many of those directly affected in relation to the ongoing projects and, in particular, the Lindenberg wind farm. The public participation process was conducted and completed in the past financial year. The associated documentation has been submitted to the cantonal authorities along with other planning documents in the form of a participation report. Several advisory group meetings were also held at which the topics were discussed in detail. The aim is to bring the project to a vote in spring 2023.
The Waldemme small-scale hydro power plant project is another example. Axpo is pursuing intensive dialogue with the UNESCO Biosphere Entlebuch (UBE). This would give the project a stronger local base and ensure that part of the value creation remains in the region.

Additional information for energy companies: Participation of stakeholders in decision-making processes affecting energy planning and infrastructure development.
Sustainability Report 2020/21, Local communities, p. 64

413-1 Operations with local community engagement, impact assessments, and development programmes

Axpo reviews the involvement of the local community for all infrastructure projects such as the construction of new power plants or grids. Local communities are involved in projects relating to existing power plants and administration buildings as and when needed.

413-2 Operations with significant actual and potential negative impacts on local communities

By operating large hydro power plants and the Beznau nuclear power plant, Axpo provides important jobs for local people. This is particularly true of hydro power plants in sometimes very remote mountainous areas. Apart from these positive impacts, the operation of such power plants also has potential negative impacts. Although Axpo gives top priority to the safety of its power plants and implements many measures to ensure that safety, it is the nature of the business that potential negative impacts cannot be entirely excluded. Examples include the effects of hydropeaking in hydro power plants, the safety of the dams and the safety of the nuclear power facilities.

Supply chain and supplier management

Relevance
Axpo is involved in all phases of the energy sector value chain: from the construction and operation of energy-related infrastructure, to trading in energy products and customer-specific services and products.

Important business activities and suppliers of Axpo at a glance:

Important suppliers:

Manufacturers of components (such as generators, transformers, cables, power plant components), fuels (gas, nuclear fuels), operating supplies and -materials

Providers of construction, engineering and other services

Service providers for maintenance work and repairs

Providers of financial and consulting services

Suppliers of energy products and energy services

Primary activities of Axpo in Switzerland and Europe:

Acquisition/construction (including procurement of services) for:
- Hydro power plants
- New energy plants including projects
- Electricity grids
- Substations and infrastructural facilities
- Gas infrastructure
- Telecommunications facilities

Operation/maintenance/ renovation/modernisation (including procurement of raw materials and supplies, components and services) of:
- Hydro power plants
- Nuclear power plants
- Gas-fired combined-cycle power plants
- New energy plants
- Electricity grids
- Gas infrastructure
- Telecommunications facilities

Trading in electricity, gas and other commodities and in certificates (green, energy performance and CO_2 certificates)

Customer-specific energy products and services for wholesale customers (cantonal and municipal utilities), local distributors and energy producers

Grid-related services

CO_2 services

Supply of electricity, heat and other services to end-customers
Electrical, lighting, IT and telecommunication services

As Axpo operates in many different areas along the value chain, both in Switzerland and in Europe – from the construction of large hydro power plants and wind farms to the operation of nuclear power plants and from trading and distribution to sales of IT services – a diverse range of business partners are involved in the supply chain. Axpo has around 26,000 active suppliers in total. These include international technology companies such as ABB, Siemens, Westinghouse and GE Power, international trading partners for energy products such as EDF, E.On, GDF Suez (Engie) and Vattenfall, and a large number of international, national and even regional suppliers from very diverse sectors.

The order volume for the procurement of goods, materials, third-party services and investments over CHF 100,000 during the reporting year totalled around CHF 537 million in Switzerland and around CHF 225 million abroad.

Management approach disclosures
Axpo attaches great importance to having business partners who share its values and its principles of compliance and ethics. To achieve a mutually fair, trusting and long-term partnership, Axpo therefore asks its business partners (suppliers of goods and service providers) to expressly commit to observing the guiding principles of Axpo for sustainable, ethical and law-abiding transactions. We therefore strive for adherence to the following principles and guidelines in procurement:

- GATT/WTO tender procedures to ensure the equal treatment of all providers (Swiss and foreign) as of the agreed thresholds;
- Axpo Code for Business Partners on compliance with the principles of business ethics and minimum social and environmental standards.

Axpo first compiled and published its guiding principles in a Code for Business Partners in 2014. The content of this Code, which applies to all business partners and their employees worldwide, is based around the following conventions and standards:

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- Principles of the United Nations Global Compact (UNGC)
- OECD (Organisation for Economic Cooperation) Guidelines for Multinational Enterprises
- Agreements of the International Labour Organisation (ILO)
- ICC (International Chamber of Commerce) Business Charter for Sustainable Development
- SA8000 (standard for corporate social responsibility (CSR) in company management)
- Recommendations of the procurement offices of the Swiss Confederation

A dedicated chapter of the Code lists the requirements for "socially acceptable working conditions". Business partners are obliged to create fair working conditions that take adequate account of occupational health and safety, living wages, acceptable working hours in compliance with local legislation, including regular annual leave, freedom of association (trade unions) and collective bargaining.

In another chapter, the Code states that business partners must respect the applicable human rights and treat their employees with dignity and respect. This includes a ban on child labour, forced labour, discrimination and disciplinary punishment.

The Code also expects business partners to run their businesses responsibly and in an environmentally compatible manner. They must reduce negative impacts on humans and the environment from their business operations while observing the applicable provisions. This includes using resources efficiently, avoiding and mitigating environmental pollution, dealing safely with hazardous materials and manufacturing environmentally benign products.

Impacts and results
The Code for Business Partners has binding effect. It applies to public procurement processes and forms part of the Axpo Group General Terms and Conditions of Business. In other business relationships with suppliers of goods and services where the Axpo Group General Terms and Conditions of Business do not apply, the Code must be included as an integral contractual component.

In addition, Axpo expects business partners to make sure that their major suppliers (and their upstream suppliers) and subcontractors also abide by the principles set forth in the Code.

The Code also contains regulations for controlling compliance: business partners must provide transparent information. On request, the business partner must give Axpo all the information needed for a correct and comprehensive initial assessment in the form of a self-assessment. Axpo reserves the right to check implementation of the Code if there is a suspicion that it may have been violated. With regard to fuel procurement, business partners agree that they and their suppliers, upstream suppliers and subcontractors may generally be visited by external experts and may be audited. Axpo reserves the right to demand action in the case of non-compliance with this Code and, if need be, to end the business relationship.

Binding targets have also been set (see also Sustainability Report 2020/21, Action fields and goals, p. 7). By the end of the 2018/19 financial year, at least 60% of the order volume that Axpo can influence was to be placed with suppliers who have signed the Code for Business Partners, rising to at least 90% by the end of the 2021/22 financial year. Attainment of this target is monitored on a monthly basis. A level of 70% was achieved for the 2018/19 financial year, exceeding the target figure. As at the end of this reporting year, a value of around 86% was achieved for this KPI.

When the Executive Board makes a business decision, the Sustainability Management, Compliance and Corporate Risk Management Group functions adopt a proactive approach – as part of the internal pre-steering process – to checking out potential new business partners against environmental, social and governance criteria.

414-1 New suppliers that were screened using social criteria
No figures can be determined for the "percentage of new suppliers that were screened". The KPI for the application of the Code for Business Partners relative to order volume is deemed more relevant from a management perspective.

414-2 Negative social impacts in the supply chain and actions taken
No actions had to be taken in this regard in the reporting year.

Customer health and safety

Relevance
The need to ensure safety in the production plants and the transmission of electricity, and thus also the safety and health of customers, takes first priority. Axpo will continue to invest in the safety of its plants while complying with all official conditions. The company is committed to the rigorous management of all risks. The obligation to operate its power and transmission plants safely without harming the environment is a central concern.

Management approach disclosures
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, i.e. homes, offices, etc.) are much better protected. To ensure the best possible protection, a limit of 1 µT applies, which is considerably stricter than the international standard of 100 µT that is always required to be met. For existing plants, the NIR Ordinance prescribes a optimisation of phasing to reduce the fields for existing power lines, which Axpo has already implemented throughout the Group. For new lines, the specifications as described above are implemented in any case. All legal provisions concerning electrosmog are therefore strictly adhered to for both existing and new plants.

In terms of nuclear energy, the emergency safety measures of the Nuclear Energy Ordinance, the Radiological Protection Ordinance and the various ordinances of the Swiss Federal Nuclear Safety Inspectorate (ENSI) are also important. 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; they are constantly modernised and upgraded. To highlight its commitment to nuclear safety and radiation protection, Axpo has adopted a Nuclear Safety Charter. Also, thanks to consistent implementation of radiation protection provisions, normal operation of nuclear power plants does not result in any radiation exposure that might be dangerous to health in the immediate environment of nuclear plants. The local dose/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, plus specific measurement campaigns as required.

Axpo's dams also meet the most stringent 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 the production of electricity from hydro power. The reservoir is used to store the large summer runoff for electricity production in winter. Depending on the size of the reservoir, it can play a significant flood protection role. The available retention 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 runoff, helping to protect the downstream population.

Impacts and results
All facilities for the production and distribution of electricity are subject to strict national statutory provisions and regulations, all of which are observed. Dams are subject to supervision by the Swiss Federal Office of Energy. Axpo has submitted the required confirmation of earthquake resistance for all 30 of its dams in this category. No cases of harm caused to the health of customers or safety shortcomings that could pose a danger to the public became known in the reporting period. No complaints or legal actions are pending in this regard.

The nuclear power plants in Switzerland were operated safely in 2020. ENSI concludes that the operators adhered to the approved operating conditions. The operators fulfilled their statutory reporting obligations towards the supervisory authority. Emissions of radioactive substances into the environment via effluents and waste air from the nuclear power plants last year were well below the limits sent in the approvals. Even for people who live in the immediate vicinity of a plant, they produced a maximum calculated dose of less than 1% of natural annual radiation exposure.[1]

416-1 Assessment of the health and safety impacts of product and service categories

Sustainability Report 2020/21, Customer health and safety, p. 69

[1] ENSI-AN-10650 Oversight Report 2020

416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

Sustainability Report 2020/21, Customer health and safety, p. 68

Sector-specific aspect: Disaster/emergency planning and response

Relevance

Axpo is responsible for the operation of large-scale technical facilities for the generation of electricity such as nuclear power plants and hydro power plants, and for electricity distribution. A professionally run emergency and crisis management system as a component of business continuity management is therefore a fundamental aspect of Axpo's safety culture.

Management approach disclosures

Business continuity management (BCM) ensures that critical business functions can be sustained or recovered in good time in the face of internal or external events. The Group directive "Crisis management" sets out the responsibilities and powers.

By setting up emergency and crisis teams, the company has taken the organisational measures needed to ensure that all events which could negatively affect the company, its employees, its customers or other people and the environment can be managed in an orderly manner.

A uniform interpretation of the minimum scenarios that need to be included in a crisis management plan and the consistent definition of all terms are key to establishing high standards. Each Group company has such an emergency/crisis management organisation. The Group crisis management organisation is initiated and managed centrally by the Axpo Group's Crisis Manager. The Head of Group Safety is in charge of superordinate coordination and controlling.

[1] GBases and standards: ISO 22301 – "Security and resilience – Business continuity management systems – Requirements" and ISO 22313 "Security and resilience – Business continuity management systems – Guidance"

Efficient crisis management should achieve the following in the event of a crisis:

- damage limitation/prevention (employees, third parties and operations)
- maintenance/immediate recovery of the most important operational processes
- timely, active, transparent and reliable internal and external communication geared to the target groups (Axpo's reputation)
- establishment of the prerequisites for efficient recovery of operations to the pre-crisis status (return to the normal organisation)

Impacts and results

Alongside business continuity management, Axpo uses risk and issues management to identify early on potential dangers to the Group and to take suitable measures to deal with the risks.

To secure the defined processes and structures in the event of a crisis, the emergency/crisis management organisation is continuously improved through the targeted training of the members of the crisis management team and regular crisis management drills.

From March 2020 onwards, the reporting year was dominated by the Covid-19 pandemic. Axpo implemented effective measures at an early stage to protect its employees against the disease and ensure that operations in all areas could be maintained without restrictions at all times, and helped guarantee stability during the coronavirus crisis by ensuring the continuous smooth functioning of production and grids.

Customer privacy

Relevance

Data and information security and protection of the privacy and personal data of employees, customers and business partners are high priorities for Axpo. This is anchored in Axpo's Code of Conduct and must be observed as a business principle by all employees of the Axpo Group and its business partners.

Management approach disclosures
To ensure that the personal data of employees, customers and business partners is handled in a lawful and responsible manner, Axpo has introduced a Group-wide data protection management system that it is developing on an ongoing basis. Axpo takes account of European and Swiss data protection law in particular and follows a risk-based approach. An important component of this data protection management system is continuous training for all employees.
At all Axpo Group locations, data and information are protected by the IT service provider Aveniq using multi-level security arrangements. Periodic phishing simulations are carried out and awareness campaigns conducted to raise employee awareness of cyber-crime. The organisation also conducts crisis exercises to prepare itself for possible attacks. Aveniq has an integrated management system that includes the implementation of IT processes for service management according to ITIL and is strongly based on the standards ISO/IEC 20000 for a process management system and ISO/IEC 9001 for a quality management system. The requirements governing information security according to ISO/IEC 27001 (certification since 2007), business continuity management according to ISO/IEC 22301 (certification since 2018) and the internal control system (ICS) are also covered.

Impacts and results
The guidelines on data protection were revised and posted on the intranet during the reporting as part of a Group-wide project to streamline Group directives. Relevant developments in data protection law (CJEU's Schrems II ruling, Brexit, enactment of new EU standard contractual clauses for data transfers) were analysed and the necessary measures were implemented. In addition to ongoing e-learning for all new employees, tailored data protection training was also provided for specific target groups.
Across the Group as a whole, there were three substantiated complaints from third parties during the reporting period regarding violations of customer data. The Group companies affected implemented the necessary measures. In two of these cases, the relevant data protection authorities were informed. The third case was so minor that it did not need to be reported.

418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data
Sustainability Report 2020/21, Customer privacy, p. 70

Compliance

Relevance
The Axpo Group stands for reliability, sustainability and innovation. As a corporate group, Axpo is responsible not only for satisfying the steadily growing body of legal and regulatory requirements, but also for meeting the high expectations of all stakeholders regarding its conduct as a company. True to its mission statement, Axpo will continue to run its business with great integrity and in accordance with the highest ethical standards, and will do so everywhere, at all times and regardless of what others may perhaps expect or demand. Axpo understands the term "compliance" to mean unconditional commitment to integrity, ethics and adherence to the law.

Management approach disclosures
Since 1 October 2010, the Axpo Group has applied a Code of Conduct under which Axpo is committed to compliance in its business activities. The Code, which was revised in June 2021, sets out in detail what is permitted and not permitted at the Axpo Group. Its rules of conduct also govern, among other things, Axpo's responsibility towards people, the environment and society. The following 13 principles form part of the Code of Conduct and must be observed by all governance bodies and employees of the Axpo Group in their daily activities:

- Integrity in our business operations
- Safety is a priority, as is protecting people and the environment
- Protecting personal privacy, such as banning discrimination or harassment
- Fair competition guarantee
- Prohibition of corruption and other criminal acts
- No unlawful exertion of influence through gifts and invitations
- Disclosure of conflicts of interest

· Integrity of business partners
· Observance of confidentiality
· Professional communication
· Procedure for dealing with doubt
· Reporting of breaches of rules
· Promotion of diversity and equal opportunities in the workplace

In their daily work, all governance bodies and employees of the Axpo Group at all times comply with the applicable laws, the Code of Conduct and the ethical principles set forth in this Code, and internal rules – wherever Axpo operates and regardless of what others may expect or demand.

Axpo's Corporate Compliance Programme serves to prevent, recognise and remedy any breaches and to promote a general understanding of compliance. The company must react to compliance breaches in an adequate manner.

a) Prevention of non-compliance:

The Compliance Officers advise the management and employees of the Axpo Group on all compliance topics. Early advice on compliance serves to avoid non-compliance.

When the revised Code of Conduct was rolled out, all employees of the Axpo Group received training on the contents of the Code, including the anti-corruption principles. The revised Code of Conduct includes a new chapter on diversity and equal opportunities. The corresponding e-learning training for all employees is currently underway. New employees are inducted into the rules of the Code of Conduct on an ongoing basis; internal processes are continuously improved as necessary as part of the compliance management process. Specific compliance courses were also held in the reporting year in Switzerland and abroad.

In addition to the training courses offered by the Compliance Officer, Axpo's managers in particular are obliged to ensure implementation of the compliance principles. They implement the Code of Conduct by serving as an example and doing and saying the right thing, setting the tone from the top to create a compliance culture that is shaped by ethics, integrity and trust.

Governance bodies and employees can (and should) ask for help at any time if they have any doubts or concerns or are unclear about the right path to take. They can turn to their line managers, the Chief Ethics & Compliance Officer or the relevant compliance officer. Members of governance bodies and employees can submit ideas, concerns or questions via Axpo's Ethics Hotline at any time; this can if necessary be on an anonymous basis.

Axpo's Code of Conduct, which is binding for all members of governance bodies and employees, including the members of the Board of Directors of Axpo Holding AG and the Executive Board, also governs the process for handling conflicts of interest.

The Board of Directors of Axpo Holding AG, which is responsible by law for ultimate oversight of compliance, uses the semi-annual Corporate Compliance Report to form an overview of the status of compliance at the company.

b) Recognition and remediation:

Even the best code of conduct will not be as effective as it could be if the company is unaware of breaches of its provisions or other rules. Axpo fosters a culture of trust and mutual respect, in which the Axpo values and the basic principles described in the Code of Conduct can and should be discussed sincerely, honestly and openly.

Members of governance bodies and employees are required to report actual or suspected breaches of Axpo's rules or the law to their line managers, the Chief Ethics & Compliance Officer or the competent compliance officer. The same applies if members of governance bodies or employees are asked by someone to break such rules or principles. Axpo prohibits any unlawful treatment (e.g. disadvantage, discrimination or retaliation) of members of governance bodies or employees who follow the Code of Con-

duct. Furthermore, no person who reports a breach must suffer any detriment as a result of doing so. The unlawful treatment of members of governance bodies or employees who report actual or suspected (in good faith) breaches by members of governance bodies, employees or third parties of the Code of Conduct or other regulations, or who help in investigating such allegations, is duly prohibited.

In addition to the Code of Conduct, Axpo has implemented an internal directive "outlawing bullying and sexual harassment in the workplace". This directive sets out who employees can contact in confidence in serious cases. If this does not stop the misconduct, the directive defines the process for submitting a formal complaint against the misconduct.

c) Reaction to breaches of compliance:

Breaches of the Code of Conduct or Axpo's ethical principles are not tolerated. Axpo does not merely pay lip service to compliance. The Code of Conduct must be followed to the letter and spirit of its contents by all members of governance bodies and employees. Breaches of the law, the Code of Conduct or other Axpo regulations may result in disciplinary action or consequences under labour and/or criminal law.

Impacts and results
The objective of Axpo's Corporate Compliance Programme is to ensure the consistent and permanent alignment of all actions taken by the Axpo Group with the requirements of the law, articles of association, regulations, internal policies, and principles of business ethics and integrity:

- The Axpo Complaints Commission did not have to deal with any complaints in the reporting year. No incidents of discrimination were registered.

- As no cases of corruption were reported in the reporting year, no corrective action was needed.

- Axpo did not receive any significant fines for breaches of environmental laws and regulations in the reporting year.

There were no fines for non-compliance with laws and regulations in the social and economic area during the reporting year.

There were no legal actions for anti-competitive behaviour, anti-trust or monopoly practices during the reporting year.

419-1 Non-compliance with laws and regulations in the social and economic area
Sustainability Report 2020/21, Compliance, p. 71

7.4 Externe assurance

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To the Executive Management of
Axpo Holding AG, Baden

Zurich, 6 December 2021

Independent Assurance Report on the Sustainability Report 2020/21

We were engaged by Axpo Holding AG to perform a limited assurance engagement on the following specified information stated in the Sustainability Report 2020/21 of Axpo Holding AG (hereafter "report") for the reporting period ended 30 September 2020:

- Selected information in the chapter "Fields of action and goals" (pages 4 to 9 of the report) which is identified with ☑
- Chapter "Materiality analysis" (pages 15 to 21 of the report)
- Selected information in the chapter „GRI Report" (pages 22 to 73 of the report) which is identified with ☑

Our engagement was limited to the information listed above (hereafter "specified information"). We have not assessed the following information disclosed in the report:

- All information contained in other sections of the report
- Forward-looking statements

The report was prepared by the Executive Management of Axpo Holding AG based on the following criteria:

- Consolidated set of GRI Sustainability Reporting Standards, Comprehensive option

The guidelines can be accessed on the GRI homepage (at *https://www.globalreporting.org/standards/*). We consider that these criteria are appropriate for the performance of our limited assurance engagement.

Responsibility of Axpo Holding AG's Executive Management
The Executive Management is responsible for the preparation of the report in accordance with the criteria. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of a report that is free of material misstatements due to fraud or error. Additionally, the Executive Management is responsible for the selection and application of the criteria and for maintaining adequate records.

Independence and quality control
We are independent of Axpo Holding AG as defined by the guidelines on independence issued by EXPERTsuisse and have observed the Code of Professional Conduct issued by EXPERTsuisse. These requirements are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Swiss Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with requirements, professional standards and applicable legal and regulatory requirements.

(Translation of the original report in German language)

Responsibility of the assurance practitioner
Our responsibility is to perform a limited assurance engagement and to express a conclusion based on the procedures performed and the evidence obtained. We conducted our engagement in accordance with the Swiss Audit Standard 950 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information". This standard requires that we plan and conduct our procedures to obtain limited assurance about whether the specified information in the report is prepared in all material respects in accordance with the above-mentioned criteria.

Taking into account risk considerations, we performed procedures to obtain sufficient appropriate evidence. The procedures selected depend on the assurance practitioner's judgement. The procedures performed in a limited assurance engagement are of a lesser extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than would have been obtained had a reasonable assurance engagement been performed.

The performance of our engagement included the following main procedures:

- Assessment of the suitability of the underlying criteria and their consistent application.
- Interviews with employees regarding the sustainability strategy of Axpo Holding AG.
- Interviews with employees responsible for preparing the report to assess the process of preparing the report, the reporting system, the data capture and compilation methods as well as internal controls to the extent relevant for a review of the report.
- Interviews with employees in specialist departments responsible for the related topics.
- Reviewing the documentation of the systems and processes for compiling, analysing and aggregating sustainability data and testing such documentation on a sample basis.
- Analytical procedures, questionings and reviews of documents on a sample basis with respect to the compilation and reporting of data in the context of interviews with employees of the sites in Baden and Rathausen.

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

Conclusion
Based on the limited assurance engagement we have performed, nothing has come to our attention that causes us to believe that the specified information in the report of Axpo Holding AG for the reporting period ended 30 September 2021 does not comply in all material respects with the criteria.

Ernst & Young Ltd

Mathias Zeller
(Qualified Signature)
Associate Partner

Mark Veser
(Qualified Signature)
Director

7.5 GRI content index

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. The service was performed on the German version of the report.

Universal Standards

GRI Standard	Title	Page	Assurance	Reason for omission
GRI 101:2016	**Basic principles**			
GRI 102:2016	**General disclosures**	23		
	Organisational profile			
GRI 102-1	Name of the organisation	23		
GRI 102-2	Activities, brands, products, and services	23		
GRI 102-3	Location of headquarters	23		
GRI 102-4	Location of operations	23		
GRI 102-5	Ownership and legal form	24		
GRI 102-6	Markets served	24		
GRI 102-7	Scale of the organisation	24		
GRI 102-8	Information on employees and other workers	24		
GRI 102-9	Supply chain	24		
GRI 102-10	Significant changes to the organisation and its supply chain	24		
GRI 102-11	Precautionary principle or approach	25		
GRI 102-12	External initiatives	25		
GRI 102-13	Membership of associations	26		
EU1	Installed capacity	34		
EU2	Net energy output	34		
EU3	Number of private, industrial, institutional, and business customers	34		
EU4	Length of transmission and distribution lines	34		
EU11	Generation efficiency of thermal plants	35		
EU12	Transmission and distribution losses	35		
EU28	Power outage frequency	35		
EU29	Average power outage duration	35		
	Strategy			
GRI 102-14	Statement from senior decision-maker	27		
GRI 102-15	Key impacts, risks, and opportunities	27		
	Ethics and integrity			
GRI 102-16	Values, principles, standards, and norms of behaviour	27		
GRI 102-17	Mechanisms for advice and concerns about ethics	27		
	Governance			
GRI 102-18	Governance structure	27		
GRI 102-19	Delegating authority	28		
GRI 102-20	Executive-level responsibility for economic, environmental, and social topics	28		
GRI 102-21	Consulting stakeholders on economic, environmental, and social topics	28		
GRI 102-22	Composition of the highest governance body and its committees	28		
GRI 102-23	Chair of the highest governance body	28		
GRI 102-24	Nominating and selecting the highest governance body	29		
GRI 102-25	Conflicts of interest	29		
GRI 102-26	Role of highest governance body in setting purpose, values, and strategy	29		

GRI Standard	Title	Page	Assurance	Reason for omission
GRI 102-27	Collective knowledge of highest governance body	29		
GRI 102-28	Evaluating the highest governance body's performance	29		
GRI 102-29	Identifying and managing economic, environmental, and social impacts	29		
GRI 102-30	Effectiveness of risk management processes	30		
GRI 102-31	Review of economic, environmental, and social topics	30		
GRI 102-32	Highest governance body's role in sustainability reporting	30		
GRI 102-33	Communicating critical concerns	30		This information is subject to confidentiality restrictions
GRI 102-34	Nature and total number of critical concerns	30		
GRI 102-35	Remuneration policies	30		
GRI 102-36	Process for determining remuneration	30		
GRI 102-37	Stakeholders' involvement in remuneration	30		
GRI 102-38	Annual total compensation ratio	31		
GRI 102-39	Percentage increase in annual total compensation ratio	31		
	Stakeholder engagement			
GRI 102-40	List of stakeholder groups	31		
GRI 102-41	Collective bargaining agreements	31		
GRI 102-42	Identifying and selecting stakeholders	31		
GRI 102-43	Approach to stakeholder engagement	31		
GRI 102-44	Key topics and concerns raised	33		
	Reporting practice			
GRI 102-45	Entities included in the consolidated financial statements	33		
GRI 102-46	Defining report content and topic boundaries	33	74	
GRI 102-47	List of material topics	33	74	
GRI 102-48	Restatements of information	33		
GRI 102-49	Changes in reporting	33		

GRI Standard	Title	Page	Assurance	Reason for omission
GRI 102-50	Reporting period	33		
GRI 102-51	Date of most recent report	33		
GRI 102-52	Reporting cycle	33		
GRI 102-53	Contact point for questions regarding the report	33		
GRI 102-54	Claims of reporting in accordance with the GRI Standards	33		
GRI 102-55	GRI content index	33		
GRI 102-56	External assurance	74		

Topic-Specific Standards

GRI Standard	Title	Page	Assurance	Reason for omission
Economy				
GRI 201: 2016	**Economic performance**	35		
GRI 103: 2016 103-1/103-2/103-3	Management approach disclosures	35		
GRI 201-1	Direct economic value generated and distributed	37		
GRI 201-2	Financial implications and other risks and opportunities due to climate change	37		
GRI 201-3	Defined benefit plan obligations and other retirement plans	38		
GRI 201-4	Financial assistance received from government	39		
GRI 205: 2016	**Anti-corruption**	39		
GRI 103: 2016 103-1/103-2/103-3	Management approach disclosures	72–74		
GRI 205-1	Operations assessed for risks related to corruption	39		
GRI 205-2	Communication and training about anti-corruption policies and procedures	39		
GRI 205-3	Confirmed incidents of corruption and actions taken	39		
GRI 206: 2016	**Anti-competitive behaviour**	39		
GRI 103: 2016 103-1/103-2/103-3	Management approach disclosures	72–74		
GRI 206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	39		
	Provisions for the dismantling of nuclear power plants	40		
GRI 103: 2016 103-1/103-2/103-3	Management approach disclosures	40		
Environment		41		
GRI 302: 2016	**Energy**	41		
GRI 103: 2016 103-1/103-2/103-3	Management approach disclosures	41		
GRI 302-1	Energy consumption within the organisation	42	74	
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GRI 302-3	Energy intensity	43		
GRI 302-4	Reduction of energy consumption	43		
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GRI 303	**Water and effluents**			
GRI 103: 2016 103-1/103-2/103-3	Management approach disclosures	44		
GRI 303-1	Interactions with water as a shared resource	44		
GRI 303-2	Management of water discharge-related impacts	44		
GRI 303-3	Water withdrawal	44		This indicator is not applicable
GRI 303-4	Water discharge	44		This indicator is not applicable
GRI 303-5	Water consumption	44		This indicator is not applicable
GRI 305: 2016	**Emissions**	41		

GRI Standard	Title	Page	Assurance	Reason for omission
GRI 103: 2016 103-1/103-2/103-3	Management approach disclosures	41		
GRI 305-1	Direct (Scope 1) GHG emissions	45	74	
GRI 305-2	Energy indirect (Scope 2) GHG emissions	48	74	
GRI 305-3	Other indirect (Scope 3) GHG emissions	48	74	
GRI 305-4	GHG emissions intensity	48	74	
GRI 305-5	Reduction of GHG emissions	48	74	
GRI 305-6	Emissions of ozone-depleting substances (ODS)	48		
GRI 305-7	Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions	48		
EU15	Greenhouse gas intensity in CO_2 per MWh for i) total electricity generation capacity and ii) conventional thermal power plants	48	74	
EU16	Greenhouse gas intensity in CO_2 per MWh for electricity supplied to end-customers	48		
EU21	Emissions per MWh from combustion power plants	49		
GRI 306: 2016	**Waste**	49		
GRI 103: 2016 103-1/103-2/103-3	Management approach disclosures	50–51		
GRI 306-1	Waste generation and significant waste-related impacts	50		This indicator is not applicable
GRI 306-2	Management of significant waste-related impacts	50		This indicator is not applicable
GRI 306-3	Waste generated	50		This indicator is not applicable
GRI 306-4	Waste diverted from disposal	51		This indicator is not applicable
GRI 306-5	Waste directed to disposal	51		This indicator is not applicable
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