

LETTER TO SHAREHOLDERS

BKW remains on its growth trajectory

The BKW Group¹ continued its successful trajectory in 2024. It generated strong EBIT, to which the Energy Solutions business segment made a significant contribution. The Power Grid business segment made its usual stable contribution to EBIT. The Infrastructure & Buildings business segment also closed 2024 with a positive result. The task now is to systematically implement the “Solutions 2030” growth strategy adopted in 2024.



Dear Shareholders,
Ladies and Gentlemen,

We are pleased to present you with a strong result for 2024. BKW increased its EBIT by 27.3 percent year-on-year to CHF 789.9 million. Net operating profit amounted to CHF 550.4 million. It is particularly pleasing that the Services area, which is now managed as the Infrastructure & Buildings business segment, achieved a positive result following the completion of the two-year program to increase profitability. Now it is time for BKW to implement the “Solutions 2030” strategy adopted in 2024.

Strong Energy business

In the past year, the Energy business, which under the new strategy is now called Energy Solutions, once again made a significant contribution to the overall result. Its EBIT increased by 9.7 percent compared to the previous year. Three one-off effects accumulated: In 2024, trading again benefited from the high volatility of electricity prices. Above-average precipitation levels ensured unusually high electricity production at hydropower plants. And the performance of the Decommissioning and Waste Disposal Funds was well above expectations.

¹ The BKW Group comprises BKW AG and its Group companies. For better readability, the Group will be referred to below as BKW. Where the text relates to BKW AG or BKW Energie AG, this is expressly mentioned.

“Our three business segments – Energy Solutions, Power Grid and Infrastructure & Buildings – enable us to offer our customers forward-looking solutions covering all aspects of the energy transition.”

The Grid business segment, now renamed Power Grid, also made a stable contribution to earnings in 2024. In order for the power grid to cope with the expansion of photovoltaic systems, heat pumps and charging stations, it must continue to be expanded rapidly. BKW therefore increased its investments in this area to CHF 161 million in 2024. BKW has also launched the nationwide expansion of smart meters in the past year, which will continue until 2028.

Infrastructure & Buildings had a positive result. Following a loss in 2023, Services, which is now managed as Infrastructure & Buildings, closed 2024 with positive earnings of CHF 56.9 million. This pleasing result is due to the two-year program to increase profitability, which was completed at the end of 2024.

Implementation of the “Solutions 2030” strategy

On November 8, 2024, BKW presented its “Solutions 2030” growth strategy at the Capital Markets Day, which we will now implement over the next six years. BKW is thus optimally positioned for the new energy world. Our three business segments – Energy Solutions, Power Grid and Infrastructure & Buildings – enable us to offer our customers forward-looking solutions covering all aspects of the energy transition, from renewable energy production, marketing and distribution to efficient use in infrastructures and buildings. This holistic approach will enable the company to increase its EBIT to CHF 1 billion by 2030 and invest around CHF 4 billion over the next six

years, half of which will be in Switzerland. In addition, BKW as a Group is aiming for net-zero emissions in Scopes 1 and 2 by 2040.

Stable result also expected in 2025

BKW expects another strong result in the Energy Solutions business segment in 2025. The Power Grid business segment is expected to make another solid contribution to EBIT, while BKW will further increase profitability in the Infrastructure & Buildings business segment. Overall, BKW expects a positive result for the current 2025 fiscal year with EBIT guidance of CHF 650 to 750 million.

The positive outlook shows that BKW is also on track for success in the new year and has already begun to implement the “Solutions 2030” strategy. We would therefore like to take this opportunity to thank our customers, our suppliers and partners, our shareholders and our employees, who work hard for BKW every day. We look forward to continuing on this successful trajectory with all of them.

Kind regards,

Handwritten signatures of Roger Baillod and Robert Itschner. Roger Baillod's signature is on the left and Robert Itschner's is on the right.

Roger Baillod
Chairman of the Board
of Directors

Robert Itschner
CEO

Ambitious sustainability goals

BKW is pursuing ambitious sustainability goals in the areas of climate, energy, nature and people with the new “Solutions 2030” strategy. The company aims to reach net-zero emissions across the entire Group (Scopes 1 and 2) by 2040 and halve its CO₂ intensity by 2030 compared to 2022 levels. To achieve these targets, BKW will continue its systematic expansion of renewable energy production. The company will also significantly increase its investments in ecosystem preservation and biodiversity protection. A strong governance structure provides the foundation for these initiatives.