BKW GROUP

Sustainability Report

We create spaces for life.

BKW

Our contribution

Our focus is on climate, nature, and people. We use a holistic approach to address the energy transition and offer solutions along the entire energy, infrastructure, and building value chain. We create spaces for life.

Title page
Johanna Nowak, site manager at LTB Leitungsbau GmbH, BKW Infra Services, at the construction site of the East Coast Line – one of the most important infrastructure projects currently underway in Germany.

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INTRODUCTION

We Anchor Sustainability in Our Activities

In 2025, BKW worked on pursuing strategic sustainability-related goals in our “Solutions 2030” strategy. We have achieved our first successes: clear responsibilities, integration into business processes, and last but not least, internal training.

Dear readers of the Sustainability Report,

In 2024 we anchored sustainability as a core strategic element of our “Solutions 2030” strategy at BKW. In 2025, we worked on implementing the BKW sustainability framework with its five fronts of climate, energy, nature, people, and governance. In spring 2025, the executive committee also defined the responsibilities for all fronts and set out the measures and next milestones. Implementation work is now underway in the support functions and business areas. In order to specifically promote the topic of people, BKW has adopted a new HR strategy. And, of course, we want to regularly review how far we have already come in terms of sustainability. An annual progress measurement will be introduced for this purpose in spring 2026. As part of the further development of our management and reporting, selected quantitative key performance indicators (KPIs) were audited externally for the first time in 2025.

The Group-wide management and governance of sustainability is based on the Group Sustainability Management Directive, which was adopted by the BKW Group Executive Committee in October 2025. However, a document alone does not create sustainability. It is important that all BKW employees understand how we want to tackle the issue together. What is key for me is to systematically integrate the principle of sustainability set out in the directive into the relevant business processes. This applies equally to the development of new products and the procurement of materials and services. In procurement, the Supplier Code of Conduct was also updated this year. Sustainability is therefore not just a management task at the highest level, but a shared objective that is to be practiced throughout the entire company and implemented in day-to-day work.

Let me pick out one more aspect of our work for greater sustainability at BKW that I was particularly pleased with last year: I was able to persuade the entire BKW Board of Directors to invest two half-days in their own further training in sustainability. The Board of Directors called in external and internal experts for this purpose. We gained valuable insights and learned a lot.

Kind regards,

Roger Baillod
Chairman of the Board of Directors

"Sustainability is not just a management task at the highest level, but a shared objective that is to be practiced throughout the entire company."

At a Glance: Sustainability at BKW

BKW sees sustainability as a core element of its strategy. To this end, it is pursuing ambitious sustainability-related goals on the climate, energy, nature, people, and governance fronts. The latter forms the foundation for all sustainability-related activities.

On the climate front, BKW is aiming for net-zero emissions in Scopes 1 and 2 as a Group by 2040 and halving greenhouse gas (GHG) intensity by 2030 compared to 2022. To this end, it is looking into phasing out coal early and electrifying its fleet of over 3,500 vehicles by 2030. In terms of emissions from the upstream and downstream value chain (Scope 3), BKW aims to achieve net zero by 2050.

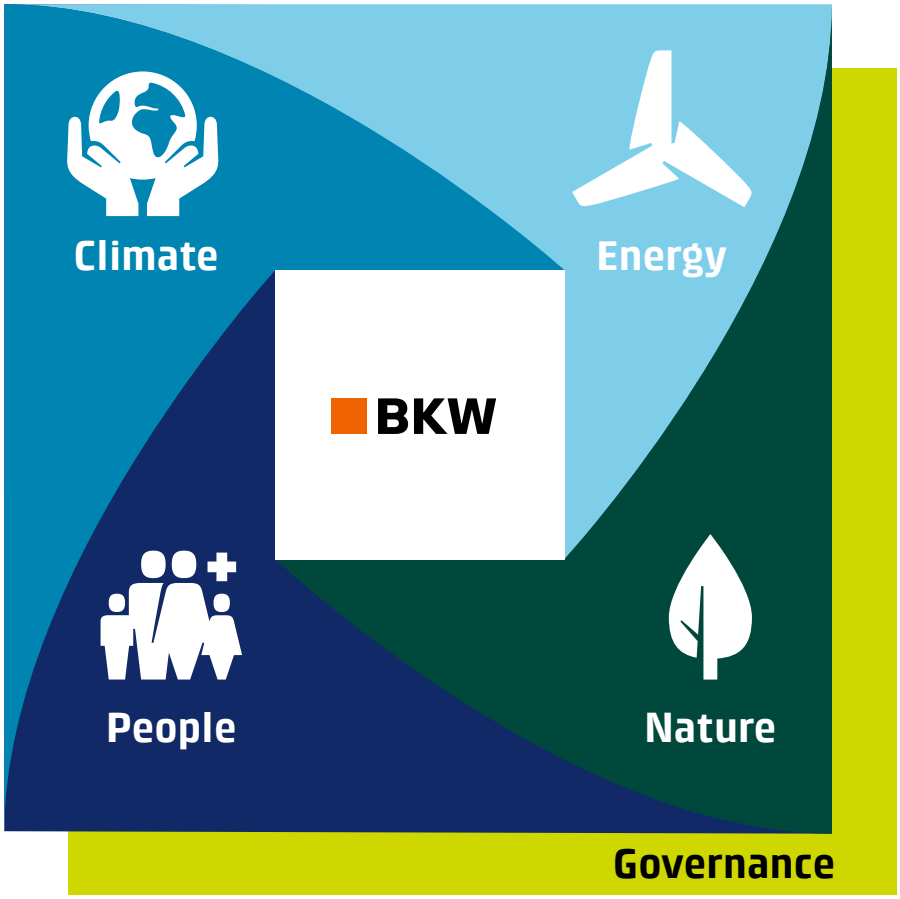
On the energy front, BKW is focusing on investments in renewable and efficient energy infrastructures. It aims to increase the installed capacity from renewable energies from 2.7 gigawatts (GW) in 2024 to 3.4 GW by 2030.

On the nature front, BKW aims to strengthen its commitment to natural ecosystems and biodiversity, including through increasingly nature-oriented management of its land.

The people front stands for the importance of BKW stakeholders. The more than 12,000 employees✓ are BKW's greatest asset, and their health and safety are the top priority. BKW therefore invests in occupational safety, attractive development opportunities, appreciative leadership, equal opportunity, and flexible work conditions.

More information at:
bkw.ch/sustainability

Sustainability framework



✓ Audited (limited assurance) by PwC in 2025. The audit report can be found in the section Independent Auditor's Report.

General Information

Arzberg battery storage
Laura Wilkat, Project Manager, and Thomas Braun, Technical Manager, both BKW Storage Solutions GmbH, BKW Infra Services.

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ABOUT THIS REPORT

The scope of consolidation for sustainability reporting corresponds to that of financial reporting. Unless specified otherwise in an individual case, all information and figures relate to the entire BKW Group and the period from January 1, 2025, to December 31, 2025.

BKW's sustainability reporting meets the requirements of the Swiss Code of Obligations and complies with the requirements of the Ordinance on Climate Disclosures. An overview of the reported Swiss disclosure requirements can be found in the Appendix starting on page 250. The report is not yet fully compliant with ESRS reporting. In terms of content and structure, however, already uses the ESRS as reference Framework, to which it will be subject in the future. As a reading aid, the report refers to the respective disclosure requirements of the ESRS [1], even if these have not yet been fully implemented in individual cases as of the end of 2025. A complete list of the reported ESRS disclosure requirements can be found in the Appendix starting on page 246.

The contents of the sustainability report are based on a double materiality analysis, which BKW carried out in 2024 at the topic level based on ESRS requirements and the available implementation aids. BKW's overall value creation was analyzed, along with the upstream and downstream value chains. Where material, the impacts, risks, and opportunities in the value chain are addressed in the respective sections.

In some cases, disclosures in the sustainability report are subject to significant uncertainties with respect to outcomes. This applies in particular to forward-looking statements (for example in the context of climate scenarios) and quantifications of GHG emissions. These uncertainties result from incomplete scientific knowledge about the measurement of GHG and from the limited availability and quality of data, particularly from the upstream and downstream value chains. BKW endeavors to reduce such uncertainties as far as possible.

In this fiscal year, a selection of numerical key performance indicators (KPIs) was subjected to an external audit for the first time. These KPIs are indicated by ✓ in the report. The audit report can be found on pages 254 to 259 Going forward, the company's sustainability reporting is to be prepared fully in accordance with the ESRS and audited externally. This would exempt all BKW Group companies based in EU Member States from their respective possible individual reporting obligations.

BKW is committed to the ten principles of the UN Global Compact (UNGC). As a participant, the company publishes a corresponding annual Communication on Progress ("COP") on the UNGC website.

WE SUPPORT

UN GLOBAL COMPACT

More information at:
globalcompact.ch

1 The report is based on the ESRS in accordance with Commission Delegated Regulation (EU) 2023/2772 dated July 31, 2023. The planned ESRS amendments are to be applied in the next reporting cycles once the corresponding EU delegated act has entered into force.

Sustainability Governance

ESRS 2 GOV-1

SUSTAINABILITY MANAGEMENT AT BKW

The board of directors is the highest management body of the BKW Group. Its members contribute substantial knowledge and experience from a wide range of areas to the strategic management of the Group. The board of directors bears ultimate responsibility for the material sustainability impacts, risks, and opportunities associated with BKW's business activities for society and the environment and approves the sustainability-related goals and the annual sustainability report.

Composition of the board of directors by executive and non-executive members

Function	Number	Share in %
Executive members	0 ✓	0% ✓
Non-executive members	8 ✓	100% ✓
Total	**8** ✓	**100%** ✓

Composition of the board of directors by gender

Gender distribution	Number	Share in %
Female	4 ✓	50% ✓
Male	4 ✓	50% ✓
Total	**8** ✓	**100%** ✓

Share of independent members of the board of directors

Independence	Number	Share in %
Independent members	8 ✓	100% ✓

The executive committee is responsible for ensuring that sustainability-related goals are developed and implemented. As an overall body, it makes strategic decisions on the management of sustainability-related impacts, risks, and opportunities for the entire BKW Group. The executive committee's members are also responsible for implementing the sustainability requirements, goals, and targets in their respective business areas. Further information on the composition, independence, and competencies of the board of directors and executive committee can be found in the Corporate Governance Report starting on page 276 and in the ESRS 2 GOV-2 section on page 140.

Group Sustainability, which is part of Group Strategy & Sustainability, supports the organization in Group-wide sustainability management as a support function. As a staff unit of the CEO, Group Sustainability coordinates BKW's sustainability activities, ensures their coherence with the Group strategy, and advises the board of directors and executive committee.

Depending on the topic, different support functions or business areas are responsible for dealing with sustainability-related impacts, risks, and opportunities. They report to the executive committee in accordance with their reporting lines (see the relevant section of the sustainability report).

✓ Audited (limited assurance) by PwC in 2025. The audit report can be found in the section Independent Auditor's Report.

ESRS 2 GOV-2

SUSTAINABILITY TOPICS AT THE BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE LEVEL

In 2024, the members of the executive committee completed additional training on topics such as sustainability trends and their relevance, sustainability management models, and strategic sustainability governance for BKW. In 2025, the board of directors and executive committee continued to address a wide range of sustainability topics. In addition, the members of the board of directors took part in two further trainings on sustainability with several external partners, which covered topics including regulatory issues, sustainability governance, sustainable finance, sustainability as a value driver, sustainability communication, and the sustainability framework (see also page 144).

The board of directors and executive committee addressed the following sustainability topics in 2025 (not exhaustive):

Sustainability topics addressed in Group committees

	Board of Directors	Human Resources & Compensation Committee (HRCC)	Audit & Risk Committee (ARC)	Executive Committee
2024 Sustainability Report	●		●	●
2024 Integrity Report	●			●
Group risk report	●		●	●
Sustainability framework, including Sustainability Implementation Planning	●			●
Corporate Sustainability Performance Goal	●	●		●
HR strategy (including diversity, equity & inclusion strategy)		●		●
Board of directors sustainability training	●			
Board of directors sustainability governance	●			
New or updated policies: Occupational Health and Safety, Human Resources, Cybersecurity & Data Privacy, and Human Rights policy	●			●
Directive Management Concept, including Group policies	●			
New or updated Group directives: Sustainability Management, Human Rights, and Procurement Management				●
Supplier Code of Conduct				●
Internal/external compliance investigations and actions	●		●	●
Corporate Sustainability Reporting Directive (CSRD) audit			●	
ESG regulatory requirements			●	●
Monthly compliance status report				●
Occupational safety status report	●			●
Group Security update			●	●

ESRS 2 GOV-3 **ESRS E1 GOV-3**

SUSTAINABILITY-RELATED COMPONENTS OF REMUNERATION

Since the 2024 fiscal year, BKW has linked progress in sustainability to its incentive and remuneration system. In the 2025 fiscal year, the corresponding performances were again comprehensively evaluated by an external rating agency. The progress of the 2025 rating results compared to 2024 serves as the baseline for measuring target achievement. The rating assesses corporate governance, social aspects, and the environment and compares these areas with the previous year's rating. As part of the environment area, direct climate, and energy-related factors, such as the development of GHG emissions, energy consumption, and climate change mitigation management, are also assessed. In addition, indirect climate and energy-related factors are included in various overarching assessment categories such as organizational anchoring, sustainability strategy, and responsible supply chains.

For the members of the executive committee, the achievement of sustainability-related targets determines 20% of the short-term incentive remuneration (STI). The targeted relative improvement was determined by the Human Resources & Compensation Committee (HRCC) at the beginning of the year and assessed at the end of the year based on the external rating. Further information on the remuneration of the executive committee can be found on page 314 of the Annual Report (Remuneration Report).

In addition to the members of the executive committee, sustainability performance influences 25% of the variable remuneration component for senior management and 50% of the performance bonus for other employees of BKW Energie AG[2] and BKW Management AG.

ESRS 2 GOV-4

STATEMENT ON DUE DILIGENCE

BKW's Executive Committee is aware of its responsibility for the health and safety of its employees and customers. This includes ensuring compliance with human rights and international labor standards along the company's value chain. BKW is also responsible for data security, combating corruption, and protecting natural resources within its sphere of influence. To fulfill the relevant due diligence obligations and legal requirements, different management systems and control mechanisms have been established depending on the topic and business segment.

BKW fulfills its obligations in connection with child labor and minerals and metals from conflict areas in accordance with the provisions of the Swiss Code of Obligations. The due diligence and reporting obligations relating to conflict minerals and metals do not apply to BKW, as the Group neither imports nor processes these raw materials. With regard to child labor in BKW's own business activities, there are no reasonable grounds to suspect violations of applicable regulations in BKW companies. However, certain categories of goods in BKW's upstream supply chain may contain raw materials with a potential risk with regard to child labor. BKW has reviewed this risk, as well as other social and environmental risks in the supply chain, and obtained appropriate information from relevant suppliers. It also found no reasonable suspicion of child labor in the supply chain. Further detailed information can be found on pages 221 to 225.

2 Including subsidiaries. As management responsibility increases, so does the variable remuneration component, making sustainability performance more important.

ESRS 2 GOV-5

RISK MANAGEMENT OF SUSTAINABILITY TOPICS

In the 2025 reporting year, BKW further intensified the review of sustainability-related risks and opportunities at the Group level. Sustainability-related risks have been explicitly reported as part of the risk report to the Audit & Risk Committee (ARC)[3] and the executive committee since 2023. In 2024, Risk Management was given the mandate to fully integrate sustainability topics into the risk management framework. Further information on Group Risk Management can be found on page 292 of the Annual Report.

In order to meet the requirements of the Swiss Ordinance on Climate Disclosures, BKW conducted a comprehensive assessment of its climate-related risks and opportunities in 2024. A selected portfolio of assets was examined in detail in the context of three different climate scenarios. This analysis was further developed in 2025 and methodologically sharpened to meet the requirements of the expected disclosure obligations under the ESRS. The aim was to refine the measurement approaches, increase the informative value of the results, and ensure greater consistency with European reporting standards. Further information on the procedure and the findings can be found in the Climate Change Mitigation section on pages 164 to 168.

Sustainability risks in the upstream supply chain are continuously managed by Procurement Services. To this end, the supply chain risk analysis carried out in 2023 was refined and extended to other product groups. Additional information on this can be found on pages 221 to 225.

3 For responsibilities of the ARC, see the Corporate Governance report on page 288.

Strategy

ESRS 2 SBM-1

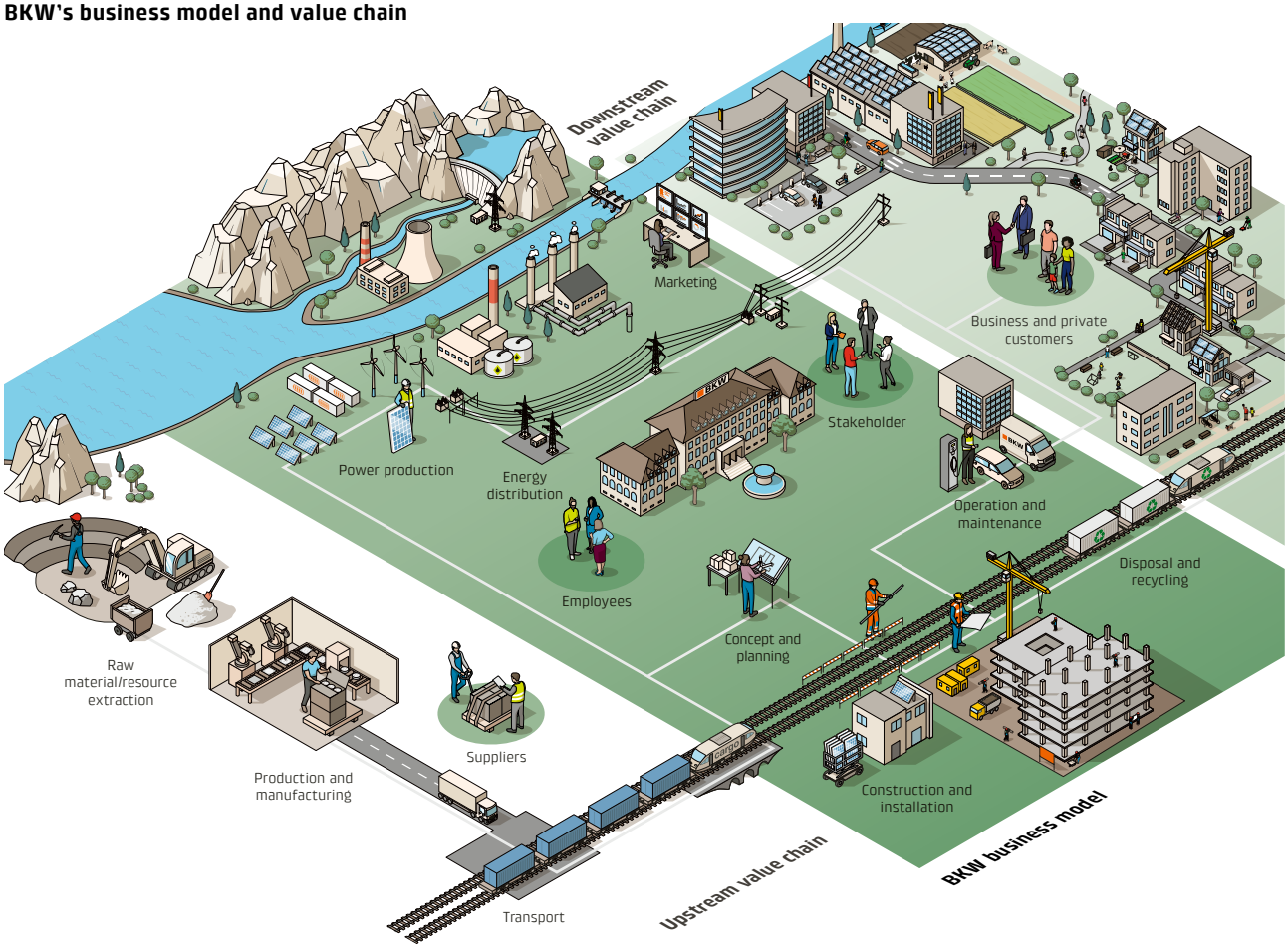
STRATEGY, BUSINESS MODEL, AND VALUE CHAIN

BKW is a leading Swiss energy and infrastructure company with more than 12,000 employees✓ and branches with their own staff in eleven countries[4]. It has a broad portfolio of products and services in the Energy Solutions, Power Grid, and Infrastructure & Buildings Business Segments. It serves a wide range of customer groups, including private households, companies, and public institutions.

BKW's business model comprises the generation, marketing, and distribution of energy[5] as well as the planning, realization, and maintenance of infrastructure and buildings (see also page 6). BKW's activities are part of a value chain that extends from the extraction of resources by suppliers, to customers, and ultimately to the disposal or recycling of products at the end of their life cycle. BKW's solutions make a significant contribution to a reliable and renewable supply of electricity and heat, and at the same time support the resource-efficient and sustainable design of buildings and infrastructures.

In 2024, BKW updated its corporate strategy and defined new targets up to 2030. Alongside growth and excellence, sustainability is one of three core elements of the strategy. As part of the double materiality analysis (see also pages 156 to 157), in 2024 BKW analyzed its sustainability-related impacts, risks, and opportunities along the entire value chain and updated its sustainability framework on this basis.

BKW's business model and value chain

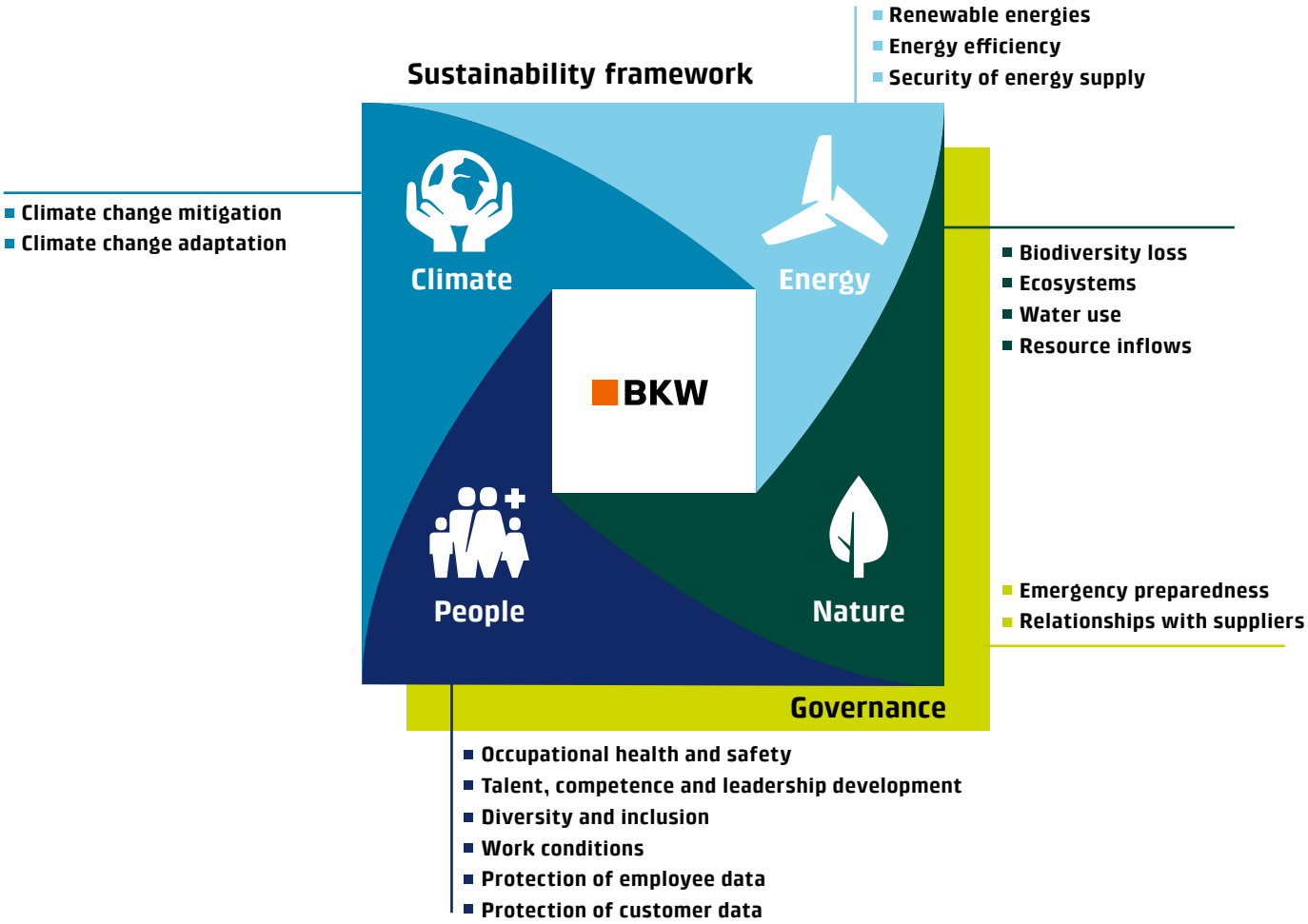


4 Switzerland, Germany, France, Italy, Croatia, Norway, Austria, Romania, Singapore, Spain, Vietnam.
5 In Switzerland, BKW also physically supplies small quantities of natural gas to end customers.
✓ Audited (limited assurance) by PwC in 2025. The audit report can be found in the section Independent Auditor's Report.

This framework consists of five strategic fronts and takes into account BKW's key sustainability matters (see below). BKW has defined strategic targets for all five fronts, which will be pursued during implementation of the new corporate strategy[6].

Strong governance is the basis for achieving the sustainability-related goals. BKW understands this to mean adherence to all regulatory requirements and internal guidelines (compliance), clearly defined responsibilities, and professional risk and data management.

In 2025, BKW pressed ahead with the planning and implementation of actions in all areas of the sustainability framework.



6 See page 252 for the contribution from these fronts to the Sustainability Development Goals (SDG) of the 2030 Agenda.

Sustainability framework – overview of the status of target achievement

Strategic front	Material topics	Strategic targets	as of 31.12.2025
Climate	Climate change mitigation	Scopes 1 and 2 reduction to net zero by 2040, Scope 3 by 2050.	Being implemented
		Reduce Scopes 1 and 2 GHG intensity (in t CO_2/kWh) by at least 50% by 2030 compared to 2022.	–24%
	Climate change adaptation	Climate-related risks were assessed for all new strategically relevant projects from 2025 onwards.	Being implemented
Energy	Renewable energies	Expansion to 1.5 GW of wind and PV capacity by 2030.	1,022 MW
		Targeted installed capacity from renewable energy (hydro, wind, solar, biomass) of 3.4 GW by 2030.	2.8 GW
		Expansion of battery storage capacity to 500 MW by 2030 to accelerate the integration of renewable energies.	0 MW
	Energy efficiency	Increase in energy efficiency (MWh/employee) within BKW by 15% by 2030 compared to 2022, excl. energy for electricity and heat production.	+0.2%
	Security of supply	BKW maintains the high availability level in its distribution grid.	Being implemented
		We are investing more than CHF 1 billion (CAPEX) in grid expansion by 2030 to enable the energy transition and maintain the distribution grid.	CHF 166.9 million
Nature	Biodiversity loss Ecosystems	Negative impacts of our own[7] energy and infrastructure projects on biodiversity are reduced beyond the statutory requirements, and BKW is aiming for a net positive impact[8] when implementing projects from 2030 onwards.	Being implemented
		Increasingly nature-oriented management of land owned and managed by BKW (influenced in the longer term).	Being implemented
	Water use	Create a data basis for water use and water efficiency at all locations by 2026.	Being implemented
	Resource inflows	Establishment of Environmental Product Declarations (EPDs)[9] as a procurement criterion in all five risk areas defined by Procurement Services (photovoltaics, wind, large-scale batteries, power grids, and hydro) by 2027.	Being implemented
		By 2028, the life cycle costs will provide a structured basis for decision-making for Asset Management to increase the service life (in terms of new construction, replacement, and repair) of photovoltaics, wind, large-scale batteries, power grids, and hydro.	Being implemented

7 Facilities in which BKW holds a majority interest.
8 A Net Positive Impact (NPI) is achieved when negative impacts on biodiversity are not only mitigated but overall exceeded through measures to avoid and reduce these impacts, as well as through restoration actions benefiting the affected species and ecosystems.
9 Standardized, objective environmental assessment of products.

Strategic front	Material topics	Strategic targets	as of 31.12.2025
People	Occupational health and safety	Focus on prevention and promoting a culture of occupational safety. All managers take part in mandatory training on "Resilience and safety in leadership."	Being implemented
		Avoidance of serious accidents at work and no work-related fatalities.	Being implemented
	Talent, competence, and leadership development	By 2030, BKW aims to be able to fill 50 % of all top management positions with internal applicants in the event of succession.	Being implemented
	Diversity and inclusion	By the end of 2027, 90% of all employees will have completed the diversity, inclusion, and unconscious bias training.	Being implemented
		By 2030, 30% of the top management level across the Group will be women.	Being implemented
		The proportion of women (currently 22.34 %) in the BKW Group will increase by 2030.	Being implemented
	Work conditions	By the end of 2026, an additional 120 employees will receive training on the early detection of mental stress (ensa – Mental Health First Aid).	Being implemented
	Protection of employee data Protection of customer data	BKW will have a uniform, standardized, and Group-wide privacy information management system in place by 2028.	Being implemented
Governance	Relationships with suppliers	All relevant Group-wide suppliers (with potential environmental and social risks) have a sustainability rating that is at least equivalent to the industry average by 2026.	46 %
		Responsible procurement practices, including due diligence procedures, will be standardized across the Group by the end of 2025 through a robust set of rules and implemented in all procurement organizations from 2026.	Being implemented
	Emergency preparedness	Annual cybersecurity training and campaigns implemented and continually developed for all employees.	Being implemented

ESRS 2 SBM-2

STAKEHOLDERMANAGEMENT

BKW builds respectful, appreciative relationships based on mutual trust with its internal and external stakeholders. BKW relies on long-term partnerships: BKW participates in the UN Global Compact initiative and is a member of the Swiss Association for Sustainable Business (öbu). The Code of Conduct and the values it contains form the basis of daily action for management and all employees (see also page 219).

In the reporting year, BKW continued to use the platforms that have existed for many years for dialog with employees. As part of the 2024 materiality analysis, selected employees from all business areas and various support functions were asked about their assessment of BKW's impacts, risks, and opportunities on numerous sustainability matters (see also pages 156 to 157).

BKW also fosters exchanges with external stakeholders in various ways, as the following table shows. As part of the 2024 materiality analysis, many of them were invited to assess BKW's impacts on sustainability matters (see also pages 156 to 157).

Interactions with stakeholders

Stakeholder	Main interactions (not exhaustive)	Purpose
Employees	– Digital communication channels – Employee discussions – Brochures and magazines – Events and topic-specific roadshows	– Transparent, proactive information for employees about BKW's activities and other relevant information
Customers	– Customer surveys (B2C) – Customer discussions (B2B) – Various newsletters ("Flash" customer newsletter every six months, corporate newsletter several times a year) – Webinars on energy market development with B2B customers – Website and customer center – Social media	– Establishment and further development of customer relationships (customer loyalty) – Knowledge transfer – Mandatory communications – Image cultivation
Suppliers	– Regular supplier discussions	– Trusting business relationship – Ensuring sustainability requirements
Shareholders, investors, and analysts	– General meeting – Analyst and media presentations – Roadshows – Investor conferences – Investor and analyst meetings	– Transparent communication on financial, strategic, and ESG-related developments and risks – Building and maintaining reputation and trust – Retaining existing and attracting potential investors – Exchange of information and feedback

Stakeholder	Main interactions (not exhaustive)	Purpose
Associations	– Memberships – Board meetings – Working group meetings – Specialist departments – Issue-focused exchange	– Exchange of expertise – Networking with other companies – Training and continuing education – Preparation of industry documents – Presenting BKW's positions on political issues and joint representation of interests – Exploiting synergies between interests
Politics and authorities	– Newsletter (quarterly) – Regular exchange on specific topics – Working groups – Opinions on amendments to laws and ordinances – Issue-focused exchange	– Representation of interests – Exchange of expertise – Compliance with statutory disclosure requirements – Communicating BKW's expertise on political and regulatory issues – Maintaining continuous dialog
Non-governmental organizations	– Issue-focused exchange and information events, such as for project proposals	– Early identification of project risks and finding solutions in partnership
Local environment (such as municipalities)	– Issue-focused exchange and information events – Municipal mayoral events (annual) or Journée des Maires in the Jura (annual)	– Maintain continuous dialog with the municipalities – Explain BKW's positions on political issues
General public and media	– Media relations (media releases, media events, inquiries) – Social media – Presentation of the company at events – Specialist departments – Website	– Transparent and proactive information for the media and the public about BKW's activities

ESRS 2 SBM-3

MATERIAL SUSTAINABILITY-RELATED IMPACTS, RISKS, AND OPPORTUNITIES

In 2024, BKW updated its double materiality analysis in accordance with the European Sustainability Reporting Standards (ESRS, for the procedure see pages 156 to 157). Impacts, risks, and opportunities were assessed as material in 17 sustainability topics relating to seven of the ten ESRS topic standards and two company-specific topics (see materiality matrix below)[10].

The following tables describe the material sustainability topics with relevant impacts, risks, and opportunities for each ESRS topic standard. The impacts can be both positive and negative. Detailed information on the management of these impacts, risks, and opportunities can be found in the following sections.

Against this backdrop, BKW regularly reviews the resistance and resilience of its strategy vis-à-vis external influences. A stress test was carried out in 2024 as part of the strategy development process in which the Group-wide and business-specific risks, including individual climate risks, were taken into account. By continuously developing the climate scenario analysis (see page 164), BKW can identify potential challenges at an early stage and incorporate them into its strategic decisions in a targeted manner. The analysis thus helps achieve long-term sustainability-related goals and ensures the company's success.

BKW's materiality matrix pursuant to ESRS

10 The topics of emergency preparedness and security of supply were also included as company-specific topics. Information on this is reported in separate sections (from page 228 and 232).

ESRS E1
Climate change mitigation and energy transition

Topic	Impacts	Risks	Opportunities
Climate change mitigation Reducing GHG emissions in step with Swiss climate targets	– GHG emissions from energy production from coal, gas, and wood – GHG emissions from commercial vehicles – GHG emissions from switchgear	– Higher CO_2 prices/levies – Higher raw material and material costs and supply bottlenecks – Reputational risks	– Increasing demand for climate-friendly and/or energy-efficient products and services – Promotion of energy efficiency actions – High demand for renewable energy production
Climate change adaptation The capacity to adjust the business model to climate changes and to developments or uncertainties related to climate change	– Solutions in the areas of flood protection, heavy rainfall precautions, and green architecture – Implementation of ecological remediations	– Increase in extreme weather events such as heat waves, heavy precipitation, etc. – Shift in climatic conditions, e.g., thawing of permafrost	– Increasing demand for climate-resilient and efficient building solutions – More resilient value chain
Renewable energies Expansion of renewable energy production (water, wind, solar, biomass)	– Planning, operation, and expansion of power plants for electricity from renewable energies – Expansion of decentralized renewable energy production for customers	– Decreasing diversification of the electricity generation mix – High costs in the expansion of the company's own distribution grid	– Decrease in GHG intensity of own energy production – Technological progress in distribution grid expansion, e.g., smart grid
Energy efficiency Increasing energy efficiency in the company's overall energy use and offering efficiency services relating to buildings and infrastructure to third parties	– Increasing efficiency for customers (energy-efficient heating, ventilation, automation) – Increased efficiency in own business activities	– Declining energy sales – Increased energy costs for own business activities	– Demand for services to increase energy efficiency, e.g., in-house production, smart control – Declining energy requirements in own business activities

ESRS E3
Water use

Topic	Impacts	Risks	Opportunities
Water use Use of water that is dammed or extracted for energy generation or cooling, and after use, released back into the environment clean	– Water damming and extraction for energy production in hydropower plants – Water withdrawal for cooling thermal power plants	– Restricted access to water (availability and regulations)	– Reputation and long-term access with efficient, clean use

ESRS E4
Biodiversity and ecosystems

Topic	Impacts	Risks	Opportunities
Biodiversity loss due to changes in land and freshwater use Impact on biodiversity by activities that change the use of land or freshwater, e.g., soil sealing, fragmentation, management of previously unmanaged forests, planning and construction of facilities, power plants	– Land-use change due to the construction of power plants and grid systems – Change in water use due to the construction of hydropower plants – Land required for new construction of own sites, such as warehouses – Land required for resource extraction and processing (value chain)	– Increasingly restricted access to land and freshwater (regulations and objections) – Delays in projects – Additional costs for the use of land	– High acceptance of energy projects where high standards for biodiversity protection are satisfied
Impacts on the extent and condition of ecosystems Impact on ecosystems through activities that cause land-use change, land degradation, desertification, and soil sealing	– Restoration of habitats through renaturation, revitalization, dismantling, and ecological rehabilitation of infrastructures – Habitat modification due to the construction of power plants, grid systems, and infrastructure – Impacts on suppliers and their suppliers due to the extraction of raw materials (value chain)	– Delays in projects – Penalties and reputational damage in the event of damage to ecosystems in direct operations or in the value chain	– Demand for renaturation services – Enhanced reputation through stringent biodiversity standards

ESRS E5
Resource use and circular economy

Topic	Impacts	Risks	Opportunities
Resource inflows Procurement of raw materials in the form of goods, operating materials, and property, plant and equipment required for business activities	– Demand for resources for the construction and operation of power plants and power grids – Demand for resources in the Services business, e.g., vehicles, electrical equipment, safety clothing	– Legal and reputational risks in the event of violations of environmental, social, and ethical standards in the value chain – Project risks due to delays in delivery by suppliers	– Cost savings through efficient resource use and procurement of secondary raw materials, as well as a switch to less critical resources – Market advantages through the establishment of a circular economy

ESRS S1

Employees

Topic	Impacts	Risks	Opportunities
Appropriate work conditions Offering attractive and secure jobs with adequate/ fair wages and regulated work and rest time, social protection against loss of income in the event of major life events, and job security	– Market-driven and transparent work conditions and non-discriminatory remuneration models – Ensuring social security and compliance with labor rights	– Lack of competitiveness as an employer – Legal and compliance risks	– Increase in employer attractiveness – Reduction in employee turnover – Increase in employee satisfaction
Occupational health and safety Actions and practices aimed at protecting the physical and mental health of employees. This includes the safest possible workplace design and work conditions that promote health.	– Health risks from high-risk activities at heights, near water, when working with electricity, and in contact with harmful substances – Prevention of accidents through high safety standards and protocols – Increasing the well-being and health of employees – Professional integration	– High costs due to down-time and rising insurance costs – Loss of reputation – Reduction in employee productivity (lack of, but also excessive protective measures)	– High productivity – Reduction in healthcare and downtime costs – Increasing resilience and employee health – Improved employee retention
Diversity and inclusion Inclusive corporate culture to promote diversity among employees, provide work-life balance with flexible work models, and ensure equal opportunities and a non-discriminatory work environment	– Training for managers and employees on diversity and inclusion topics – Personal and anonymous channels for cases of potential discrimination and zero-tolerance policy – Transparent and non-discriminatory human resources processes – Flexible work models for a better work-life balance	– Low productivity and commitment – Damage to image and reputation – Limited competitiveness	– Higher productivity and efficiency – Increase in employee satisfaction – Increase in labor market participation

Topic	Impacts	Risks	Opportunities
Talent, competence, and leadership development BKW's initiatives to improve the skills and knowledge of its own workforce and open up career prospects	– Regular development meetings – Promotion of training and further education opportunities – Internal mobility programs – Targeted management development – Establishment of a learning culture	– Decline in the qualification level of employees – Reduced productivity and innovative ability – Reduced competitiveness	– Increase in employer attractiveness – Increase in adaptability and future viability – Increase in employee retention
Protection of employee data Protection of personal employee data that is collected, stored, processed, or transferred by BKW	– Impacts on informational self-determination – Social, health, and financial impacts of inadequate data protection	– Reputational damage, negative reporting, and loss of trust among employees – Criminal investigations, orders by supervisory authorities, and fines – Liability vis-à-vis employees	– Employee loyalty

ESRS S4

Customers (focus topic: data protection)

Topic	Impacts	Risks	Opportunities
Protection of customer data Protection of personal customer data that is collected, stored, processed, or transferred by BKW	– Impacts on informational self-determination – Social, health, and financial impacts of inadequate data protection	– Reputational damage, negative reporting, and loss of trust among customers – Criminal investigations, orders by supervisory authorities, and fines – Liability vis-à-vis customers, affected persons, or shareholders	– Increased customer trust and reputation gains through the implementation of strict data protection actions

ESRS G1

Responsible business practices

Topic	Impacts	Risks	Opportunities
Relationships with suppliers Proactively shaping sustainability with suppliers for long-term partnerships based on trust	– Potential linking of BKW with negative impacts on people and the environment through supplier relationships – BKW as a partner to suppliers in achieving sustainability-related goals	– Increase in regulatory and reputational risks, particularly in the area of due diligence – Hampered availability of suppliers due to burdensome sustainability requirements	– Greater attractiveness for customer acquisition (sustainability as a unique selling point) – Greater resilience in procurement projects due to clear requirements and deep supplier relationships

Company-specific sustainability matters

Topic	Impacts	Risks	Opportunities
Security of supply Contribution to ensuring a stable power supply at all times, even during peak loads and in the event of planned or unplanned outages in the entire grid and in BKW's power plants	– Expansion, operation, and maintenance of the distribution grid in Switzerland – Expansion, operation, and maintenance of power plants – Preventive maintenance strategy for critical infrastructures	– Disruptions in the grid and grid control – Outage of production facilities – Reputational damage in the event of supply outage – Increasing regulation and overriding of corporate decisions – High investment and maintenance costs to maintain security of supply	– High level of trust and undisputed "license to operate" thanks to high availability levels and forward-looking planning – Energy transition and/or expansion of the distribution grid as an opportunity for growth
Emergency preparedness (incl. cybersecurity) Preventive protection as well as emergency and disaster planning to ensure the functionality of (critical) energy supply structures, including IT and Operational Technology (OT) infrastructures, data security, and cybersecurity	– Functioning emergency and crisis organization – Redundancies for IT and OT structures – Strengthening security awareness among employees	– High costs and loss of confidence if critical supply structures fail – Insufficient responsiveness – Costs due to bad investments in the use of new technologies – Customer losses in the event of insecure digital products	– Business potential through a high level of trust from business partners and customers – Adequate emergency preparedness in crisis situations

Management of Impacts, Risks, and Opportunities

ESRS 2 IRO-1

METHODOLOGY TO IDENTIFY AND ASSESS THE MATERIAL TOPICS

In 2024, BKW carried out a double materiality analysis to identify and assess the material impacts, risks, and opportunities according to the ESRS requirements. The analysis was supported methodologically by external expertise and based on input from a large number of internal and external stakeholders.

The analysis of the value chain was the basis for determining double materiality (see page 143). Based on internal expertise, findings from the 2022 materiality analysis and an external peer analysis, the potential and actual impacts, risks, opportunities, and dependencies in the company's own business activities and in the upstream and downstream value chain were described qualitatively. The affected stakeholders were also identified. For this analysis, BKW drew on expertise from all business areas and from all affected support functions[11].

Along the entire value chain, 56 sustainability matters were identified in which either relevant impacts by BKW or risks and opportunities for BKW may exist. The company assessed these sustainability matters along the two materiality dimensions (impact and financial materiality) and proceeded as described below.

Impact materiality
BKW conducted a comprehensive stakeholder survey to assess the impact materiality. In addition to internal experts, stakeholders from the six categories listed below were involved, which resulted from the analysis of the value chain:

- Customers
- Suppliers
- Investors, shareholders
- Workforce in the value chain
- Affected communities/local environment (e.g., municipalities)
- Environmental organizations

BKW was able to identify suitable representatives for all stakeholder categories. Of 192 stakeholders contacted, 34% participated in the materiality analysis. This means that the assessments of 28 internal and 38 external stakeholders were included in the materiality assessment.

To measure the impacts, all stakeholders were given the opportunity to categorize all 56 sustainability matters according to the respective severity of the impacts using an online questionnaire. This assessment was made up in equal parts according to the specified ESRS criteria of scale, scope, and irremediability, each of which was rated on a four-point scale. To simplify the survey, the probability of occurrence of the impacts was not assessed, and a probability of occurrence of 100% was assumed in accordance with the principle of prudence.

For each category, the ratings of the external stakeholders were averaged and then aggregated at a 1:1 ratio to the rating of the internal stakeholders to produce an overall value.

The materiality threshold was defined by Group Sustainability in consultation with the executive committee in such a way that sustainability matters are material if they are associated with rather high to very high impacts.

Financial materiality
Internal experts from the support functions and all business areas were involved in the assessment of financial materiality. For reasons of complexity, external stakeholders were not surveyed on this materiality dimension. Internal stakeholders were asked to provide their assessment of the probability of occurrence (in years) and the level of financial impacts (in CHF million) with regard to the 56 sustainability topics using an online questionnaire on a four-point scale. The mean value was calculated from this assessment for each sustainability matter.

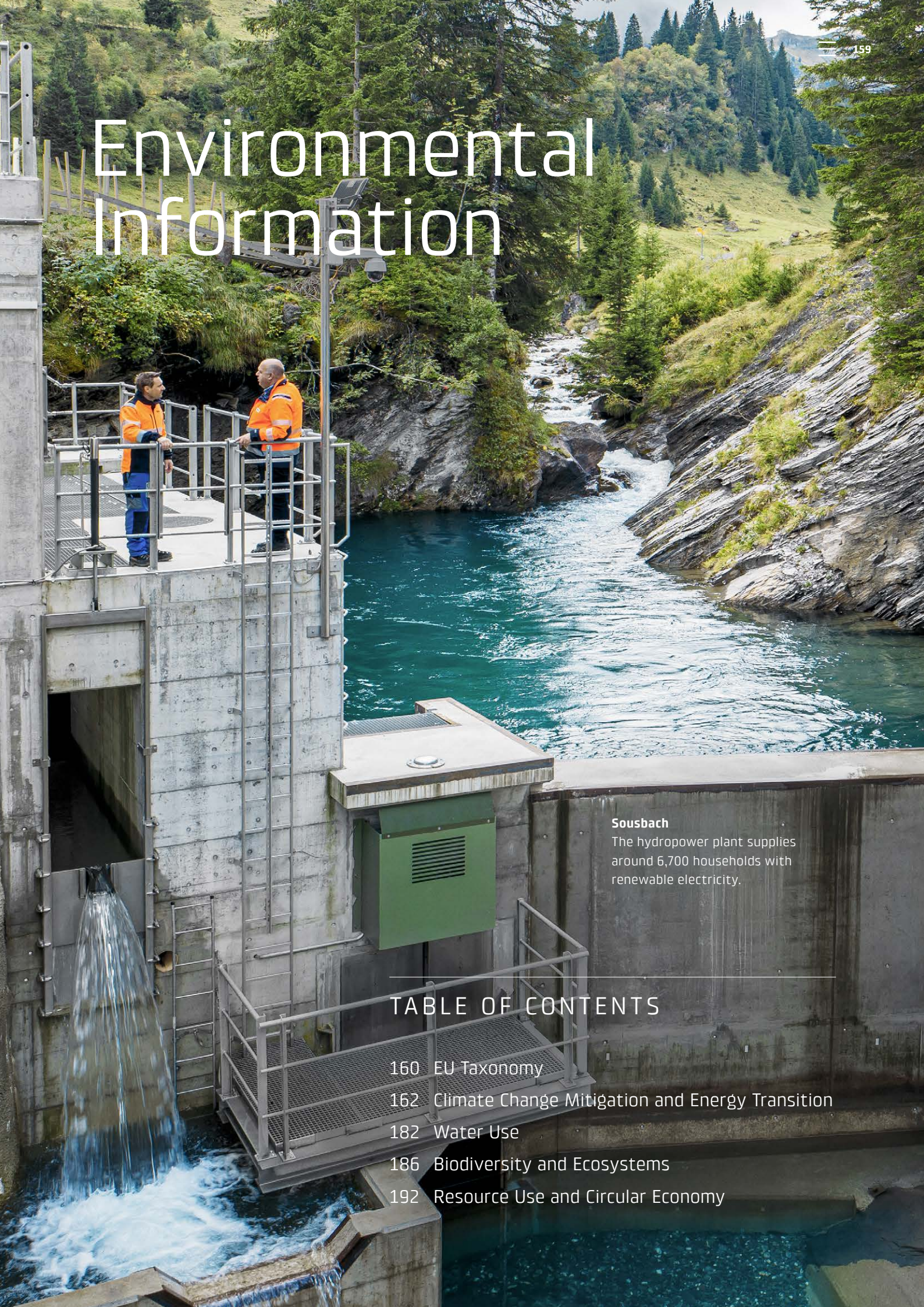
11 Group Strategy and Sustainability, Group Finance including Risk Management, Group Human Resources, Group Health & Safety, Group Communications, Group Compliance, Group Legal Services, Group Procurement Services, Group Security.

Group Sustainability, with the inclusion of Risk Management, has defined the materiality threshold such that sustainability matters with rather high to very high financial risks and opportunities for BKW are material.

Stakeholder and management review
As part of its materiality analysis, BKW identified a total of 15 sustainability matters, four of which were identified as material in both reviewed dimensions: climate change mitigation, renewable energy production, occupational health and safety, and emergency preparedness. The results were presented to various support functions, in particular Risk Management, Group Procurement Services, and Group Human Resources, for validation of the respective strategic priority. As a result of this validation step, the topics of diversity and inclusion as well as talent, skills, and leadership development were also determined to be material due to their strategic relevance.

The final result of the analysis, with a total of 17 material sustainability matters, was approved by the executive committee and the board of directors.

Environmental Information



Sousbach
The hydropower plant supplies around 6,700 households with renewable electricity.

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EU Taxonomy

In 2025, BKW continued its work on reporting its environmentally sustainable economic activities (implementation of the EU Taxonomy), taking into account the new regulations (Omnibus I simplification package). Pursuant to these new requirements, the date for the first disclosure of the key figures under the EU Taxonomy Regulation (Regulation (EU) 2020/852) has been postponed to the 2027 fiscal year at the earliest ("stop-the-clock" directive).

The classification system of the EU taxonomy distinguishes between "taxonomy-eligible" and "taxonomy-aligned" economic activities: taxonomy-eligible economic activities are those that can, in principle, be assigned to one of the defined ecologically sustainable economic activities ("eligibility"). Taxonomy-aligned activities are the share of eligible activities that also fulfill the associated criteria (see below) ("alignment").

Going forward, BKW will report the taxonomy-eligible and taxonomy-aligned proportion of each relevant economic activity for the taxonomy KPIs of revenue, operating expenses, and capital expenditures. To this end, BKW started identifying its taxonomy-eligible economic activities and implementing processes and analyses to review taxonomy alignment in 2024. This work was continued in the 2025 fiscal year.

In total, BKW performs 21 economic activities that are taxonomy-eligible under the EU Delegated Acts. The identification process is ongoing, and activities may be added or dropped in subsequent years.

Pursuant to the EU's Omnibus I simplification package, economic activities are exempt from the mandatory assessment of their taxonomy eligibility and alignment if they account for less than ten percent of total revenue, operating expenses, or capital expenditures.

EU Regulation 2020/852, Article 3, defines the criteria that an economic activity must meet in order to qualify as taxonomy-aligned:

- The economic activity contributes substantially to at least one of the six EU environmental objectives of climate change mitigation, climate change adaptation, sustainable use of water resources, transition to a circular economy, pollution prevention, and protection of ecosystems and biodiversity.
- The economic activity does not significantly harm any other environmental objectives ("do no significant harm").
- The economic activity complies with minimum safeguards.

BKW took important steps to strengthen minimum safeguards in the 2025 fiscal year. Status assessments were carried out in the areas of human rights due diligence, consumer interests, anti-corruption, competition, and taxation. Based on this, new guidelines were developed or revised where necessary, and the documentation was supplemented. BKW has also improved processes and initiated further actions. The focus in the 2025 fiscal year was on human rights due diligence, for which actions have already been planned for the coming years.

In 2026, BKW will continue the preparatory work on the EU Taxonomy. The focus here is on the process of collecting the KPIs in order to meet the expected reporting obligation starting from the 2027 fiscal year.

Taxonomy-eligible economic activities of the BKW Group[12]

Environmental objective (EO)	Activity number	Activity as per the EU taxonomy
EO1 Climate change mitigation	3.1	Manufacture of renewable energy technologies
EO1 Climate change mitigation	3.20	Manufacture, installation, and servicing of high, medium, and low voltage electrical equipment for electrical transmission and distribution that results in or enables a substantial contribution to climate change mitigation
EO1 Climate change mitigation	4.1	Electricity generation using solar photovoltaic technology
EO1 Climate change mitigation	4.3	Electricity generation from wind power
EO1 Climate change mitigation	4.5	Electricity generation from hydropower
EO1 Climate change mitigation	4.9	Transmission and distribution of electricity
EO1 Climate change mitigation	4.10	Storage of electricity
EO1 Climate change mitigation	4.15	District heating/cooling distribution
EO1 Climate change mitigation	4.16	Installation and operation of electric heat pumps
EO1 Climate change mitigation	4.28	Electricity generation from nuclear energy in existing installations
EO1 Climate change mitigation	4.29	Electricity generation from fossil gaseous fuels
EO1 Climate change mitigation	6.5	Transport by motorbikes, passenger cars and light commercial vehicles
EO1 Climate change mitigation	6.14	Infrastructure for rail transport
EO1 Climate change mitigation	7.3	Installation, maintenance, and repair of energy efficiency equipment
EO1 Climate change mitigation	7.4	Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)
EO1 Climate change mitigation	7.5	Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings
EO1 Climate change mitigation	7.7	Acquisition and ownership of buildings
EO1 Climate change mitigation	8.1	Data processing, hosting, and related activities
EO2 Climate change adaptation	6.15	Infrastructure enabling road transport and public transport
EO2 Climate change adaptation	8.2	Provision of information technology services
EO2 Climate change adaptation	14.2	Flood risk prevention and protection infrastructure

12 Without taking the materiality thresholds of the Omnibus I simplification package into account.

ESRS E1

Climate Change Mitigation and Energy Transition

As an energy and infrastructure service provider, BKW operates in areas that are relevant to the energy transition. For example, BKW supports the expansion of renewable energy and is assessing an early phase-out of coal-fired power generation. In the Infrastructure & Buildings Business Segment, BKW provides energy-efficient products and services. BKW is also working to improve its own energy efficiency, reduce its GHG emissions, and and implement measures to adapt to the impacts of climate change.

Strategy

ESRS E1-1

TRANSITION PLAN RELATED TO CLIMATE CHANGE MITIGATION

BKW strengthened its net-zero commitment in 2024 with the further development of its "Solutions 2030" corporate strategy and adopted a transition plan for climate change mitigation. The transition plan aims to systematically address climate-related risks and take strategic opportunities into account. Its implementation depends in part on external conditions.

BKW aims to reduce its own emissions Group-wide in Scopes 1 and 2 to net zero by 2040. To achieve this, it plans to reduce its GHG intensity by 50% by 2030 and by 93% by 2040 compared to 2022. In terms of emissions from the upstream and downstream value chain (Scope 3), BKW aims to achieve net zero by 2050. BKW thus fulfills the requirement of the Swiss Ordinance on Climate Disclosures to present a transition plan comparable with the Swiss climate targets. In the coming years, BKW regularly reviews the option of having its reduction path certified externally for its coherence with limiting global warming to 1.5°C in accordance with the Paris Agreement [for example through the Science Based Targets initiative (SBTi)]. However, the first priority is to achieve the targets already set and to improve the data situation for Scope 3 emissions.

BKW is focusing on its largest sources of emissions to reduce Scopes 1 and 2 GHG intensity. Of the 861 kilotonnes of Scopes 1 and 2 emissions in 2025, 97% came from investments in power plants in Germany and Italy that run on fossil fuels. In addition, the combustion of fossil fuels through the operation of our own vehicles and properties is the main relevant source of emissions. Against this backdrop, BKW has defined the following three priority actions:

- Expansion of renewable electricity production to around 3.4 GW by 2030
- Examination of an early phase-out of coal before the statutory phase-out in Germany (2038)
- Electrification of the entire own vehicle fleet of all BKW Group companies by 2030

The transition plan for climate change mitigation was approved by BKW's Executive Committee and Board of Directors in the fall of 2024 and is a key component of the new "Solutions 2030" corporate strategy.

As part of the implementation planning of the sustainability framework, the implementation of the transition plan was also clearly defined and then approved by the executive committee in spring 2025. The implementation plan specifies the responsibilities for each action and defines the milestones to be achieved. Annual progress measurement in the form of an implementation report is planned to ensure target achievement for the first time in spring 2026. Additional information on the risks, opportunities, actions, and objectives that form part of the transition plan can be found on pages 164 to 174.

ESRS 2 SBM-3

MATERIAL RISKS AND OPPORTUNITIES IN THE AREA OF CLIMATE CHANGE MITIGATION AND THE ENERGY TRANSITION

Climate change presents both risks and opportunities for BKW's strategy and business model. BKW therefore carried out a climate scenario analysis in 2024 in order to better understand the potential impacts of climate change on BKW's facilities and the associated risks. This first-time analysis focused in particular on physical risks such as extreme weather events, temperature increases, and changes in precipitation patterns to the distribution grid and power generation facilities[13]. The calculations for the analysis are naturally subject to considerable uncertainty.

Based on this analysis, BKW introduced a standardized process for assessing climate risks in 2025 and consequently further developed its risk models in collaboration with the affected business areas.

Key findings from the three scenarios examined are presented below: The results of the climate scenario analysis by technology with regard to the physical risks on which it focused are displayed in the table on the right.

Key findings from the climate scenario analysis

Low emissions scenario (SSP1-2.6): Immediate and extensive decarbonization (0.9 to 2.3°C)

In a low emissions scenario, which is based on a strict global reduction in GHG emissions, BKW is primarily affected by transition risks. These arise, for example, when the economy and society have to implement political objectives in order to achieve the Swiss and EU climate goals.

In the low emissions scenario, demand for climate-friendly energy sources increases sharply, which offers BKW opportunities for a rapid expansion of its renewable energy portfolio. A stronger focus on low-emission technologies also increases investment in innovations such as smart grids and storage systems.

An assessment of selected transition risks and climate-related opportunities can be found in the tables on page 166.

Medium emissions scenario (SSP2-4.5): Emissions peak around 2040 and then decline (1.7 to 3.2°C)

In the medium emissions scenario, GHG emissions do not stabilize until the middle of the century. Political objectives for reducing emissions are being set only hesitantly. While transition risks exist, these are less pronounced than in the low emissions scenario. At the same time, the physical impacts of climate change are increasing, which means greater susceptibility to extreme weather events and therefore an increasing risk for BKW's assets.

Hesitant regulatory requirements, particularly gradual carbon pricing, are leading to a continual increase in demand for renewable energies. This offers BKW the opportunity to gradually expand its own portfolio and drive forward strategic investments in renewable energies. The increasing importance of technologies such as energy storage and smart grids means that the necessary investments can be planned for the long term.

High emissions scenario (SSP5-8.5): Emissions will continue to rise steadily in the 21st century (3.2 to 5.4°C)

The high emissions scenario assumes a continued sharp rise in GHG emissions. This means that strong physical impacts of climate change are to be expected with fewer transition risks.

The demand for renewable energy remains limited. At the same time, it is expected that BKW's assets will be exposed to high physical risks, particularly as a result of extreme weather events and long-term changes in weather phenomena.

13 The methodological approach and data sources of the climate scenario analysis are described on pages 167 to 168.

Physical risks for BKW's power generation facilities and distribution grid according to the climate scenario analysis

Technology	Climate risks	Findings	Actions
Wind energy	Changes in wind patterns (chronic) Outages and damage to facilities due to wind gusts (acute)	There appear to be no significant changes to the wind patterns at the analyzed locations by 2050 compared to today. However, the strength of the wind gusts will tend to increase. The potential risk of an outage or physical damage to the facilities increases accordingly but remains at a low level even in the high emissions scenario.	Conclusion of insurance policies. Wind power is a self-adapting technology, i. e., as a result of repowering, old turbines are replaced by new ones that are adapted to the changed operating conditions in the face of climate change.
Thermal power plants	Change in the efficiency of the plants (chronic) Extreme flood and drought events (acute)	The increase in water and air temperatures can lead to a reduction in efficiency for all plants with water or air cooling. The greatest impacts are to be expected for nuclear power plants with continuous production (base profile). On the other hand, the anticipated impacts are much smaller for gas and coal-fired power plants, as the reduction in efficiency is particularly pronounced in summer and the power plants produce less during that time of year anyway. Nuclear power plants are designed to withstand rare weather events (one event in 10,000 years)[14]. In the climate scenarios examined, only minor operational restrictions are therefore to be expected from flood and drought events for the two nuclear power plants in which BKW has a stake. Nor are any significant outages due to extreme weather events expected for the gas and coal-fired power plants examined.	Among others, protective walls against coastal flooding for the Wilhelmshaven coal-fired power plant. Overall, the sites are only slightly susceptible to extreme weather events due to their design and the existing protective measures.
Hydropower (Hydro)	Glacier melt (chronic) Outages due to heavy precipitation (acute)	The expected impacts from glacier melt are rather low for flexible pumped-storage power plants, while they tend to be higher for storage power plants with reduced flexibility. An increase in extreme precipitation can lead to increased water pollution and thus potentially to more shutdowns in order to avoid turbine damage.	Among other things, protective actions for buildings below endangered slopes, slope stabilization, actions against glacial drift, deposits and sediments (e. g., flushing, dredging), seismic reinforcement, design of new small hydropower plants for HQ 300 (i. e., 300-year flood) including freeboard for adaptation to more extreme weather events.
Distribution grid	Extreme weather events (acute): e. g., avalanches, floods, landslides, and rockfalls	It is expected that by 2050 there will be more and more hazard zones in which BKW assets are located.	This includes seepage pits, protective walls on steep slopes, increasing the height of substations.

14 WENRA Guidance on Extreme Weather Conditions.

Transition risks in the context of climate change

Climate-related risk	Assessment	Time of occurrence[15]
Markets	Higher raw material and material costs due to increased requirements (e.g., standards) for energy-efficient infrastructure. As a result, customers are potentially more reluctant to make decisions on new, expansion, or maintenance measures; and revenue may be lost.	Short-term
	The expansion of the decentralized energy infrastructure requires a significant expansion of the grid infrastructure, which is associated with numerous uncertainties in terms of feasibility.	Medium- and long-term
Politics and legislation	Potentially declining profitability of BKW's investments in fossil fuel power plants due to stricter emissions regulations and rising CO_2 prices.	Short-term
	An increase in the carbon tax on fossil fuels can lead to additional costs for operational activities, e.g., for fossil-fueled vehicles.	Medium- and long-term
Reputation	Reputational damage possible due to non-compliance with strict legal requirements as well as customer and investor expectations.	Short-, medium-, and long-term

Transition opportunities in the context of climate change

Climate-related opportunity	Measurement	Time of occurrence[15]
Resource efficiency	Increased revenue due to the growing demand for integrated energy and building solutions for efficient and needs-based provision of electricity, heating, and cooling.	Short-term
Markets	Increased revenue due to growing customer demand for BKW's climate-friendly and/or energy-efficient products and services. This leads to growth in new profitable business lines, e.g., e-mobility and battery storage.	Short- and medium-term
Politics and legislation	Tapping into new market potential through climate-related public funding actions in the areas of energy, transportation, telecommunications, and water.	Short- and medium-term
Energy systems	Increased revenue and growth opportunities due to the need to expand and convert the distribution grid as a result of decentralized energy supply.	Medium- and long-term

BKW continuously reviews its business model with regard to the growing significance of climate risks. Strategic considerations within the Group take into account both the contribution to the energy transition – for example by expanding renewable energies, strengthening grid stability, and securing supply – as well as the impacts of climate change on the Group's own business model.

Based on a climate scenario analysis, BKW assesses how robust its value creation is against climate-related risks. These findings are incorporated into strategic planning and help to strengthen entrepreneurial resilience – i.e., the ability to adapt to new conditions and remain successful in the long term.

15 Short-term: 1 to 4 years, medium-term: 5 to 10 years, long-term: >10 years.

Management of Impacts, Risks, and Opportunities

ESRS 2 IRO-1

DESCRIPTION OF THE PROCEDURES TO IDENTIFY AND ASSESS THE MATERIAL CLIMATE-RELATED IMPACTS, RISKS, AND OPPORTUNITIES

BKW prepares an annual GHG balance sheet to identify and assess the climate-related impacts. It is based on the Greenhouse Gas Protocol. Additional information on this can be found on pages 178 to 181.

BKW carried out a climate scenario analysis in 2024 to identify and assess climate-related risks and opportunities. The analysis had a time horizon of 2030 and 2050 and focused on the distribution grid and on power generation facilities with high revenue, production, and risk relevance in BKW's portfolio[16]. It fulfills the requirements of the Swiss Ordinance on Climate Disclosures and follows the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

The climate scenario analysis considers various risk categories, including both chronic and acute physical risks. Chronic risks include long-term climate changes, such as changes in wind patterns or glacier melt, which can affect energy production. Acute risks include extreme weather events that can lead to network disruptions and physical damage to infrastructure.

Transition risks are also taken into account. Relevant risk factors were integrated into existing models based on their potential development under the various scenarios. For example, BKW expanded its price forecast models to include potential CO_2 certificate prices under various scenarios. In addition, other factors that influence material transition risks, such as risks related to political decisions relating to fossil energy technologies, have been included in the Group risk management portfolio.

Opportunities arising from climate change are continuously analyzed from the perspective of the business unit and its strategic processes.

Three emission scenarios were modeled to assess the impacts. The scenarios were based on the "Shared Socioeconomic Pathways" (SSP) used by the Intergovernmental Panel on Climate Change (IPCC), which take into account socioeconomic developments and the associated emission trajectories. These scenarios help to assess different developments in GHG emissions and their potential impacts on energy infrastructure.

GHG scenarios examined

Low emissions scenario (SSP 2.6)	Medium emissions scenario (SSP 4.5)	High emissions scenario (SSP 8.5)
The low emissions scenario is characterized by strong climate change mitigation actions and low emissions. It aims to limit global warming to less than 2°C, ideally to 1.5°C.	The medium emissions scenario envisages a stabilization of emissions by the middle of the century and a slow reduction thereafter. The global temperature rises moderately, with a warming of around 2°C to 3°C by 2100.	There are no material climate change mitigation actions in the high emissions scenario. Global warming could exceed 4°C by 2100.

16 More than 50% of energy production covered, reference year 2023.

Various impacts on BKW were examined as part of the scenario analysis. These include possible damage to the infrastructure, downtimes, changes in production output, and grid disruptions. BKW has started to integrate these metrics directly into its models in order to be able to estimate the potential financial impacts on assets and business activities in the future, such as the impacts of temperature changes on the efficiency of thermal power plants.

Both internal information and external data sources were used for the analysis. These include Correntics climate data for Switzerland and Europe, scientific studies, and relevant climate indicators. This combination ensures that the forecasts and assessments are based on solid, well-founded data.

Building on the original analysis in 2024, BKW introduced a standardized process for assessing climate-related risks in 2025. This new approach makes it possible to identify materiality and vulnerability in a structured and comprehensible manner and to clarify whether or to what extent BKW assets are exposed to climatic influences. The risks analyzed so far and those to be analyzed in the future largely correspond to the scenarios and risk categories listed by the Federal Office for the Environment (FOEN) in its "Climate Risk Analysis for Switzerland" report from 2025. This ensures that potential financial impacts are taken into account as realistically and comprehensively as possible. In addition, climate-related risks and opportunities are incorporated into the assessment of relevant investment decisions, thereby strengthening BKW's strategic focus and resilience. The gradual expansion of the climate risk analysis to other locations and business areas will ensure that all core areas of the company are fully covered in the future.

ESRS E1-2

POLICIES AND ORGANIZATION RELATED TO CLIMATE CHANGE MITIGATION AND THE ENERGY TRANSITION

The BKW Group's Code of Conduct is the central frame of reference for the obligation of management and all employees to accept their responsibility towards the environment and climate. The requirements for managing the impacts, risks, and opportunities in the areas of climate change mitigation, climate change adaptation, renewable energy production, and energy efficiency are set out in BKW's Environmental and Climate policy. BKW uses a precautionary approach in that preventive actions are taken to avoid damage to the environment and climate wherever possible and otherwise to reduce damage as much as possible. It actively promotes the expansion and use of renewable energies and will make its business activities increasingly environmentally and climate friendly. The Environmental and Climate policy was approved by the board of directors and is binding for all BKW Group companies.

The transition plan and the targets relating to climate change mitigation, climate change adaptation, renewable energy production, and energy efficiency were defined by the executive committee and approved by the board of directors. The members of the executive committee are responsible for implementing the objectives and targets through actions in their respective business areas. They are supported by Group Sustainability at Group level.

ESRS E1-3

ACTIONS RELATED TO CLIMATE CHANGE MITIGATION AND THE ENERGY TRANSITION

BKW aims to vigorously promote its commitment to climate change mitigation in its own operations and in its value chain. The following key actions contribute directly or indirectly to the material topics in this area.

Examination of the early phase-out of coal-fired power generation
BKW aims to significantly reduce its emissions from fossil electricity production by 2040 and thus make a contribution to climate change mitigation (see also pages 172 to 174). To this end, it is currently looking into phasing out the Wilhelmshaven coal-fired power plant before the statutory deadline in Germany (2038).

In addition to the Wilhelmshaven coal-fired power plant, BKW is also invested in two combined-cycle power plants in Italy. These flexible power plants will remain an important part of the European electricity supply for the time being. In contrast to coal-fired power plants, BKW assumes that there will be financially viable solutions for the combined-cycle power plants to gradually reduce GHG emissions during production. One conceivable solution is to replace fossil fuels with alternative fuels (e.g., "green gases"), possibly coupled with direct neutralization of residual emissions at the power plant, i.e., carbon capture and long-term storage after combustion. BKW is constantly reviewing possibilities and the use of new technologies.

Expansion of renewable energy production
BKW continues to resolutely press ahead with the expansion of renewable energies. The Group plans to expand its renewable energy production to 3.4 GW by 2030 and invest around CHF 1.5 billion to achieve this. The expansion has a direct impact on the GHG intensity of the overall energy production portfolio and thus contributes to BKW's climate change mitigation targets. At the end of 2025, the capacity of renewable energy production was 2.8 GW, an increase of 0.1 GW compared to the previous year.

In 2025, the following power plants were being planned, realized, or newly commissioned:

Photovoltaics:
- Two solar farms in Genzano di Lucania and Tuscania, Italy (in planning)
- BelpmoosSolar open-space solar plant, Canton of Bern (in planning)
- "MontSol" alpine solar project, Canton of Bern (in planning)

Wind power:
- Two wind farms in Cerignola, Italy (Cerignola North newly commissioned at the end of 2025; Cerignola South commissioning planned for early 2026)
- Tramelan wind farm, Canton of Bern (in planning)
- Jeanbrenin wind farm, Canton of Bern (in planning)

Hydropower:
- Sousbach small hydropower plant, Canton of Bern (newly commissioned, final work in progress)
- Turbach small hydropower plant, Canton of Bern (in realization)
- Trift power plant, Canton of Bern (Oberhasli power plants) (in planning)
- Expansion of Lake Grimsel, Canton of Bern (Oberhasli power plants) (in planning)
- Handeck 4 power plant, Canton of Bern (Oberhasli power plants) (in planning)
- Grimsel 4 pumped-storage power plant, Canton of Bern (Oberhasli power plants) (in planning)

In addition to projects for the expansion of renewable energy production, BKW is also enlarging its portfolio in the area of heating network and single plant contracting. The heating systems and individual plants are largely operated using renewable energy sources such as wood chips, waste wood, pellets, waste heat, and groundwater.

The following projects were being planned or realized in 2025:

Heating systems:
- Kehrsatz heating network, Canton of Bern (in realization)
- Niederscherli heating network, Canton of Bern (in realization)
- Biel-Zentrum heating network, Canton of Bern (in realization)
- Biberist-Industrie heating network, Canton Solothurn (in realization)
- Bettlach heating network, Canton of Solothurn (in planning)
- Bützberg heating network, Canton of Bern (in realization)
- Oensingen-Industrie heating network, Canton of Solothurn (in realization)
- Ostermundigen heating network, Canton of Bern (in planning)
- Gerlafingen heating network, Canton of Solothurn (in planning)
- Lauterbrunnen – Wengen heating network, Canton of Bern (in planning)

In 2025, BKW also set up a new business unit for the development, realization, construction, and operation of system-serving large-scale battery storage systems. BKW's goal is to build over 500 MW of large-scale batteries by 2030, thereby increasing the share of non-fossil flexibility in its portfolio and supporting the integration of renewable energies[17].

The following projects were being planned or realized in 2025:

Large battery storage:
- Mühleberg Swissgrid (400 MW battery storage), Canton of Bern (under review)
- Mühleberg (60–100 MW battery storage), Canton of Bern (under review)
- Bickigen (100 MW battery storage), Wynigen, Canton of Bern (under review)
- Bassecourt (100 MW battery storage), Haute-Sorne, Canton of Jura (under review)
- Holenbrunn (20 MW battery storage), Bavaria, Germany (in realization according to SIA standards)
- Waltrop (300 MW battery storage facility[18]), North Rhine-Westphalia, Germany (in planning)

Support for the expansion of renewable energy production

BKW supports the operation and expansion of renewable energy production by third parties with purchase products such as Power Purchase Agreements (PPA), Direct Marketing (DM), and tolling agreements for large-scale battery storage facilities.

Through PPs and DM, BKW offers price and planning security for investors, developers, and operators of renewable plants (e.g., wind or solar) and thus creates reliable framework conditions for the expansion and operation of renewable capacities. Tolling agreements enable the construction of large-scale battery storage facilities that compensate for fluctuations in renewable energy generation and thus help to stabilize the energy system. BKW also connects producers of renewable energies with energy-intensive customers through structured supply models such as corporate PPA and supports them in achieving their climate targets.

Through the combination of market expertise and long-term partnerships, BKW supports the integration of renewable energies into the energy system. BKW already manages a PPA, DM, and flexibility portfolio of more than 15 TWh with terms until 2040 in Germany, France, and Italy.

More than 200 contracts were concluded in 2025, including:
- The direct marketing from the EMYN (Éoliennes en Mer des Îles d'Yeu et de Noirmoutier) offshore wind farm (500 MW installed capacity): BKW is responsible for balancing the 61 wind turbines.

17 The systems are operated exclusively with mains current. They are typically fed at times with a high proportion of renewable energies in the electricity mix and discharged at times of low renewable production, which is why the CO_2 intensity of the stored electricity is, on average, significantly lower than that of fossil plants, especially in Germany, the current focus market.

18 This corresponds to BKW's share of 33.3%.

– The corporate PPA with Deutsche Bahn (60 MW/63 GWh): BKW supplies a fixed hourly solar profile (including guarantees of origin)
– The tolling agreement with Zelestra (up to 2 GWh): BKW is supporting the realization of one of Europe's largest battery energy storage systems in northern Italy.

Electrification of the company vehicle fleet
BKW is aiming to fully electrify its own fleet of company vehicles by 2030. The more than 3,500 cars and light commercial vehicles represent a major lever for also promoting climate change mitigation in BKW's services areas. By electrifying the company vehicle fleet, BKW aims to reduce Scopes 1 and 2 emissions by a total of around 15,000 tCO_2e between 2022 and 2030, which corresponds to an annual saving of 1,800 tCO_2e. The company has adopted new principles for vehicle procurement and expects additional costs of around CHF 3.5 million for vehicle procurement and the expansion of the charging infrastructure by 2026. At least 500 vehicles are to be electrified by the end of 2026. This target was already exceeded by the end of 2025: 657 e-vehicles were in operation, an additional 60 were ordered from the supplier. Compared to the previous year, this is an increase of 306 e-vehicles and thus approximately 1,061 tCO_2e could be avoided in 2025 compared to 2024[19].

The electrification of the company vehicle fleet also contributes directly to increasing BKW's energy efficiency as the e-vehicles require less energy to operate than vehicles with combustion engines. BKW has also set goals for increasing its own energy efficiency (see also page 174).

Raising awareness and training
Managers are regularly informed and made aware of issues through internal events such as the management event on energy and emissions. In 2025, the internal communication experts received refresher training on the legal requirements for sustainability communications. In addition, the board of directors was specifically sensitized to this topic.

19 The avoided emissions relate to Scopes 1 and 2 emissions and the assumption that an e-vehicle replaces a combustion engine (diesel). Average mileage and fuel and electricity consumption (consumer electricity mix) for BKW vehicles are assumed.

Targets and Metrics

ESRS E1-4

TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND THE ENERGY TRANSITION

Climate change mitigation

BKW extended its net-zero target in 2024. The Scopes 1 and 2 target of net zero in the energy business by 2040, which was adopted in 2023, was extended to the entire company. This means that BKW's service areas are also included in the climate targets. It also specified the reduction pathway in Scopes 1 and 2 and set the following sub-targets with regard to net zero by 2040 (in grams per kilowatt hour):

- BKW intends to reduce its GHG intensity by 50% compared to 2022 to 63 g CO_2e/kWh by 2030
- BKW intends to reduce its GHG intensity by 93% compared to 2022 to 9 g CO_2e/kWh by 2040
- BKW intends to neutralize its residual emissions of 9 g CO_2e/kWh from 2040

To calculate GHG intensity, emissions in Scopes 1 and 2 are compared with the energy produced.

Setting climate change mitigation targets with reference to GHG intensity is common practice for energy companies. The year 2022 (base year) serves as the basis for assessing the relative reduction in GHG intensity. It is representative of the GHG intensity because the emissions intensity in this base year corresponds to the average for the years 2021 to 2023.

The achievement of the net-zero target by 2040 is supported in particular by measures to reduce fossil electricity production, increase renewable electricity production, and electrify the company's own fleet of vehicles (see also pages 169 to 171). These three key levers for decarbonization within Scopes 1 and 2 were developed taking into account the climate scenarios under consideration (see page 149 under ESRS 2 SBM-3 and page 156 ESRS 2 IRO-1). The target contributions of the individual initiatives are shown in the table below.

GHG reduction targets and expected target contributions of the actions [20]

	2022 (base year)	2025 (current)	2030 (target value)	2040 (target value)	2050 (target value)
Scopes 1+2 (market-based)				**Net zero**	
Absolute emissions (ktCO_2)	1,120	861 (–23%)	690 (–38%)	109 (–90%)	
GHG intensity (gCO_2e/kWh)	**126**	**96** (–24%)	**63** (–50%)	**9** (–93%)	
Reduction of fossil electricity production			–25%	*No forecast*	
Reduction through expansion of renewable electricity production			–23%	*No forecast*	
Reduction through electrification of company vehicle fleet			–2%	–2%	
Scope 3					**Net zero**
Absolute emissions (ktCO_2e)	322	507 (+57%)	*No forecast*		
Scopes 1–3 (market-based)					
Absolute emissions (ktCO_2e)	1,442	1,368 (–5%)	*No forecast*		

For BKW, reducing and substituting its GHG emissions is a top priority in climate change mitigation. Unavoidable residual emissions that cannot be technically reduced or substituted must be neutralized for Scopes 1 and 2 from 2040. This means that an equivalent of the residual emissions is removed from the atmosphere in the form of CO_2 and stored for the long term, for example, in suitable underground reservoirs. Over the next few years, BKW will prepare an initial strategic analysis of the development of its own neutralization portfolio.

20 All values for 2030 and 2040 are forecast and may change on an ongoing basis, for example due to changes in the market or in the corporate structure.

BKW has also set itself a net-zero target for emissions generated in the rest of the value chain (Scope 3) and aims to achieve this by no later than 2050. Currently, BKW does not yet have sufficient data to be able to draw up a reduction pathway with concrete interim targets. Collecting data of sufficient quality continues to be challenging, particularly for emissions generated by BKW's suppliers and for emissions from products and services sold. In the coming years, the existing data gaps will be closed, data quality will be increased, and the path to net zero by 2050 will be worked out.

Target calculation methodology:
To determine the short-term target value, BKW is guided by the Swiss climate targets. For the long-term net-zero target for 2040 (Scopes 1 and 2), BKW is guided by the intensity targets of the Science Based Targets initiative (SBTi).

The GHG figures include all Kyoto GHG[21]. The organizational and operational system boundary of the target calculation is congruent with that of the GHG accounting (see page 181). The reduction target for Scopes 1 and 2 therefore includes all relevant emissions reported under E1-6 for these scopes (see page 180). Scope 2 emissions were taken into account for the target calculation using the market-based method.

Additional information on investments in energy production can be found at:
www.bkw.ch/solutions2030

21 Carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), halogenated hydrofluorocarbons (HFCs), fluorocarbons (FCs), sulfur hexafluoride (SF_6), and nitrogen trifluoride (NF_3).

Expansion of renewable energy production
BKW has already achieved its target of expanding the installed capacity of new renewable energies (wind, photovoltaics, small hydro, and biomass) to 1,000 MW by 2026 early: As of the end of 2025, installed capacity was already 1,100 MW. BKW has therefore set new expansion targets in 2024 and intends to increase the production capacity of renewable energies (hydro, wind, solar, biomass) from the 2.7 GW at the end of 2024 to 3.4 GW by 2030. This expansion will make it possible to substitute part of fossil energy production, which can reduce the GHG intensity of the portfolio.

Increasing energy efficiency
BKW also wants to make progress in increasing its own energy efficiency. As part of the revision of its sustainability-related goals, BKW is therefore pursuing the ambition of achieving a 15% increase in the efficiency of energy consumption within the company by 2030 compared to 2022. Energy efficiency is measured in megawatt hours (MWh) per employee, excluding the energy used in electricity and heat production facilities. At BKW, the main levers for increasing energy efficiency are the consistent implementation of vehicle electrification, the replacement of heating systems, and the optimization of building insulation in company buildings and residential complexes owned by BKW.

Climate change adaptation
As part of its strategic orientation, BKW attaches great importance to analyzing the physical and transition risks as well as the opportunities associated with climate change. This knowledge is crucial for recognizing potential challenges early and implementing appropriate adaptation actions in all business areas. Since the beginning of 2025, climate-related risks have been comprehensively assessed for new strategically relevant projects. In addition, BKW is currently developing a portfolio of services that are specifically geared towards effective climate change adaptation.

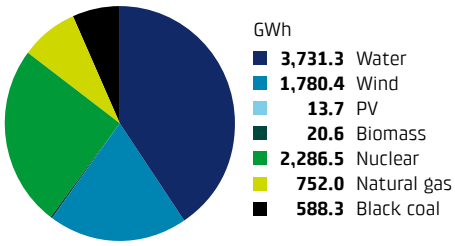
ESRS E1-5

ENERGY PRODUCTION AND ENERGY CONSUMPTION

Energy production

In the course of the year, BKW produced 9,172.9 gigawatt hours (GWh) of electricity. This includes electricity from consolidated power plants, equity investments, procurement rights, and unmanaged financial investments. Sixty percent of the energy (5,546 GWh✓) came from renewable sources (water, wind, PV, and biomass). On the one hand, the amount of electricity depends on the installed capacity and, on the other hand, on the availability of the power plants, weather conditions, and the demand on the electricity market. The share of renewable installed capacity increased by 1% compared to the previous year. However, due to poorer hydrological conditions in 2025, slightly less renewable electricity was produced than in the previous year. The table below shows BKW's total energy production.

Electricity production at BKW 2025

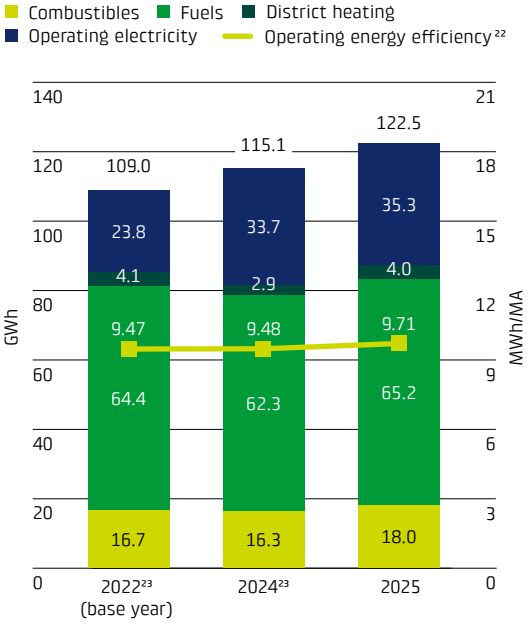


BKW also operates 40 heating network and individual plant contracts. In the reporting year, BKW produced 160 GWh of heat, 92% of which came from renewable energy sources (wood chips, waste wood, pellets, heat pumps). In addition to its own production, BKW purchases waste heat from waste incineration plants and was thus able to supply another 46 GWh of thermal energy to its customers.

Energy consumption

Energy consumption within BKW amounted to around 157.5 GWh✓ in 2025, a slight increase on the previous year. This was due on the one hand to a colder year in 2025 and the associated increase in fuel consumption for heating in the properties, and on the other hand, to a slight increase in fuel consumption due to increased mileage in fleet operation. This also resulted in a slight increase in operational energy consumption (excluding pumped electricity consumption) per employee, from 9.48 MWh/employee to 9.71 MWh/employee. A detailed breakdown of energy consumption, including the proportions of renewable energy sources, can be found in the table on page 177.

Operating energy consumption within BKW



22 Energy consumption excluding electricity consumption of pumped-storage power-plants and self generated renewable energy, calculated by employee (headcount).
23 Previous years were recalculated retroactively based on new findings and/or improvements in data quality. Therefore, the figures may differ from the figures in the previous year's report.
✓ Audited (limited assurance) by PwC in 2025. The audit report can be found in the section Independent Auditor's Report.

Electricity production at BKW

	Installed capacity, BKW proportion[24] MW		BKW energy volume GWh	
	2025	2024	2025	2024
Consolidated power plants[25]				
Run-of-river	242	242	1,011.6	1,201.4
Small hydro	78	67	316.2	316.2
Wind onshore[26]	888	785	1,468.0	1,448.4
PV	15	14	13.7	11.5
Biomass	3	3	20.6	20.5
Natural gas	62	62	39.5	44.8
Total	**1,288**	**1,173**	**2,825.1**	**3,042.8**
Joint arrangements and associates[27]				
Run-of-river	30	30	134.4	162.7
Storage	223	223	487.2	695.4
Pump storage (gross production)	1,150	1,150	1,816.8	2,559.6
Wind onshore[26]	0	17	0.0	93.9
Nuclear	333	333	2,286.5	2,274.6
Natural gas	192	192	712.5	1,007.4
Black coal	235	235	588.3	461.5
Total	**2,162**	**2,179**	**6,025.8**	**7,254.1**
Non-managed energy from financial investments[28]				
Small hydro	4	4	9.6	12.7
Wind onshore[26]	119	119	312.4	318.8
Total	**123**	**123**	**322.0**	**331.5**
Overall total	**3,573**	**3,475**	**9,172.9**	**10,628.4**
proportion renewable	2,751	2,654	5,545.0✓	6,841.1
% proportion renewable	77%	76%	60%	64%
proportion non-renewable	822	822	3,626.9✓	3,787.3
% proportion non-renewable	23%	24%	40%	36%

BKW heat production

	GWh	
	2025	2024[29]
Own production	160.3	146.5
% proportion renewable own production[30]	92%	92%
% proportion non-renewable own production	8%	8%
Used waste heat[31]	46.2	44.9
Delivered heat	206.4	191.4

24 Closing date 12.31.2025.
25 Power plants controlled by BKW (Group companies). 100% of installed capacity and production volumes are reported.
26 Acquisition of majority shareholding in various wind power plants in Germany and Italy in the second half of 2024. Starting 2025, the capacity is recorded in full under the consolidated power plants.
27 The pro rata installed capacity and the production volumes according to operating impact are reported. This is calculated from the proportion of the electricity taken and managed by BKW and normally corresponds to the equity interest.
28 The pro rata installed capacity and the production volumes from nuclear power plants over which BKW has no operating influence (no operational management, electricity take-up, and management) are reported.
29 Previous years were recalculated retrospectively based on new findings and/or improvements in data quality.
30 Wood chips, waste wood, pellets, heat pumps.
31 From waste incineration plants.
✓ Audited (limited assurance) by PwC in 2025. The audit report can be found in the section Independent Auditor's Report.

Energy consumption within BKW[32] [33]

	2025	2024[34]	2022[34]	2025	2024[34]	2022[34]
Total energy consumption from fossil source	**85.6**✓	**80.4**	**83.0**	**54%**	**53%**	**53%**
of which from crude oil and petroleum products	73.1✓	69.9	73.3	46%	46%	47%
of which from natural gas	9.2✓	7.8	6.9	6%	5%	4%
of which purchased or acquired from electricity, heat, steam, and cooling from fossil fuels[35]	3.3	2.6	2.8	2%	2%	2%
Total energy consumption from nuclear sources	**38.4**✓	**40.4**	**51.7**	**24%**	**27%**	**33%**
of which purchased or acquired from electricity, heat, steam, and cooling from nuclear fuels[36]	3.6	4.2	4.4	2%	3%	3%
of which caused by pumped current losses[37]	34.8	36.2	47.2	22%	24%	30%
Total energy consumption from renewable sources	**33.5**✓	**30.7**	**21.5**	**21%**✓	**20%**	**14%**
of which from renewable fuels	1.0✓	0.9	0.8	1%	1%	1%
of which purchased or acquired from electricity, heat, steam, and cooling from renewable fuels[38]	32.4✓	29.7	20.7	21%	20%	13%
of which from self-generated non-fuel renewable energy[39]	0.2✓	0.1	n/a	0%	0%	n/a
Total energy consumption	**157.5**✓	**151.5**	**156.2**	**100%**	**100%**	**100%**

32 Energy consumption excluding energy used for electricity and heat production.
33 Due to rounding, individual figures may not add up exactly to the reported total.
34 Previous years were recalculated retroactively based on new findings and/or improvements in data quality. Therefore, the figures may differ from the figures in the previous year's report.
35 The fossil power share of district heating and electricity mix procurement is calculated using an average factor per country.
36 The nuclear power share of district heating and electricity mix procurement is calculated using an average factor per country.
37 According to Article 9 of the EnG, 17% of pumped energy must be reported as pumped electricity losses and covered with guarantees of origin. To this end, BKW uses guarantees of origin from nuclear power.
38 The renewable share of district heating and electricity mix procurement is calculated using an average factor per country.
39 PV production through systems on own properties
✓ Audited (limited assurance) by PwC in 2025. The audit report can be found in the section Independent Auditor's Report.

ESRS E1-6

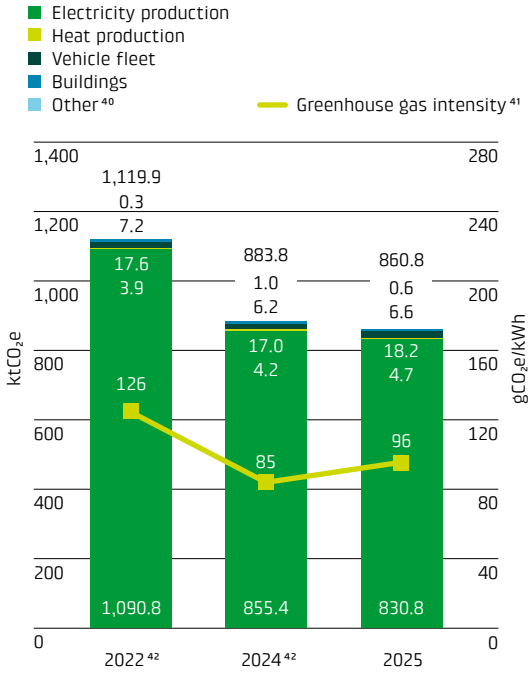
GROSS GHG EMISSIONS SCOPES 1, 2, AND 3 AND TOTAL GHG EMISSIONS

In fiscal year 2025, a total of 1,367.6 kt of CO_2e ✓ were released. GHG emissions in Scopes 1 and 2 decreased slightly compared to the previous year. The development is characterized by the use of fossil fuel power plants in Wilhelmshaven (coal), Livorno-Ferraris and Tamarete (both combined-cycle power plants), in which BKW has an equity interest. These plants are used depending on electricity demand, available capacities on the market, and the need for grid stability. While the coal-fired power plant in Wilhelmshaven produced more electricity than in the previous year, Livorno Ferraris and the combined-cycle power plants Livorno Ferraris and Tamarete produced less, meaning that fewer greenhouse gases were emitted overall.

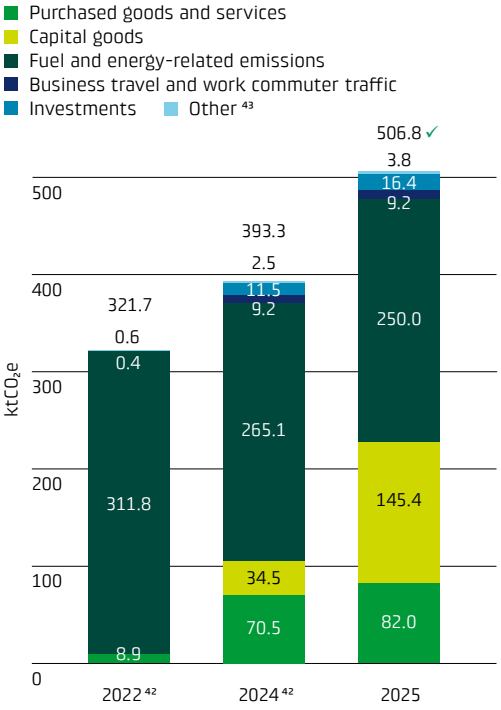
GHG emissions in relation to electricity production have risen slightly compared to the previous year, which is due to the poorer hydrological conditions in 2025 and the resulting reduction in production from renewables.

The main driver of Scope 3 emissions development continues to be the drive for completeness and increasing data quality in all Scope 3 categories (see next page for the current development status). A detailed breakdown of GHG emissions can be found on page 180.

BKW greenhouse gas emissions Scopes 1 and 2 (market-based)



BKW greenhouse gas emissions Scope 3



40 Emissions caused by refrigerants and volatile gases, particularly SF_6.
41 GHG emissions Scopes 1 and 2 per energy produced, excluding electricity production from financial investments.
42 Previous years were recalculated retroactively due to new findings and/or improvements in data quality. Therefore, the figures may differ from the figures in the previous year's report.
43 Emissions caused by waste disposal and upstream transport.
✓ Audited (limited assurance) by PwC in 2025. The audit report can be found in the section Independent Auditor's Report.

GHG intensities

	2025	2024[44]	2022[44] (base year)[45]
GHG intensity Scopes 1 and 2 (in g CO_2e/kWh of energy produced, market-based)[46]	96	85	126
GHG intensity Scopes 1–3 (in g CO_2e/CHF revenue, location-based)[47]	328.2 ✓	268.8	282.0
GHG intensity Scopes 1–3 (in g CO_2e/CHF revenue, market-based)[47]	325.5 ✓	267.6	277.3

Development status of GHG accounting

The accounting of GHG emissions in Scopes 1 and 2 is largely complete. Building on the considerable progress made in the previous year, data collection was also further developed in 2025. This reporting period focused in particular on increasing the efficiency of data collection and on the conceptual preparation of a complete, spend-based recording of emissions in the area of goods and services in all Energy Solutions, Power Grid, and Infrastructure & Buildings Business Segments. The more precise, activity-based recording of goods procurement in the Energy Solutions and Power Grid Business Segments was also developed further. The main emissions have been systematically accounted for here since 2024.

In addition to emissions from the supply chain, recording emissions from products sold remains a persistent challenge, in particular. With the planned expansion of data collection, BKW expects the recorded Scope 3 emissions to increase further in the coming years.

Scope 3 categories included according to the Greenhouse Gas Protocol

Scope 3 category	Development and status
Scope 3 categories considered	
3.1 Purchased goods and services	No change, increased efficiency in data collection
3.2 Capital goods	No change, vehicles and power plant construction covered
3.3 Fuel and energy-related emissions	No change, full calculation
3.4 Transport and distribution (upstream)	No change, data gaps known
3.5 Waste	Expanding coverage and improving data quality
3.6 Business travel	Improving data quality
3.7 Employee commuting	Improvement of data quality estimated on the basis of country-based commuter statistics
3.9 Transport and distribution (downstream)	No activities
3.10 Processing of sold products	No activities
3.14 Franchising	No activities
3.15 Investments	No change, financial investment in power plants and other relevant investments covered
Scope 3 categories not considered	
3.8 Upstream leased assets	Already considered in Scopes 1 and 2
3.11 Use of sold products	Data basis currently insufficient
3.12 End-of-life treatment of sold products	Data basis currently insufficient
3.13 Downstream leased assets	Data basis currently insufficient

44 Previous years were recalculated retrospectively due to new findings and/or improvements in data quality. Therefore, the figures may differ from the figures in the last report.
45 No base year has yet been defined for Scope 3.
46 Excluding electricity production from financial investments.
47 The revenue used to calculate GHG intensity corresponds to the net revenue as shown in the financial report on page 28.
✓ Audited (limited assurance) by PwC in 2025. The audit report can be found in the section Independent Auditor's Report.

BKW GHG emissions in kilotonnes CO_2e

	2025	2024[48]	2022[48] (base year)[49]
Scope 1 emissions			
Scope 1 Group companies	46.5✓	47.8	63.3
Scope 1 Joint arrangements and associates[50]	811.6✓	833.5	1,054.1
Total Scope 1 emissions	**858.1✓**	**881.3**	**1,117.4**
Percentage of Scope 1 emissions from regulated emissions trading schemes[51]	97%	97%	98%
Scope 2 emissions			
Scope 2 Group companies (location-based)	3.7✓	2.7	3.7
Scope 2 Joint arrangements and associates (location-based)[50]	10.0✓	5.5	23.3
Total Scope 2 emissions location-based	**13.7✓**	**8.2**	**27.1**
Scope 2 Group companies (market-based)	2.7✓	2.4	2.5
Scope 2 Joint arrangements and associates (market-based)[50]	0.0✓	0.0	0.0
Total Scope 2 emissions market-based	**2.7✓**	**2.4**	**2.5**
Scope 3 emissions			
Upstream emissions	486.9	378.1	317.4
3.1 Purchased goods and services	82.0	70.5	8.9
3.2 Capital goods	145.4	34.5	n. a.
3.3 Fuel and energy-related emissions	246.5	261.4	307.4
3.4 Transport and distribution (upstream)	0.3	0.1	0.4
3.5 Waste	3.5	2.4	0.2
3.6 Business travel	1.0	0.9	0.4
3.7 Employee commuting	8.2	8.3	n. a.
Downstream emissions	19.9	15.2	4.3
3.11 Use of sold products	3.6	3.8	4.3
3.15 Investments	16.4	11.5	n. a.
Total Scope 3 emissions	**506.8✓**	**393.3**	**321.7**
Total Scope 1–3 emissions location-based	**1,378.7✓**	**1,282.9**	**1,466.2**
Total Scope 1–3 emissions market-based	**1,367.6✓**	**1,277.1**	**1,441.6**
Biogenic CO_2 emissions Scope 1[52]	102.1	96.5	n. a.
Biogenic CO_2 emissions Scope 2[53]	2.0	1.8	n. a.
Biogenic CO_2 emissions Scope 3[54]	1.2	1.2	n. a.

48 Previous years were recalculated retroactively based on new findings and/or improvements in data quality. Therefore, the figures may differ from the figures in the previous year's report.
49 Base year for Scopes 1 and 2. No base year has yet been defined for Scope 3.
50 Operational control approach (see methodology box).
51 These are the three fossil fuel power plants at Wilhelmshaven, Livorno-Ferraris, and Tamarete.
52 Estimated biogenic CO_2 emissions caused by the combustion of biogas and biomass (esp. wood/pellets). Including biogenic Scope 1 emissions caused by our own biomass power plant in Otelfingen.
53 Estimated biogenic CO_2 emissions associated with the share of biomass in the electricity and district heating mix (Switzerland only).
54 Estimated biogenic CO_2 emissions in the energy supply chain of biogas and biomass (esp. wood/pellets).
✓ Audited (limited assurance) by PwC in 2025. The audit report can be found in the section Independent Auditor's Report.

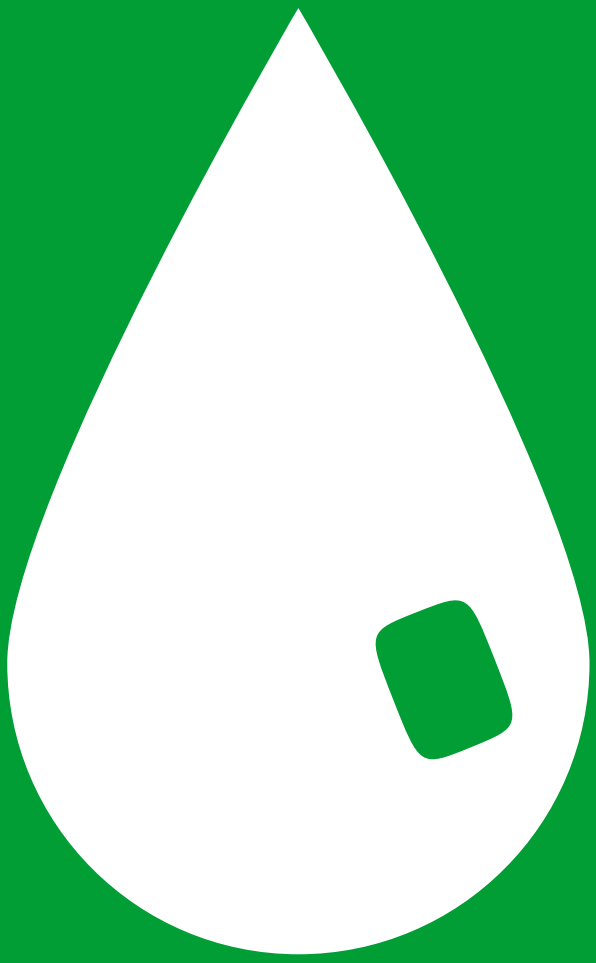
GHG accounting methodology

The GHG balance sheet is based on the accounting principles of the Greenhouse Gas Protocol and comprises all Kyoto GHG[55]. Emissions in Scope 2 are differentiated between location-based emissions, which occur due to consumption of the average electricity mix in a region, and market-based emissions, which occur due to actual, contractually regulated purchases of energy products. The balance sheet covers the entire BKW Group. To determine the relevance of GHG emissions, BKW uses a 1% significance threshold in relation to the total anticipated emissions in the corresponding scope. Where data could not be obtained in full for a specific year, the data for the previous year was used on a pro rata basis, or pro rata data from the current year was extrapolated. BKW defines the system limits using the operational control approach (according to ESRS) and reports its Scopes 1 and 2 emissions according to the extent of operational control: in addition to emissions from Group companies, in Scopes 1 and 2 it also reports pro rata emissions from power plants in which BKW has a stake and whose electricity it purchases and manages. This generally corresponds to the equity interest.

55 Carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), halogenated hydrofluorocarbons (HFCs), fluorocarbons (FCs), sulfur hexafluoride (SF_6), and nitrogen trifluoride (NF_3).

ESRS E3

Water Use



BKW uses large quantities of water, especially for its hydropower and thermal power plants. The water is extracted or dammed for electricity production or cooling and then returned to the environment. Due to this intensive utilization, water use is material for BKW. Actual water consumption – i. e., the amount of water that does not return to the natural cycle – is low in relation to overall use and is not of central importance according to the materiality analysis.

As part of the current sustainability-related goals, BKW will first quantify its water use in order to create a basis for collecting data and identifying actions to increase water efficiency. In a second step, data collection will be further developed along the whole value chain to enable a better understanding of the associated risks and opportunities.

Management of Impacts, Risks, and Opportunities

ESRS 2 IRO-1

DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL WATER AND MARINE RESOURCES-RELATED IMPACTS, RISKS, AND OPPORTUNITIES

The impacts of a change in freshwater use are analyzed in the LEAP approach[56]. The LEAP assessment was carried out for the first time in 2024 based on secondary resources[57]. The approach was used to identify potential material impacts of BKW's business activities. In 2026, the assessment will be expanded to include a company-wide analysis of various impact metrics, including water use.

As part of the LEAP assessment, the locations of all the electricity production sites of BKW shareholdings of more than 50% and joint operations were determined. Each site was assessed using the Baseline Water Stress Index[58] for the respective region. According to the initial findings, BKW operates 15 onshore wind farms, two small hydropower plant clusters, as well as one thermal power plant in areas with severe water stress[59].

The topic of marine resources is immaterial for BKW because it has no relevant points of contact with it in its business model (in particular no offshore wind power plants). Water use is also not a material issue for onshore wind power plants, as they do not have any relevant impacts on water resources. The materiality for small hydropower plants is also low as, although water is used in turbines, it is neither stored nor consumed. In 2026, the focus is therefore on the thermal power plant. Material impacts will be measured and evaluated for this site as part of the LEAP approach. Risks and opportunities are also recorded based on material impacts. Depending on the results of this analysis, BKW develops potential actions with regard to these risks.

The identification of material risks and opportunities was primarily based on the results of the double materiality analysis (see pages 156 to 157). Further work is required to fully understand the materiality of the identified risks and opportunities. BKW will expand the initial assessment in the coming years and quantify risks and opportunities as far as possible. A complete evaluation and quantification of the impacts will help to further specify the risks and opportunities.

The processes described for identifying and assessing the impacts, risks, and opportunities apply across the Group. In addition, individual business areas have introduced their own processes to monitor operations in recent years. Real-time monitoring of parts of the portfolio of the Hydro division is already being carried out on an internal data platform. Eight more hydropower plants were connected to the platform last year. The connection of additional hydropower plants is planned for 2026. Various water metrics can be derived from the internal data platform, among others temperature and water inflows. These metrics can, in turn, support various future impact analyses.

56 Guidance on the identification and assessment of nature-related issues: the LEAP approach – TNFD.
57 For methodology, see the section Biodiversity and Ecosystems on page 186.
58 Based on Aqueduct Baseline Water Stress | Resource Watch.
59 The identified power plants are located in Germany, France, and Italy.

ESRS E3-1

POLICIES AND ORGANIZATION RELATED TO WATER USE

The BKW Group's Code of Conduct is the central frame of reference for the obligation of management and all employees to accept their responsibility towards the environment and climate. The requirements for managing the impacts of water use are set out in BKW's Environmental and Climate policy.

BKW uses a precautionary approach in that preventive actions are taken to avoid damage to the environment and climate wherever possible and otherwise to reduce damage as much as possible. The company uses water carefully and efficiently and takes targeted actions to prevent and mitigate water pollution. BKW also encourages its suppliers to accept their ecological responsibility and to continue to develop in this direction. The Environmental and Climate policy was approved by the board of directors and is binding for all BKW Group companies.

The executive committee defined the targets for water use. Its members are responsible for implementing the objectives and targets through actions in the respective business areas. They are supported by Group Sustainability at Group level.

ESRS E3-2

ACTIONS RELATED TO WATER USE

BKW can only manage the main impacts of its business activities meaningfully if a company-wide database is created beforehand. Only the systematic development, collection, and monitoring of relevant data enable a sound understanding of the main impacts and the quantification of the material risks and opportunities. The data basis for water use and water efficiency will therefore be established by the end of 2026. This establishment represents a key action and creates the basis for further development, whereby water consumption along the entire value chain is also successively recorded with a focus on activities in regions with severe water stress.

Targets

ESRS E3-3

TARGETS RELATED TO WATER USE

BKW has set itself the goal of creating a data basis for water use and water efficiency at all relevant sites by 2026. In addition, water consumption[60] is to be successively recorded and made transparent along the entire value chain. The focus here is on an analysis of activities with particularly high water consumption in regions with severe pressure on water (water stress areas). Once the data collection has been completed, the findings will be used to specify and further develop the targets and actions for water use.

60 Not material according to double materiality analysis; inclusion due to sustainability ratings.

ESRS E4

Biodiversity and Ecosystems

The global loss of biodiversity has been identified as one of the greatest challenges of the 21st century. Power plants and grid systems also affect the landscape and areas in which they are built. At the same time, many facilities in the energy sector are dependent on nature-related services (Ecosystem Services). BKW is introducing various compensatory actions to prevent and reduce negative impacts on water, soil, air, and ecosystems. In 2024, BKW analyzed the nature-related impacts, dependencies, risks, and opportunities across the Group for the first time. This analysis was incrementally further developed in 2025 in order to deepen the understanding of the interrelations between BKW's business model and the direct drivers of nature change and biodiversity loss[61].

Irrespective of this, actions to protect biodiversity were again implemented in 2025 through BKW Eco Fund projects[62]. In this way, the BKW Eco Fund contributes to the protection of individual species, local species communities, and entire ecosystems.

61 Climate change, invasive species, land-use change, environmental pollution, exploitation of natural resources. Global Assessment Report on Biodiversity and Ecosystem Services | IPBES Secretariat.

62 The BKW Eco Fund provides CHF 0.007 per kWh from the "Energy Green" and "Energy Blue" products (naturemade star-certified electricity) to promote renaturation and strengthen habitats and biodiversity. Further information, including the annual report, can be found at: BKW Eco Fund.

Strategy

ESRS 2 SBM-3

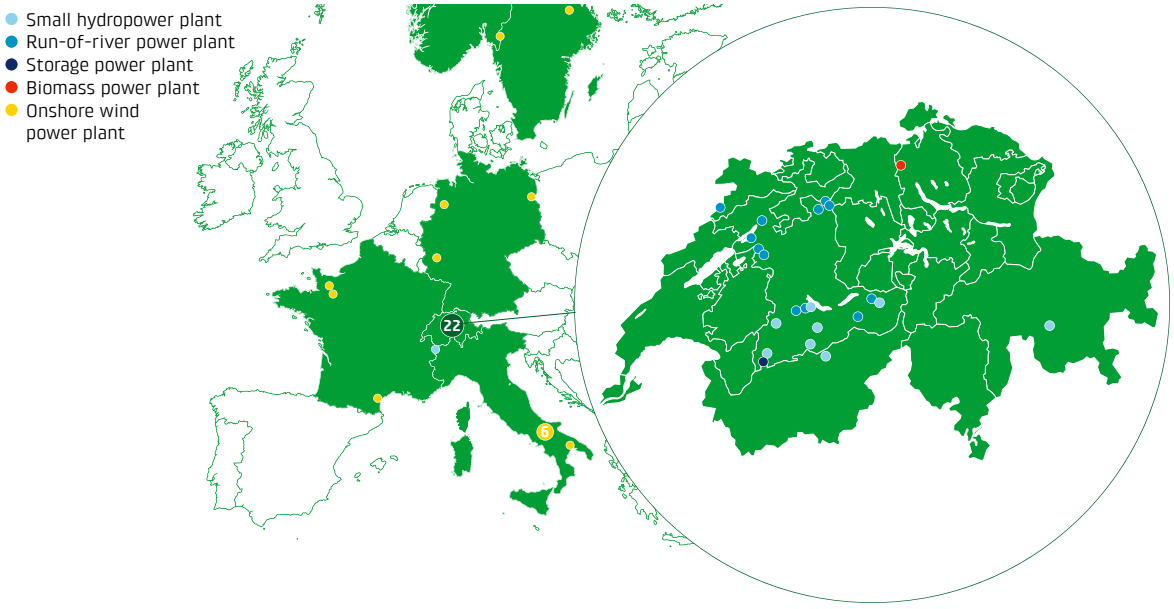
MATERIAL IMPACTS, DEPENDENCIES, RISKS, AND OPPORTUNITIES IN THE AREA OF BIODIVERSITY AND ECOSYSTEMS

As a company in the energy and infrastructure sector, BKW naturally interacts with various habitats, among others urban and industrial ecosystems, alpine ecosystems, water bodies, forests, and grasslands[63]. On the one hand its activities have impacts on these habitats, while on the other this interaction results in risks such as delays in projects due to objections. At the same time, increasing awareness of biodiversity issues offers opportunities for BKW due to growing demand for solutions in the area of environmentally-friendly planning and construction.

In the Energy business, BKW operates hydropower plants (storage, run-of-river, and small hydropower plants), solar plants, wind power plants, and thermal power plants in addition to its distribution grid. In order to identify their material impacts on biodiversity and ecosystems, in 2025 BKW again mapped the sites in close proximity to ecologically sensitive areas. The focus of this biodiversity register was on power plants of BKW Group companies and joint operations.

According to the biodiversity register, 37 power plants (48%)[64] are located in the immediate vicinity[65] of ecologically sensitive areas. However, this does not necessarily involve material impacts. Based on external sources (ENCORE database, TNFD sector guidelines, scientific studies), potential impacts and dependencies were identified and qualitatively assessed for each type of power plant. For the company's own plants, there are potential material impacts in the areas of land use change, climate change, environmental pollution, and resource use. BKW also identified potential material dependencies. For example, the protection against interruptions ecosystem service, protection against flooding and storms through the buffering and dampening effect of natural and planted vegetation. The current assessment does not yet provide a complete picture of the actual materiality of the impacts and dependencies for individual sites in sensitive areas. A detailed analysis of the severity and extent of the various impacts will be carried out in the future.

BKW power plants in the immediate vicinity (1 km) of ecologically sensitive areas



63 Additional sector guidance – Electric utilities and power generators – TNFD. Sea beds, deserts, and tropical rainforests are not relevant for BKW.
64 Deviations from the previous year are based on the updated database of Nationally Designated Areas (as of 2024–2025).
65 One kilometer radius.

Management of Impacts, Risks, and Opportunities

ESRS 2 IRO-1

DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS, DEPENDENCIES, AND OPPORTUNITIES IN RELATION TO BIODIVERSITY AND ECOSYSTEMS

In order to analyze the material impacts, dependencies, risks, and opportunities, the first iteration of the LEAP assessment[66] was carried out in 2024 in accordance with the TNFD framework[67]. Due to a lack of primary data, this initial assessment was mainly based on external information and secondary data. The determination of material impacts and dependencies is based on the steps described in the LEAP process.

As part of the "Locate" step, the biodiversity register was created using an internal geographic information system intersection analysis. BKW identified ecologically sensitive zones using data from the European Environmental Agency (EEA) taking into account the Natura 2000 data sets and Nationally Designated Areas that document national protected areas throughout Europe. A radius of one kilometer to the next protected area defined the immediate vicinity. For the register, BKW primarily analyzed the power plant sites[68] of the Group companies and their joint operations. Other sites such as substations, office buildings, and locations in the value chain will be included at a later date. The aim is to map the entire value chain in LEAP assessments in the coming years and thereby gain in-depth knowledge.

The "Evaluate" step was based on information from the ENCORE database and the TNFD sector guidelines. The secondary data was validated internally with relevant stakeholders and experts. BKW uses the "TNFD Recommended Core Metrics" for primary data collection to determine the materiality of impacts and dependencies of the individual sites. Certain data gaps were identified at the Group level, which will be addressed in future LEAP iterations. BKW plans to collect more primary data for this purpose in order to further refine the quantification of impacts and dependencies and enable a comprehensive materiality analysis.

The "Assess" step was largely based on the results of the double materiality assessment (see pages 156 and 157). Further analyses are necessary to fully understand the materiality of the identified risks and opportunities. BKW will further expand the initial assessment in the coming years and quantify risks and opportunities as far as possible to perform a complete materiality assessment. A comprehensive evaluation and quantification of the impacts and dependencies will help to further increase the identification of risks and opportunities.

The "Prepare" step was mainly based on the targets of BKW's new sustainability framework (see the section on Targets). Further targets and actions for specific activities and business areas are expected to be defined in future iterations of the LEAP assessment.

66 Guidance on the identification and assessment of nature-related issues: the LEAP approach – TNFD.
67 The Taskforce on Nature-related Financial Disclosures (tnfd.global).
68 Excluding heating systems and solar systems on the roofs of buildings.

ESRS E4-2

POLICIES AND ORGANIZATION RELATED TO BIODIVERSITY AND ECOSYSTEMS

The BKW Group's Code of Conduct is the central frame of reference for the obligation of management and all employees to accept their responsibility towards the environment and climate. The requirements for managing the impacts in connection with the topics of biodiversity and ecosystems are set out in BKW's Environmental and Climate policy. BKW uses a precautionary approach by taking preventive actions to avoid damage to the environment, and especially the loss of biodiversity and intact ecosystems wherever possible, otherwise to reduce damage as far as possible and to actively contribute to the restoration of nature. The Environmental and Climate policy was approved by the board of directors and is binding for all BKW Group companies.

The executive committee defined the targets for biodiversity and ecosystems. The members of the executive committee are responsible for implementing the objectives and targets through actions in the respective business areas. They are supported by Group Sustainability at Group level.

ESRS E4-3

ACTIONS RELATED TO BIODIVERSITY AND ECOSYSTEMS

To determine the impacts of their construction projects on biodiversity and ecosystems, BKW has environmental impact assessments (EIA) carried out in accordance with the relevant regulatory requirements (CH/EU). Compensatory actions to be implemented are defined on a project-specific basis in the EIAs.

The following (non-exhaustive) list shows various individual measures and initiatives that BKW has implemented in various business areas in 2025.

Neophyte control
The experience gained in 2024 provided valuable insights into effective neophyte control, particularly with regard to the right intervention phase. The best time is in the spring before the plants bloom, when the interventions are most effective. Additional specialists from Arnold AG were specifically trained on this basis. In 2025, they spent an additional 427 working hours on neophyte control.

Maintenance concept for areas surrounding substations
BKW attaches great importance to the careful maintenance of meadows at its substations and their immediate surroundings. Following the successful test in 2024, the maintenance concept was extended to additional substations in 2025. The areas are deliberately only partially mowed, while some areas are left untouched over the winter to create valuable havens for insects and small animals. This strengthens biodiversity in the long term.

Fish ladders
After around three years of construction, BKW has put a new fish pass into operation at the Bannwil hydropower plant. BKW is also currently updating the fish ladders at the run-of-river power plants in Wynau/Schwarzhäusern and – together with Energie Service Biel – in Brügg. The Federal Act on Fisheries and the revised Federal Act on the Protection of Waters require the restoration of free fish migration at hydropower plants by 2030. BKW is implementing the most urgent remediations with high priority.

Ecological power line management
In 2025, an area of 4.11 hectares under a power line in the Canton of Basel-Landschaft was ecologically upgraded. The pilot project, which was implemented in collaboration with Pro Natura Basel-Landschaft, aimed to create species-rich habitats beneath the power lines and improve existing areas ecologically. Transition areas between different habitats were created under the lines through the targeted creation of herbaceous strips and the construction of small structures. These ecologically valuable zones promote a high level of biodiversity and enable previously isolated populations to become connected.

Targets

ESRS E4-4

TARGETS RELATED TO BIODIVERSITY AND ECOSYSTEMS

In terms of biodiversity and ecosystem, BKW has defined the following targets:

- Negative impacts on biodiversity from its own[69] energy and infrastructure projects are reduced beyond legal requirements; BKW is aiming for a "Net Positive Impact"[70] for realizations from 2030 onwards.
- Increasingly near-natural management of land owned and managed by BKW (influenced in the longer term).

In 2025, Group Sustainability supported the Power Grid and Energy Production Business Areas with implementation planning and various analyses of substations and hydropower plants. In addition, BKW sites are being incrementally and systematically recorded throughout the Group. Further iterations of the LEAP assessment and the collection of relevant data form the basis for target measurement. The data collection also makes it possible to quantify the impacts on business activities and publish them in future sustainability reports.

69 Facilities in which BKW holds a majority interest.
70 A Net Positive Impact (NPI) is achieved when negative impacts on biodiversity are not only mitigated but overall exceeded through measures to avoid and reduce these impacts, as well as through restoration actions benefiting the affected species and ecosystems.

ESRS E5

Resource Use and Circular Economy

BKW relies on a large number of natural raw materials for the activities in its Energy Solutions, Power Grid, and Infrastructure & Buildings Business Segments. As an energy and infrastructure service provider, the focus is on resource inflows from a materiality perspective (see also page 193). The procurement and use of raw materials with a high level of resource efficiency is an important factor for BKW in ensuring excellence in its service provision and avoiding supply chain risks. Furthermore, BKW wants to lay the foundations for a circular economy. Resource outflows, on the other hand, were identified as a subordinate issue; BKW nevertheless publishes its waste balance sheet in order to meet the transparency requirements of various stakeholders (see page 245).

Management of Impacts, Risks, and Opportunities

ESRS 2 IRO-1

DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS THE MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES IN RELATION TO RESOURCE USE AND CIRCULAR ECONOMY

To identify supply chain risks, BKW considers all relevant raw materials in its risk areas. The scope in production and networks was expanded from five to six risk areas in 2025; these now include power grids, hydro and heating, photovoltaics, wind energy, battery storage, and construction. In addition, two further risk areas are taken into account in the Support area: Information and communication technology (ICT) and personal protective equipment (PPE). In addition to analyzing social and environmental risks in the supply chain, CO_2 relevance has also been considered since 2025. This makes it possible to fundamentally assess and classify resource efficiency. This framework enables the analysis of GHG and air pollutants, water-polluting substances, the degradation of abiotic and biotic raw materials, as well as water and land use in connection with purchased goods. The supply chain risk analysis, and the methods, assumptions, and instruments used, is described in detail in the section Relationships with Suppliers on page 221. In addition, the impacts, risks, and opportunities in connection with resource inflows and outflows (including waste) were identified and assessed as part of the dual materiality analysis.

ESRS E5-1

POLICIES AND ORGANIZATION RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

The BKW Group's Code of Conduct is the central frame of reference for the obligation of management and all employees to accept their responsibility towards the environment and climate. The requirements for managing the impacts of resource use and the circular economy are set out in BKW's Environmental and Climate policy.

BKW uses a precautionary approach in that preventive actions are taken to avoid damage to the environment and climate wherever possible and otherwise to reduce damage as much as possible. It will increasingly develop and market resource-efficient, recyclable, and climate-friendly products and services and encourage its suppliers to accept their environmental responsibility and continually develop in this area. The Environmental and Climate policy was approved by the board of directors and is binding for all BKW Group companies.

BKW's Supplier Code of Conduct as well as sustainability criteria in tenders require its suppliers to act sustainably. For example, BKW requires suppliers with potential environmental and social risks to have a sustainability rating that is at least equivalent to the industry average. For further information please see the section Relationships with Suppliers starting on page 221.

The executive committee set the targets for resource inflows. Its members are responsible for implementing the objectives and targets through actions in the respective business areas. They are supported in this by the respective procurement organizations and the support functions.

ESRS E5-2

ACTIONS RELATED TO RESOURCE USE AND THE CIRCULAR ECONOMY

Sustainability criteria are structurally required for all goods procured in the six risk areas for production and networks. The corresponding processes are described in the section Relationships with Suppliers starting on page 221. With a special focus on the resource use and the circular economy, two procurement approaches have been established at BKW since 2024.

Procurement strategy for resource use and the circular economy with respect to distribution network cables

In addition to the MUST criteria for avoiding supply chain risks (see page 221), BKW has established the conscious use of resources and the circular economy as principles for the entire product group. For example, suppliers were asked to meet the requirements of minimizing cable waste, environmental product declarations (EPDs)[71], life cycle costs, and a circular economy concept. Compliance with these requirements is assessed positively by BKW when making procurement decisions.

Establishing recycled concrete in power grid construction projects

Since 2024, the use of recycled concrete has been consistently promoted in tenders for civil engineering work and is used wherever possible. In procurement practice, the consideration of possible additional costs and technical feasibility gives way to the broad applicability of recycled concrete. With the acceptance of recycled concrete as part of engineering services, its fundamental resource-saving use has been established as standard.

71 Standardized, objective environmental assessment of products.

Targets and Metrics

ESRS E5-3

TARGETS RELATED TO RESOURCE USE AND THE CIRCULAR ECONOMY

BKW is striving to reduce its environmental impact in procurement and to actively promote the circular economy. To this end, it intends to establish EPDs as a procurement criterion in the five relevant[72] risk areas (power grids, hydro and heating, photovoltaics, wind energy, and battery storage) by 2027. In addition, by 2028 a structured basis for decision-making on service life optimization for new construction, replacement, repair of power grids, photovoltaics, wind power, hydropower, and battery storage units should be created by the provision of life-cycle costs for asset management. BKW is thus laying the foundations for developing a resilient reduction pathway for Scope 3 emissions, further increasing the efficient use of resources, and achieving progress in the circular economy.

72 The target relates to the five original risk areas.

ESRS E5-4

RESOURCE INFLOWS

BKW has been implementing a Group-wide standardized recording and consolidation of material flows since 2024. In 2025, the quantitative resource inflows of the most important goods in the Energy Solutions and Power Grid Business Segments, and for the first time, partially for Infrastructure & Buildings, were also reported.

The resource inflows specified correspond to the quantity structure of the Scope 3 emissions (activity-based).

The resource inflows were recorded according to the product-specific EPDs by type and quantity for the total procurement quantities.

Resource inflows

	Medium weight goods[73]		Heavy goods[74]		Total goods purchased	
Procured resource in metric tons (t)	2025	2024	2025	2024	2025	2024
Aluminum	122	109	213	287	335	397
Concrete	934	1,548	0	0	934	1,548
Wood	404	344	0	0	404	344
Plastics	28	46	994	1,095	1,022	1,141
Copper	4	19	2,940	3,176	2,944	3,195
Mineral oil	118	68	93	146	211	215
Steel	394	307	215	276	609	582
Other[75]	13	33	0	0	13	33
Total goods purchased	**2,017**	**2,475**	**4,455**	**4,980**	**6,472**	**7,455**

73 Transformers <5 MVA; switchgears; distribution network cabins; transmission masts.
74 Transformers >5 MVA; distribution grid cable.
75 Chromium steel, epoxy resin, brass, SF_6.

Social Information

East Coast Line
Veit Pärschke and Johanna Nowak, both site managers at LTB Leitungsbau GmbH, BKW Infra Services.

CONTENTS

ESRS S1

Employees

As an employer of over 12,000 people BKW is committed to forward-thinking personnel development and to a motivating and responsible corporate culture. The key sustainability-related matters here are occupational safety, the promotion of health, diversity, and inclusion along with the technical and leadership skills of employees. The protection of employee data is also a material sustainability topic for the Group. BKW bases its terms of employment on market standards and legal requirements.

Strategy

ESRS SBM-3

MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES RELATING TO EMPLOYEES

As an energy and infrastructure company, BKW operates in a dynamic environment characterized by changed stakeholder requirements, and an increase in the need for energy and resource efficiency. In addition, there are changes in various markets of BKW such as the transformation of energy and mobility systems or the increasing renovation requirements for residential buildings and infrastructure. These developments are also creating new jobs. At the same time, the Group is facing an increasing skills shortage primarily due to the demographic development in Europe.

For the STEM[76] professions in particular, sufficient apprentices and qualified staff must be acquired and retained by the company. These technical professions fulfill important roles including in the fields of renewable energies, energy efficiency, security of supply, e-mobility, sustainable buildings technology, and modern, resilient infrastructures. The risk of a lack of qualified staff in these areas may endanger the planned growth of BKW. There is also the risk of a migration of important know-how which could also impair the competitiveness of BKW.

The risk of occupational accidents is of great importance –partly due to the nature of the industry. Particularly at risk are those employees who provide activities at height, on water, and under huge heat or whose work involves dealing with electricity and health-damaging substances such as asbestos. BKW is addressing this risk with comprehensive accident and health prevention measures.

Other material risks, opportunities, and impacts in the employee area can be found in the table on pages 152 to 153.

76 Science, Technology, Engineering, and Mathematics.

Impact, Risk, and Opportunity Management

ESRS S1-1

POLICIES AND ORGANIZATION RELATED TO EMPLOYEES

The board of directors assumes ultimate responsibility for the impacts, risks, and opportunities for BKW in relation to employees. At the operational level, responsibility lies with the respective line superiors. They are supported at the Group level by the Group Human Resources (HR), Group Health & Safety, and Group Compliance Support Functions, which define the relevant framework conditions. The Chief Human Resources Officer is a member or the extended executive committee, Group Health & Safety reports directly to the CEO and Group Compliance will be represented in the extended executive committee as of January 1, 2026, by the Chief Legal & Compliance Officer.

The executive committee sets the targets for its own workforce and is responsible for their implementation and for all requirements through appropriate measures in the respective business areas. The members of the executive committee are supported in these tasks by the Group HR, Group Health & Safety, and Group Compliance Support Functions.

To fully support the Group "Solutions 2030" strategy with its focus on growth, excellence, and sustainability, five Group-wide Excellence Centers were established within the Group HR Support Function and the new HR strategy: People & Culture (including Diversity & Inclusion, Health & Care), Compensation & Benefits, Learning & Development, People Attraction as well as HR Digital. The centers are responsible for the Group-wide implementation of strategic initiatives that are jointly developed and approved by the HR Board and are presented subsequently to the executive committee for decision-making. The HR Board is composed of the heads of the Centers of Excellence and the heads of HR of the business areas and meets twice a month. The Chief Human Resources Officer chairs the HR Board.

The Chief Group Health & Safety Officer, who reports directly to the CEO, is responsible for Occupational Health & Safety at Group level. In addition to the Group Health & Safety Support Function, she also heads up the Occupational Health & Safety (OHS) office, manages prevention campaigns and programs for increasing awareness of the topic, performs audits, and communicates with authorities. The Group Health & Safety and Group Health & Care Support Functions along with all business areas of BKW are represented in the OHS office through trained specialist staff. The latter ensure that the measures decided upon by the Safety Officers and required by the authorities are implemented.

Data compliance is the responsibility of the Group Data Protection Officer (Group DPO) who is part of Group Compliance. For further information on this, see pages 212 to 213.

Work conditions

BKW is committed to offering appropriate work conditions to its employees. The internal basis for appropriate work conditions include the Group-wide Remuneration policy as well as HR and Human Rights policies updated in 2025, which are underpinned by the Code of Conduct in the same way as the entire BKW regulation system. Violations can be reported using the BKW Integrity Line whistleblower system (see page 220).

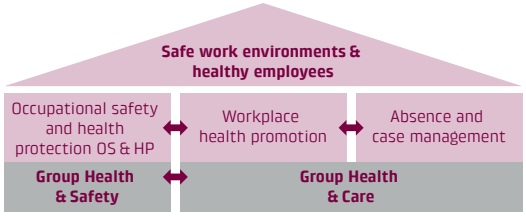
HR management is subject to the applicable national labor law. Furthermore, the principles of the UN Global Compact are embedded in the BKW Group. The job market has changed in recent years. BKW is responding to this and will merge and revise the content of its HR and Salary policy in 2026.

Specifically, the Human Rights policy mentioned above addresses issues such as occupational health and safety (including a zero-tolerance policy toward violence, harassment, and bullying), work conditions and work hours, non-discrimination and equal opportunities, living wages, freedom of association, and collective bargaining as well as prohibition of child labor, modern slavery, and forced labor. The Group Human Rights policy, which BKW also approved in 2025, forms the basis of the human rights due diligence management system and defines the corresponding processes and responsibilities.

Occupational health and safety

As an employer, BKW takes its duty of care very seriously. Therefore, occupational health and safety is a top priority. BKW understands this to comprise actions and practices, which aim to protect the physical and mental health of its employees. The Occupational Health and Safety office works closely with Group Health & Care to make the working environment as safe as possible and promote healthy work conditions. In accordance with the importance of these topics, the executive committee addresses the issue of occupational safety in its monthly meetings.

Interaction of Group Health & Safety and Group Health & Care



BKW fulfills all the relevant national and international regulatory requirements in relation to occupational health and safety. Effective management in the field of occupational safety is based on a regular review of actual and potential hazards. The analysis is managed at the business area level and within the management systems and/or during audits. Based on the results of the analyses, BKW's Board of Directors determines the Group-wide health and safety policy within the framework of the new directive management. The Group Occupational Health and Safety policy and a revised Group OHS directive were approved in 2025. These regulations are accessible to all employees via a central system. The information flow is also ensured through work instructions, checklists, and fact sheets. The basic principles of the Group policy are also covered in training materials. They are designed to raise employee awareness of the issue and thus further strengthen BKW's safety culture.

In addition to country-specific statutory requirements, there are established security and management systems in place at both the BKW Group and Group company levels:

- ISO 45001: Business areas and Group companies such as Power Grid, Arnold AG, LTB Leitungsbau GmbH, and BKW Energy Solutions GmbH, which are particularly exposed to occupational safety risks, are certified pursuant to this occupational health and safety management standard. In 2025, Hydro (Energy Production) was newly certified, and further certifications are planned for 2026.
- Suva Charter: By signing this self-declaration that applies Group-wide, the executive committee has committed to the consistent and effective implementation of industry-specific and our own safety regulations.
- Minimum standards: Requirements which apply to all Group companies cover requirements of the safety system and reporting regulations in the event of operating incidents, and on reporting.
- Internal implementation guideline: Group Health & Safety has drawn up templates for implementing the guideline on the involvement of occupational physicians and other occupational safety specialists (ASA Directive FCOS 6508). This will help smaller business units implement and comply with the regulations.
- Assessment methods: Assessment methods such as the Safety Culture Ladder and the suissetec and Batisec industry solutions are utilized.

This means that BKW's safety and management systems cover all employees of the Group for occupational health and safety.

In addition to this, BKW supports employees with protracted absences due to illness or accidents in their professional integration together with internal and external case management, internal reintegration offices, and sheltered workplaces.

Diversity and inclusion
BKW is committed to diversity and inclusion and takes its legally required duty of care seriously. BKW understands the term diversity to comprise age and, accordingly, the respective generation, gender identity, social or ethnic origin, skin color, nationality, language, sexual orientation, religion, physical and mental abilities, and ways of thinking. BKW has its own Diversity & Inclusion Strategy office, which together with a Group-wide steering committee develops the Group-wide diversity strategy and implements targeted training and awareness-raising measures. It aims to establish a welcoming culture within the Group and promote under-represented groups. The guidelines for the activities of this office are the BKW Code of Conduct and the Human Rights policy updated in 2025 which forbids all forms of discrimination and encourages the promotion of diversity, inclusion, and equal opportunity. Since 2025, a member of the executive committee has been committed to promoting diversity and inclusion, both internally and externally.

In order to improve work compatibility with various personal life situations, BKW offers flexible working models where possible. In all countries where BKW operates, employees are entitled to statutory maternity or paternity leave, parental leave, and leave to care for family members. BKW ensures compliance with these legal entitlements and, in some areas, goes beyond the statutory requirements.

Talent, competence, and leadership development
The capabilities and knowledge of our own employees are key factors in BKW's competitiveness. This is why basic vocational training, continuing education, personal development opportunities, entry programs for students, internal mobility, and succession planning are extremely important. With the Group-wide Learning & Development Excellence Center, BKW creates the basis for anchoring its strategic directions. The focus is on a shared understanding of leadership and values, the promotion of internal and cross-business-area succession planning and mobility, and the continuous development of employees. The newly created Group Mobility office, which is part of the People & Culture Excellence Center, will provide support to ensure compliance with all statutory requirements relating to mobility.

Protection of employee data
BKW protects the privacy of its employees and processes personal data in accordance with the highest data protection standards and legal requirements, including the EU General Data Protection Regulation (GDPR) and the Federal Data Protection Act (FADP). Employee data is only processed at BKW on the basis of a clear legal justification and with the consent of the data subject, e.g., for the following purposes: to establish, maintain and terminate the employment relationship and to fulfill the contract, to comply with legal obligations or on the basis of a legitimate interest.

The new Group-wide data privacy notices inform all BKW employees in detail about the processing of their data and rights, including the purpose of the data processing and the legal bases. Employees who are in charge of the processing of sensitive employee data are trained specifically in how to handle this data securely.

BKW raises awareness of data protection and empowers employees to handle data with care. Employee representatives are actively involved in this process. Furthermore, BKW obtains the necessary consent from the data subjects. This approach creates transparency and promotes trust, ensuring that the protection of privacy is deeply embedded in the corporate culture.
You can find out more information about data protection at BKW on pages 212 to 216.

ESRS S1-2

PROCESSES FOR ENGAGING WITH EMPLOYEES AND WORKERS' REPRESENTATIVES ABOUT IMPACTS

The inclusion of employees in HR issues is defined fundamentally in the respective business areas, in order to take account of the different circumstances and needs. In larger companies the interests of employees are included in the analysis and in the specification of measures through the interface of the respective workers' representatives. For example, BKW Energie AG and BKW Management AG have 16 workers' representatives, meeting at least twice per year with the Group CEO to discuss their concerns. As is customary in Switzerland, employees are not directly represented in the BKW AG's Board of Directors or Executive Committee. In Germany, however, statutory co-determination rules apply at both company and operation level. On this basis, numerous works councils have been established in Germany. Their information and involvement are governed by the applicable German legal framework, in particular the Works Constitution Act (Betriebsverfassungsgesetz).

In the Occupational Health and Safety area the employees concerned are involved in the procurement of personal protective equipment (PPE) and work equipment, and are also consulted during the investigation of accidents.

In relation to data protection, employees have the right to verify their personal data with the Group Data Protection Officer (Group DPO). Employees can request access to the personal data stored about them at any time and they have the right, in compliance with statutory requirements, to have their data corrected or erased.

ESRS S1-3

PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS THROUGH WHICH EMPLOYEES CAN RAISE CONCERNS

BKW specifically encourages a speak-up culture among its workforce. Based on the Code of Conduct and within the whistleblower Group directive, BKW has defined the BKW Integrity Line as a complaints mechanism. This confidential communication channel for employees, customers, business partners, and other individuals or organizations interacting with BKW allows complaints to be submitted and violations of applicable law, ethical principles, or BKW guidelines to be reported. Reports using the BKW Integrity Line can also be made anonymously. The whistleblower system is also accessible by telephone to ensure that it is as barrier-free and user-friendly as possible, including for people with disabilities (see also page 220). In 2026 and subsequent years, BKW plans to conduct continuous surveys among employees and so-called "pulse checks".

ESRS S1-4

ACTIONS RELATED TO EMPLOYEES

BKW has implemented the following measures for all material topics relating to employees (non-exhaustive list):

Work conditions

- Carrying out equal pay analyses of companies with over 100 employees in Switzerland. This includes 13 companies with 3,700 employees in the effective analyses. In the case of a single company, the results of the analysis made it necessary to define appropriate measures
- In-depth analysis of equal pay between women and men at BKW Energie AG. The results were used to derive measures to ensure equal pay, which can also be applied in other areas of the Group.
- Establishment of a Group-wide job structure starting in 2026, to classify all jobs in a uniform evaluation system and create a Group-wide basis for the structuring of employment conditions and remuneration. This is also intended to facilitate and promote internal mobility.

Occupational health and safety

- Reporting of key figures on occupational health and safety at Group level since 2025, based on a Group-wide reporting tool.
- Creation of a register for Personal Protective Equipment (PPE) for the Engineering and Infra Services Business Areas, in addition to the registers created in 2024 for Energy Production, Power Grid, and Building Solutions.
- Introduction of annual training sessions on resilience and safety in management for blue collar managers. 16 leadership workshops with twelve participants each were held in 2025, with the same number planned for 2026.
- Implementation of an awareness-raising campaign with a focus on hand injuries in business areas with blue collar employees. The business areas received a specific training module for this purpose that was carried out in 2024 and 2025.
- Implementation of driver safety training courses for employees who drive a vehicle for business purposes. In 2025, 144 driver-safety training courses with 1,337 employees were carried out.
- Individual coaching and advice sessions as well as training in mental health are offered. Since 2025, the training course has been available for all BKW employees, either in person or online. A list of first responders whom employees can contact is also available on the intranet.
- Continuation of ongoing partnerships with third parties (2025):
  - Santé24 by SWICA: psychological support in the form of online self-help training and remote psychological counseling (Energy Solutions and Power Grid Business Segments and support functions)
  - Case Management Schweiz and Compasso Network: Service offers relating to professional integration (Energy Solutions and Power Grid Business Segments and support functions)
  - SUVA: Prevention agreement with a discounted course offer (for BKW companies in Switzerland).
  - Forum Group Health & Care Bern-Solothurn: Health promotion (Energy Solutions and Power Grid Business Segments and support functions)
- Introduction of a professional digital case management tool (Energy Solutions and Power Grid Business Segments and support functions)

Diversity and inclusion

- Establishment of a Group-wide Diversity Steering Committee with five members from various business areas.
- Approval of the Diversity, Equity, & Inclusion Strategy 2030 by the executive committee with a focus on inclusive culture, equal opportunities throughout an employee's lifecycle, and work-life balance.
- Implementation of awareness-raising measures on the topic of diversity and inclusion as well as discrimination, bullying, and sexual harassment.
- Expansion of the existing employee networks (Equality Community, Pride Community on the topic of LGBTQ+ and the Generation 50-plus Community) to include the NextGen Community, as well as the launch of an overarching Diversity@BKW Community for greater visibility and a wider range of topics

- Further expansion of flexible working time models to improve work-life balance, including more job postings for 50% to 100% positions with the option of job sharing and top sharing.
- Launch of internal development programs for women (pilot project).
- Preparation of upcoming training courses on diversity, inclusion, and unconscious bias with a workshop for the executive committee and e-learning for employees. The e-learning module will be mandatory for all employees in future

Talent, competence, and leadership development

- Development of an overall concept for a Development Journey for current and future employees, especially aimed at those in senior positions.
- Holding of an annual People Conference especially at the top management levels. Targets: Increase in internal further development and the creation of structured succession planning.
- Introduction of an annual mentoring program for all BKW employees to promote promising talent (implementation after successful pilot project for female managers).
- Annual leadership summit on the topics of sustainability, growth, and excellence.
- Continuation of the various leadership courses both for new and experienced managers (e.g., "BKW Leadership Principles", "Strong Leadership of Trades and Operations" and "Respectful Leadership Culture").
- Commitment as main partner in SwissSkills 2025, with a focus on professions related to the energy transition. The objective is to directly address young people in order to counteract the shortage of skilled labor.
- Introduction of a Career Start program for subject-specific training courses for university entrants as a supplement to the existing trainee program.

Protection of employee data[77]

- Training courses for new employees when they join the company on data protection to provide them with basic knowledge and promote an early sense of responsibility with regard to handling personal data.
- In-depth training for HR employees with regard to the protection of employee data.
- Implementation of a clearly defined privacy protection process that ensures employees are not monitored and strengthens the culture of trust.
- Systematic involvement of employee representatives concerning data privacy issues, to strengthen transparency, trust, and the protection of employee data in the long term.
- Processing of personal data only with the express consent of the employees and exclusively for clearly defined purposes, in order to ensure the self-determination of the data subjects.
- Provision of transparent and comprehensible information so that employees can understand the scope of their consent to ensure legally compliant and trustworthy data processing.

77 For additional data protection and privacy measures, see page 215.

Targets and Metrics

ESRS 2 S1-5

TARGETS RELATED TO EMPLOYEES

BKW's goals and targets in relation to occupational health and safety focus on creating a secure work environment to support happy, healthy, and committed employees. The top priorities are to prevent serious accidents at work and reduce the number of work-related fatalities to zero. BKW has put its focus on prevention and on the promotion of a culture of occupational safety. By 2027, all managers will be required to attend training sessions on "Resilience and safety in leadership". Furthermore, drivers of company vehicles in 2025 had to take a one-day driver safety course with the aim of increasing road safety and raising awareness of environmentally responsible driving (see actions).

As an employer, BKW wants to minimize the risk of stress-related illnesses and offers preventive measures to this end. BKW has set the goal of providing training in the early detection of mental stress (ensa – Mental Health First Aid) for another 120 employees by the end of 2026. White-collar workers are to be trained on the topic of mental health and the importance of short breaks at work (Digital Vitality Week). BKW also wants to expand the "Bike to work" campaign to locations outside of Switzerland. This target will be further expanded in 2026.

As to work conditions, BKW has set itself the following targets for the next two years: For the first time, BKW will conduct an employee survey on their level of satisfaction in the workplace by the end of 2026 with the aim of defining specific targets and actions by the end of 2026. By the end of 2027, a Group-wide uniform job structure will be set up (see actions), intended to strengthen employer branding. After reviewing the various conditions of employment within the Group, the new job structure will serve as the basis for future, Group-wide uniform standards.

BKW aims to promote an inclusive culture throughout the entire company. With regard to diversity and inclusion, BKW's target is for 90% of all employees to have completed the Diversity, Inclusion & Unconscious Bias training by the end of 2027.

On the subject of talent, competence and leadership development, BKW aims to increase measurable employee satisfaction with the help of internal development opportunities by the end of 2030. Based on the employee survey planned in 2026 (see action), a quantifiable goal will be defined by the end of the year. Furthermore, BKW aims to fill 50% of all senior management positions with internal candidates by 2030 (baseline year 2025).

As regards data protection, BKW has set itself the target of continuously improving the protection of its employees' privacy when processing personal data. To this end, by 2028 it will introduce a uniform, standardized, and Group-wide Privacy Information Management System. Associated with this, BKW's data protection guideline will be further developed and additional training measures for employees will be carried out in order to raise awareness of data protection violations.

ESRS S1-6

EMPLOYEE CHARACERISTICS

BKW had 12,618 employees ✓ (headcount) in 2025[78]. A detailed breakdown of personnel master data can be found in the tables below. The employee turnover rate in 2025 was 15% ✓ gross (1,661 persons ✓)[79] and thus corresponds to the previous year's figure. This number includes both voluntary and involuntary departures, retirements, and the termination of fixed-term employment contracts.

Employees by employment type

Employment type	Women	Men
Permanent employees	2,649 ✓	7,545 ✓
Temporary employees	186 ✓	778 ✓
Employees with no guaranteed work hours	196 ✓	223 ✓

Employees by employment level

	Women		Men		Total		Proportion in%	
Employment level	2025	2024	2025	2024	2025	2024	2025	2024
Part time	1,302	1,155	1,233	1,078	2,535	2,233	20%	18%
Full time[80]	1,604	1,548	8,479	8,358	10,083	9,906	80%	82%
Total	**2,906**	**2,703**	**9,712**	**9,436**	**12,618** ✓	**12,139**	**100%**	**100%**

Employees by nationality

	Number (headcount)		Proportion in %	
Nationality	2025	2024	2025	2024
Swiss	5,942	5,731	47%	47%
German	4,123	3,898	33%	32%
French	368	377	3%	3%
Italian	363	351	3%	3%
Austrian	343	333	3%	3%
Portuguese	310	320	2%	3%
Spanish	120	120	1%	1%
Other nationalities[81]	1,049	1,009	8%	8%
Total	**12,618** ✓	**12,139**	**100%**	**100%**

Employees by country

BKW has branches with their own staff in eleven countries. The following table shows the total number of employees by country for those countries with at least 50 employees and that make up at least 10% of BKW's total number of employees.

Countries	Number (Headcount)	Proportion in %
Switzerland	8,118 ✓	64% ✓
Germany	3,948 ✓	31% ✓
Other[82]	552 ✓	4% ✓

78 Employees of Group companies as of December 31, 2025, including part-time employees, but excluding members of the board of directors and external employees. The figures as of December 31, 2024, do not include any part-time employees.

79 Employee turnover rates calculated on the basis of the average number of employees over the course of a year, excluding the board of directors, external employees, part-time employees, apprentices, interns, trainees, temporary workers, time-bankers, employees with special contracts, internal transfers, and employees of divested companies.

80 BKW defines full-time as ≥ 90%.

81 2024: 97 other nationalities, 2025: 96 other nationalities.

82 France, Italy, Croatia, Norway, Austria, Romania, Singapore, Spain, Vietnam.

✓ Audited (limited assurance) by PwC in 2025. The audit report can be found in the section Independent Auditor's Report.

ESRS S1-9

DIVERSITY METRICS

Employees by age

	Women		Men		Total		Proportion in %	
Age	2025	2024	2025	2024	2025	2024	2025	2024
Under 30	618 ✓	623	2,505 ✓	2,466	3,123 ✓	3,089	25%	25%
30-50	1,458 ✓	1,418	4,483 ✓	4,538	5,941 ✓	5,956	47%	49%
Over 50	830 ✓	662	2,724 ✓	2,432	3,554 ✓	3,094	28%	26%
Total	**2,906 ✓**	**2,703**	**9,712 ✓**	**9,436**	**12,618 ✓**	**12,139**	**100%**	**100%**

Employees by gender

	Women		Men		Total	
Gender distribution	2025	2024	2025	2024	2025	2024
Employees	2,906	2,703	9,712	9,436	12,618 ✓	12,139
Proportion in %	23%	22%	77%	78%	100%	100%
of which apprenticeships	121	132	796	770	917	902
Proportion in %	13%	15%	87%	85%	100%	100%
of which top management level [83]	46 ✓	24	127 ✓	130	173 ✓	154
Proportion in %	27% ✓	16%	73% ✓	84%	100% ✓	100%

ESRS S1-14

HEALTH AND SAFETY METRICS

In 2025, there were no ✓ fatalities as a result of work-related injuries nor ✓ did any BKW employees have a serious work-related accident.

The BKW Group recorded 307 [84] ✓ recordable work-related accidents in 2025. For reporting purposes, BKW uses work-related accidents with a lost time of ≥ 1 working day (lost time injury). The Lost Time Injury Frequency (LTIF) for the BKW Group is 15,9 [85] ✓.

In addition, 75% ✓ of BKW employees were covered by health and safety management system.

As of the end of 2024, BKW had completed the development work for a Group-wide occupational health and safety reporting tool. This means that as of the 2025 fiscal year, figures can now be reported Group-wide.

83 Top management level: Members of the executive committee, extended executive committee, strategic direct reports of the extended executive committee and key functions. The figures for the 2024 and 2025 reporting years are not comparable due to a further development of the definition of the top management level.
84 Lost Time Injury (LTI) includes all full-time employees including apprentices.
85 The Lost Time Injury Frequency (LTIF) shows the number of lost time injuries (LTI) per 1 million hours worked.
✓ Audited (limited assurance) by PwC in 2025. The audit report can be found in the section Independent Auditor's Report.

ESRS S1-16

REMUNERATION METRICS

All pay components are taken into account for the total remuneration ratio[86]. The total remuneration of the highest-paid person is 34 times ✓ that of the median remuneration of all employees.

ESRS S1-17

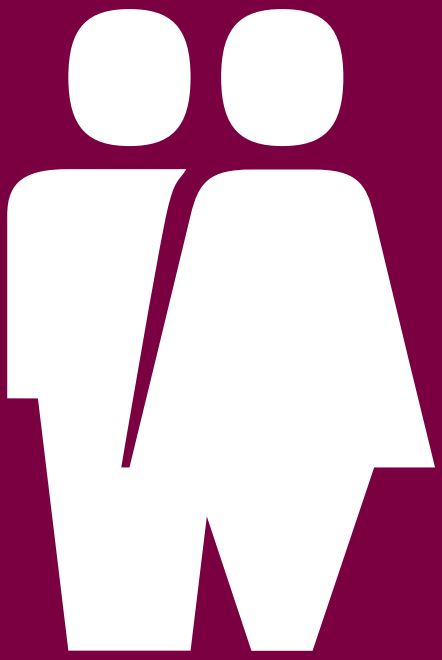
INCIDENTS, COMPLAINTS, AND SEVERE HUMAN RIGHTS IMPACTS

No ✓ severe incidents relating to human rights were identified at BKW in 2025. The BKW Integrity Line whistleblower system received 16 reports ✓ of discrimination, including harassment and bullying. After investigation, none of these reports resulted in a confirmed incident.

86 Total gross annual remuneration for DE, AT, IT, and the gross social security contributions for CH.
✓ Audited (limited assurance) by PwC in 2025. The audit report can be found in the section Independent Auditor's Report.

ESRS S4

Customers (focus topic data protection)



By investing in the future of energy and offering a wide range of services, BKW is creating a wide variety of added value for its customers. Its commitment to sustainability is also in line with customer needs. With regard to BKW's social impacts on customers, the materiality analysis identifies the protection of privacy and customer data as a material topic. The information in the Customers section is therefore limited to this topic. Digitalization, networking, and data-based business models not only open up new business opportunities, they also need to be handled with special care. For this reason, BKW attaches great importance to protecting the data of its customers, employees, and business partners. In the reporting year, BKW took additional actions to ensure the privacy of these individuals and to protect personal data from unauthorized access.

Strategy

ESRS 2 SBM-3

MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES IN RELATION TO CUSTOMERS

BKW considers the protection of its customers' data as a key component of its corporate philosophy. Effective data protection strengthens customer trust and loyalty, thereby promoting long-term customer retention. In addition, responsible handling of data helps to avoid reputational damage or potential penalties. It also strengthens the internal corporate culture, based on integrity, transparency, and a sense of responsibility.

The processing of data, especially personal data, entails various risks. Unauthorized access to customer data can lead to significant financial loss and reputational damage (data protection violations). Hacker attacks (cyber attacks) on IT systems pose a constant threat. Violations of data protection regulations can result in legal consequences and high penalties (lack of compliance). Carelessness or inadequate training of employees can contribute to unintentional data leaks (human error).

However, data protection also offers a wide range of opportunities. Transparent and secure handling of data strengthens customer trust, giving BKW a competitive advantage. Data protection compliant analysis and processing enable the development of customized, innovative services. Optimized data protection processes increase the efficiency of data processing and at the same time ensure a high level of security. Lastly, a high standard of data protection helps to strengthen BKW's brand image. The risks, opportunities and chances can be foud on page 153.

Impact, Risk, and Opportunity Management

ESRS S4-1

POLICIES AND ORGANIZATION RELATED TO DATA PROTECTION

BKW understands that protection of personal data is an essential component of comprehensive data compliance. This includes the sustainable design of data-based business models and the responsible, legally compliant, and ethically correct handling of data in the interests of its customers, employees, and business partners.

BKW's data protection organization is clearly structured to meet data compliance requirements (see also page 219 and 220). The board of directors bears ultimate responsibility and delegates the monitoring of risks to the Audit & Risk Committee (ARC). The executive committee is responsible for the operational implementation and enforcement of data compliance, supported by the Group Data Protection Officer (Group DPO).

Local privacy officers perform operational tasks, act as contact persons for employees, maintain the processing directory, and support the implementation of local data protection measures. Group companies abroad have appointed external data protection officers who work closely with the Group DPO to ensure compliance with the GDPR or national data protection laws.

The Group DPO heads the Data Compliance office, which is part of Group Compliance and reports directly to the executive committee, the ARC and the board of directors. The Group DPO's responsibilities include the further development of the Privacy Information Management System (PIMS), implementation of the BKW Data Compliance program (see also page 219) and the definition and monitoring of measures and processes for risk mitigation. The Group DPO conducts an annual data compliance risk assessment and is available internally and externally as a contact person for questions regarding data protection law. The Group DPO is supported by local privacy officers and external data protection officers.

Cybersecurity and privacy protection
The Group-wide Cyber Security & Data Privacy policy emphasizes the great importance of protecting personal data as part of sustainable corporate governance. BKW is committed to processing personal data in a lawful, transparent, and purpose-specific manner. Appropriate security measures protect the data from unauthorized access, loss, or unlawful processing (for more information on cybersecurity, see page 234).

Compliance with principles of data protection is ensured through documented procedures and regular reviews. A Group-wide PIMS, based on international best practices and applicable data protection law, minimizes risks, protects the confidentiality and integrity of information, and safeguards the privacy and informational rights of employees, customers, and business partners.

Employees, business partners, and external stakeholders can report potential and actual violations of data protection guidelines anonymously and confidentially via the BKW Integrity Line (see also page 220).

BKW's strict data protection standards create security and thereby contribute sustainably to the company's success.

Data protection Group directive
In 2025, BKW adopted and implemented the Privacy & Data Protection Group Directive. This directive forms the basis for the responsible handling of data and ensures compliance with the relevant data protection laws. It defines clear guidelines and processes to ensure the security and confidentiality of personal data. A key element of the directive is the awareness-raising and training of employees. Regular training and information campaigns ensure that all employees understand the importance of data protection and consistently apply the guidelines. Furthermore, BKW continuously monitors compliance with data protection guidelines through internal control mechanisms, making adjustments to them where necessary.

Privacy Information Management System (PIMS)
Using the PIMS, BKW systematically and on a risk-based basis implements measures and processes to ensure compliance with data protection requirements.

Any deviations are corrected as part of the PDCA cycle (Plan, Do, Check, Act). Central elements of the PIMS include a Group-wide register of processing activities, a reporting channel for data protection incidents to the Group DPO, regular and systematic implementation of risk checks, and data protection impact assessments. These processes are used to identify, analyze, and evaluate data protection risks in order to minimize them through appropriate actions.

The PIMS aims to ensure compliance with legal and internal requirements and documents this in a verifiable manner. The system is flexible and can be used by any responsible office within BKW, while the central administration rests with the Group DPO. Regular reviews of processes and data processing are an integral part of the system. Data protection impact assessments must be conducted for processing operations that pose a high risk to privacy rights.

In the event of a data security breach, the Group DPO is to be informed immediately. If a reporting obligation is determined, the Group DPO or the external data protection officers inform the competent data protection supervisory authority and data subjects in consultation with the responsible office.

Where external third parties process personal data on behalf of BKW, a written agreement is mandatory.

To protect personal data, BKW implements effective technical and organizational measures (TOM) that correspond to the current state of the art, the specific risks, and the sensitivity of the data. These measures are documented in the PIMS and are continuously reviewed.

ESRS S4-2 ESRS S4-3

PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR CUSTOMERS TO ENGAGE AND RAISE CONCERNS

BKW takes comprehensive measures, particularly as part of the Privacy Information Management System (PIMS), to ensure the protection of its customers' data. Internal audits also serve to identify potential weaknesses so that measures can be continuously optimized.

BKW provides clear and comprehensible information about data processing and the associated rights, including easily accessible privacy statements and regular updates on changes to privacy policies. Employees receive ongoing training covering both technical aspects and awareness of potential risks. Furthermore, BKW continuously reviews and updates its data protection measures in order to comply with new legal requirements and remain up to date with regard to the latest technology and legislation.

BKW customers have the opportunity to articulate their interests in relation to data protection at any time. Potential breaches of data security can be reported worldwide by phone, email, or through the BKW Integrity Line whistleblower system (see also page 220).

Dealing with data privacy incidents

The Group DPO (Data Compliance) handles reports of data protection incidents. The Group DPO is supported in clarifying the facts by the data protection coordinators, external data protection officers, and the BKW Incident Support Team. As part of the processing of the data protection incident, it is determined whether personal data has been compromised. In the event of a data protection breach, the severity and scope determined in order to plan the appropriate remedial actions. Immediate actions aim to contain the damage and inform the data subjects as soon as possible. The long-term actions aim to help to implement improved security protocols and provide additional training to prevent data protection incidents occurring in the future. The process for dealing with data protection incidents is monitored continually and its effectiveness regularly reviewed.

The notifications of potential data security breaches received in 2025 were investigated by the Group DPO. Where required, the relevant supervisory authorities are notified accordingly. No official actions were taken or proceedings initiated against BKW in the reporting year.

ESRS S4-4

ACTIONS RELATED TO CUSTOMER DATA

Internal information and training measures
All employees of BKW are required to complete data protection training. BKW also provides data protection training for specific areas and roles. All training measures are available through a digital learning management system. BKW's employees are also informed about data protection on the intranet. For employees in areas particularly relevant to data protection, the Group DPO offers separate on-site and online training courses.

Responsible use of artificial intelligence (AI)
In order to ensure responsible use of AI, BKW implemented AI governance in 2024. BKW's AI governance consists of two core elements: A Group directive and an established risk management system for AI. The principles set out in the Group directive define the responsible and legally compliant use of AI, the protection of the privacy of data subjects, and the safety and reliability of the handling and use of AI systems. This includes protection against discrimination and safeguarding privacy. BKW ensures that the use of AI systems is comprehensible and transparent.

Effectiveness test of the Privacy Information Management System (PIMS)
BKW is continuously developing its Privacy Information Management System (PIMS). With the help of the annual review process anchored therein, it examines the extent to which planned actions have been implemented and the objectives pursued have been achieved. The annual test of the PIMS for the reporting year showed that the system's design is appropriate and suitable for achieving the data compliance objectives. In some Group companies and business areas, however, there are still challenges in the operational effectiveness of data protection actions. Identified weaknesses are analyzed and incorporated into a continual lessons-learned process.

Targets

ESRS S4-5

TARGETS RELATED TO CUSTOMER DATA

BKW has set itself the goal of continually improving the protection of customer privacy when processing personal data. To this end, it intends to introduce a uniform, standardized, and Group-wide PIMS by 2028. At the same time, BKW will further develop its data protection guidelines and carry out additional training measures for employees to raise awareness of data protection violations.

Governance Information

Juvent SA
Working at lofty heights at Switzerland's largest wind farm.

CONTENTS

ESRS G1

Responsible Business Practices

BKW is aware of its responsibility towards its employees, customers, business partners, and society in general to be fair in its business dealings. The Group therefore attaches great importance to integrity, responsible corporate management, ethical business practices, and good governance, based on the Group-wide Code of Conduct and the policies that are also binding for the entire Group. In addition to the fundamental principles of the BKW regulations and the Compliance Management System, this section focuses on the relationships with suppliers and thus the commitment of the BKW procurement organizations with regard to the double materiality analysis. BKW relies on a risk-based approach under which it works with its suppliers to enhance sustainability performance, for example by incorporating targeted requirements into procurement projects. It thus minimizes its potential risks in the supplier network and implements processes for taking into account sustainability criteria in procurement.

Impact, Risk, and Opportunity Management

ESRS G1-1

POLICIES AND ORGANIZATION RELATING TO RESPONSIBLE BUSINESS PRACTICES

BKW's Code of Conduct is an important part of the corporate culture. It sets out clear guidelines for conduct and cooperation, serves as a road map for everyday work, and supports employees in acting correctly and in accordance with legal requirements, social demands, and corporate principles, even in difficult situations.

These principles are specified in further Group policies, directives, and regulations. In 2025, the Occupational Safety and Health, HR, Cybersecurity & Data Privacy policies, as well as the Sustainable Management, Human Rights, Taxes, Risk Management, Privacy & Data Protection Group directives were adopted. The Human Rights policy published in 2024 was revised in 2025. The Corporate Governance and Compliance policies are to be issued in 2026.

These new and updated regulations ensure that BKW sets Group-wide standards in important areas and achieves strategic corporate targets through fair and sustainable business practices.

The BKW Compliance Management System

BKW has an effective and holistic Compliance Management System (CMS) that is designed to ensure and sustainably promote legally compliant and responsible behavior throughout the entire Group. It is based on a corporate culture characterized by respect, trust, and integrity. The executive committee, board of directors and all levels of management actively live this attitude and promote it consistently throughout the company.

The CMS aims to identify potential infringements of regulations at an early stage, minimize risks, and strengthen the integrity of the organization. The compliance objectives are closely linked to the strategic corporate objectives and are regularly reviewed and further developed.

A key component of the CMS is the systematic recording and assessment of compliance risks. Group Compliance analyzes these risks across the whole Group, assesses their probability of occurrence and potential impacts, and initiates appropriate measures to mitigate them.

BKW's Compliance program covers all relevant requirements, guidelines, and processes for ensuring compliant business practices. These include, among other things, the BKW Integrity Line – a confidential whistleblower system – and the Compliance Awareness program to raise awareness of compliance issues through targeted training and communication measures.

Internal communication plays a key role: Employees are regularly informed about relevant issues and made aware of their responsibilities. Open communication channels aim to promote understanding and acceptance of the compliance guidelines.

To ensure the continuous development and effectiveness of the CMS, Group Compliance regularly reviews existing structures and processes and initiates targeted improvement measures as necessary. This ensures that the system remains robust even under changing conditions and contributes to the long-term integrity and stability of BKW.

Organization and management

The board of directors bears ultimate responsibility for the compliance organization and the CMS. It has delegated its supervisory duties relating to quality control and budgeting for Group Compliance to the executive committee and the CEO. The Head of Group Compliance at BKW is responsible for the operational design and implementation of the CMS.

The compliance organization is clearly structured and laid out in the Compliance Group directive. Responsibilities and accountabilities are clearly defined, and the necessary human and technical resources are available. Group Compliance is responsible for central management and coordination of all compliance issues within the Group.

More information at:
www.bkw.ch/codeofconduct

The head of Group Compliance thus performs the role of a Chief Compliance Officer (CCO). In day-to-day business, the head of Group Compliance reports directly to the CEO and BKW's Audit & Risk Committee (ARC). The executive committee and the board of directors are kept informed about all key compliance issues by the head of Group Compliance.

BKW Integrity Line

The BKW Integrity Line whistleblower system is a key element of the CMS. It enables employees and external parties worldwide to report possible infringements at any time – anonymously if necessary.

The confidentiality of the identity and information provided by whistleblowers is strictly maintained. BKW expressly protects whistleblowers from discrimination and retaliation. Violations of this protection may result in consequences under labor law.

All incoming reports are assessed on a risk basis. High-risk cases, such as those involving corruption or human rights violations, are investigated internally. The procedure is transparent. The person against whom allegations have been made is informed of the allegations and given the opportunity to respond. The presumption of innocence always applies.

To support the whistleblower system, BKW also provides a free hotline with barrier-free access. Infringements concerning corruption, antitrust law, money laundering, environmental and human rights violations, discrimination, sexual harassment, occupational safety standards, personal enrichment, theft, and embezzlement can be reported. This is a non-exhaustive list.

Compliance awareness program

BKW has a comprehensive and systematically structured training concept that covers all relevant compliance risks that is aimed at raising awareness among all employees in the long-term. Key components are mandatory online courses for all employees such as training on the Code of Conduct and anti-corruption training. In addition, regular refresher courses are planned to continuously consolidate existing knowledge. For roles involving increased risk or specific training requirements, targeted courses are offered, individually tailored to specific fields of activity. In addition to formal training measures, BKW relies on a variety of awareness formats that are used regularly to promote a culture of compliance. Besides traditional information channels, these also include interactive elements such as educational videos, interactive content, and short prompts that strengthen understanding of compliance topics in a practical and effective way.

ESRS G1-2

MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

BKW builds respectful, appreciative relationships with its suppliers based on mutual trust. Monitoring and managing the supply chains are key factors in ensuring sustainable and responsible corporate governance as well as a smooth collaboration with suppliers. Each business area has a procurement organization that works together in accordance with the Procurement Operating Model approved by the executive committee. Procurement Services is responsible for the Power Grid, Energy Production, and Energy Markets Business Areas and also acts as a higher-level Group-wide support function. Procurement Services' task is to ensure the strategic alignment of a uniform, Group-wide procurement organization and, as the main process owner, to be responsible for Group-wide procurement processes. As a Group-wide support function, Procurement Services heads the Procurement Committee in which the other procurement organizations of the Engineering, Building Solutions, and Infra Services Business Areas are represented. This committee coordinates, harmonizes, and further develops the Group-wide procurement organization. The Procurement Committee also adopts Group-wide initiatives and ensures their uniform implementation throughout the Group via expert groups. In order to anchor specific sustainability matters in procurement, the ESG Procurement Department was created within the Procurement Services Support Function. It drives the implementation and further development of the ESG initiatives (Environmental, Social, Governance) across the Group and coordinates the corresponding activities with the procurement organizations of the individual business areas.

This organizational structure enables BKW to consistently and uniformly promote sustainability in supply chains, in close cooperation with its suppliers. At the same time, it aims to reduce potential sustainability risks across the Group and strengthens the resilience of supply chains. The sustainability requirements are designed in such a way that delivery availability is guaranteed, especially in challenging supplier markets.

BKW has the following targets for impact, risk, and opportunity management in procurement:

- All suppliers with potential environmental and social risks (ESG-relevant suppliers) are obliged to have a sustainability rating by the end of 2026 that is at least equal to the industry average[87].
- Responsible procurement practices will be standardized across the Group by the end of 2025 through a robust set of rules and implemented as of end of 2026 in all procurement organizations.

The initial objective in the medium term focuses on onboarding and developing ESG relevant suppliers in order to be able to cover all potential product-specific risks in the long term and to establish a supplier network with good sustainability performance.

The second objective focuses on the internal regulations and processes within the requesting department and procurement organizations. This ensures a coordinated approach to suppliers in order to guarantee due diligence obligations and to be able to adapt easily to the requirements of future regulations.

87 BKW defined the industry average based on data from 2023 and it corresponds to an EcoVadis rating of 56 points.

Supply chain risk analysis
Since 2023, BKW has carried out risk analysis of supply chains for procurement in the areas of power production and grid infrastructure.

The starting point was to identify the areas of activity where relevant risks could potentially arise. In 2025, the methodology used in risk analysis was further developed in a targeted manner. The aim of this adjustment is to identify, assess, and effectively manage risks along the value chain more precisely. Eight risk areas are now systematically examined:

- six risk areas in the Power Grid and Energy Production Business Areas – power grids, hydro and heating, photovoltaics, wind power, battery storage units, and construction
- and two risk areas within the support functions themselves – Information and Communication Technology (ICT) and Personal Protective Equipment (PPE).

This expanded classification system enables a more differentiated view of sustainability-related risks at each stage of the value chain and supports the targeted development of risk mitigation measures, thus strengthening BKW's ability to build resilient, responsible, and future-oriented supply chains.

Across all risk areas, 25 relevant raw materials[88] have been identified that are associated with potential environmental or social risks (see the table below).

Sustainability risks in the supply chain analyzed by BKW

Social risks	– Child labor – Forced labor and all forms of slavery – Inadequate occupational safety, and health hazards in the workplace – Disregard for freedom of association and the right to collective bargaining – Discrimination – Precarious work conditions and withholding adequate wages – Environmental human rights risks – Land use conflicts and property rights – Conflicts and security risks
Environmental risks	– Greenhouse gas emissions – Consumption of water and land – Exploitation of abiotic and biotic raw materials – Emissions of air pollutants – Discharge of substances hazardous to water – Waste

BKW has identified ESG relevant suppliers based on the risk areas and the goods and services procured within them. To this end, information on the supply chains and the origin of the risk raw materials was collected from suppliers, resulting in an ESG risk profile for each supplier. Procurement projects concerning these suppliers (goods and services) with medium to high risks are closely monitored by sustainability management in Procurement in order to minimize sustainability risks. Since 2025, the CO_2 relevance of the goods and services procured has also been recorded in order to enable well-founded statements to be made on the climate change mitigation targets defined within the Group.

88 Antimony, balsa wood, bauxite (aluminum), lead, chromium, iron (iron ore), petroleum (plastics), germanium, graphite, cobalt, copper ore, lithium, magnesium, manganese, molybdenum, nickel, niobium (tantalum), sand (cement), selenium, rare earths (neodymium, dysprosium, praseodymium, boron and terbium, scandium, lanthanum, cerium, yttrium), silver, silicon (metallurgical), rock salt (PVC: together with crude oil/natural gas), zinc, and tin.

Supplier assessment and development
BKW has set itself the goal of ensuring that all relevant suppliers have a sustainability rating that is at least equivalent to the respective industry average by the end of 2026. In coordination with all procurement organizations, these ESG relevant suppliers are supported in partnership during onboarding for the rating process and their development. The EcoVadis platform is used to create a qualified sustainability rating and ensure the development of suppliers on the relevant sustainability topics. The selection of relevant suppliers is based on the initial supply chain risk analysis from 2023 covering the period from 2019 to 2023. A total of 4,186 TIER 1 suppliers – i.e., the first level of the supply chain – were included and evaluated as part of this analysis.

In 2023, BKW identified 149 relevant direct suppliers (TIER 1) in the power production and grid infrastructure procurement areas with environmental and social risks. In 2025, the number of relevant suppliers in the procurement areas under review increased by 30 to 179 compared to 2023. This group covers over 75% of total revenue in the relevant product groups, thus underscoring the importance of sustainable supplier management.

51 of the 179 relevant suppliers in the procurement areas mentioned above currently have no active business relationship with BKW. 21 others only have to complete a self-declaration due to the nature of their activities (low risk relevance). 22 other suppliers are subject to deepened checks through a "pre-qualification" process before the start of a business relationship. This concerns product groups with high potential risks (such as large batteries). 58 of the remaining 85 suppliers have confirmed that they already have an EcoVadis rating:

- 39 of these suppliers have a rating above the industry average.
- 19 have a rating that does not yet reach the industry average. But they do not show any fundamental violations of the required standards in their business practices. BKW works with these 19 suppliers to help them achieve the internal target ratings.
- None of the suppliers had an inadequate sustainability performance that would have required corrective action to address fundamental misconduct.

No infringements of the ESG practices were identified in the reporting year that would have led to termination of business relationships with suppliers. This also includes suspected cases that become known during the course of the disclosure of their supply chains – especially at TIER 2 and below.

With regard to activities to increase sustainability and transparency in the supply chain, BKW was able to get four initial ratings and six reevaluations underway in 2025. To date, no suppliers have refused to provide information on sustainability topics. BKW is gradually extending the rating process of ESG relevant suppliers to all procurement areas and will continue to drive forward the development of existing suppliers.

Actions in risk areas
BKW applies general sustainability requirements in all risk areas (including contractual clauses, self-declarations, and demand for supply chain transparency). In 2025, BKW identified three structural approaches that work together to improve risk identification and reduce the probability of risks occurring:

1. Responsible procurement practice: Introduction of a uniform set of rules across the whole Group to minimize the impact on people and the environment (see also the separate section on responsible procurement practice)
2. Supplier due diligence: Expansion of the existing due diligence approach for TIER 1 as part of supplier management
3. Industry-specific initiatives in the supply chain: Participation in industry-specific initiatives to increase influence in the upstream value chain and address systemic challenges

By anchoring these approaches at the Group level, the corresponding actions can be implemented and effectively introduced across the entire Group from 2026 onwards.

Power grids risk area

An in-depth analysis of supply chain risks shows that copper – particularly in the cable product group – is of high importance to BKW in terms of sustainability: there is a potential risk of the use of child labor, large quantities of copper are procured, and there are direct opportunities for action for BKW vis-à-vis the producers. Strict MUST criteria have therefore been specified in procurement projects for distribution grid cables (low, medium, and high voltage) since 2024. The suppliers must disclose their supply chain as well as the origin of the raw materials. This ensures that none of the suppliers source copper ore from countries where there is a risk of the use of child labor (Democratic Republic of Congo and Zambia). Moreover, BKW has started a dialog with "The Copper Mark", the leading standard for responsible copper practices to deepen cooperation with all cable suppliers.

Photovoltaics risk area

In the photovoltaics area, a significant amount of the polysilicon used worldwide can be linked to the Xinjiang region in China, and thus to potential risks of forced labor. Extensive research and investigations were carried out in preparation for procurements of photovoltaic modules for solar power plants. In 2025, BKW carried out in-depth discussions with potential suppliers, in order to evaluate their efforts to reduce sustainability risks, particularly with regard to forced labor, and to make clear BKW's expectations of potential suppliers.

Large batteries risk area

In the procurement of large batteries, for regulatory reasons the focus is on conflict minerals (3TG)[89] as well as cobalt and lithium. The Responsible Minerals Assurance Process (RMAP) of the Responsible Mining Initiative (RMI) is used to minimize risk. This approach includes a reporting format, which contains detailed information from suppliers in order to create greater transparency in the BKW supply chain.

Responsible procurement practice

BKW's responsible procurement is based on a set of rules that includes the Procurement Management directive, the General Terms and Conditions of Purchase (GTCP), the Supplier Code of Conduct, the Submission Regulations for tenders (including a self-declaration form for suppliers and a criteria catalog), as well as decentralized regulations at the level of the procurement organizations. With the standardization of the rules launched in 2024, it can be reported that three key regulations have been adopted as of 2025:

1. Supplier Code of Conduct: Updating the code with uniform and contractually binding implementation across the Group.
2. Procurement Management Group Directive: Revision of the directive in which sustainability is anchored as an integral part of the procurement process.
3. Group regulation on Sustainable and Responsible Procurement: New regulation defining the organization and Group-wide processes for the relevant sustainability topics.

With the introduction of these regulations, BKW has created a uniform basis for sustainable, responsible, and transparent procurement throughout the entire Group. To ensure uniform implementation across the Group, the relevant persons will receive targeted training in 2026 and be made aware of how the new requirements are to be applied.

Sanctioning mechanisms

In the event of suppliers failing to meet BKW's sustainability requirements, BKW has defined a staged procedure. The first step is to seek a dialog with the supplier; if no remedy can be found, the products affected can be temporarily blocked, and the business relationship ultimately terminated. This approach ensures that any violations of sustainability requirements are addressed consistently and effectively. The ESG Procurement Board is regularly informed about progress in onboarding and convened in the event of suspected infringements and breaches. This is especially the case when sustainability risks arise at suppliers or when measures need to be escalated. The aim is to find effective solutions to remedy shortcomings and ensure compliance with the sustainability requirements.

89 Tin, tungsten, tantalum, and gold.

Training
Since 2024, as in the reporting year, buyers have received training on internal sustainability targets and potential risks in the BKW supply chains as well as the onboarding process. In subsequent years, they will also receive further training on the revised regulations and templates relating to sustainability.

Awareness of ethical standards and legal requirements in the procurement process were further raised for the Energy Production, Energy Markets, and Power Grid Business Areas. The buyers attended a mandatory training course on competition law. In 2025, all employees in procurement were made aware of the stricter rules of conduct in the area of impartiality. This ensures that all those involved in the procurement process consistently adhere to the principles of objectivity, fairness, and integrity.

ESRS G1-3

PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

BKW pursues a zero-tolerance policy towards all forms of corruption. Corruption risks are actively addressed and effectively mitigated by a wide range of measures – among others periodic training and sensitization of employees, which already begin as part of the training on the Code of Conduct. These training courses focus in particular on anti-corruption training and how to deal with conflicts of interest.

A key component here is the "Anti-Corruption" Group directive. It contains binding guidelines for all employees, thus creating the basis for acting with integrity and responsibility in everyday business. In addition, there are clear regulations on how to deal with invitations, gifts, and other non-cash benefits. These ensure that business decisions are made independently and transparently.

Facilitation payments are expressly forbidden. They constitute a form of corruption and contravene the principles of BKW.

BKW also sets clear guidelines for external partners. BKW's Supplier Code of Conduct commits its business partners to complying with ethical and legal requirements, particularly in the area of anti-corruption.

Binding guidelines also apply when dealing with conflicts of interest. Employees are required to disclose any potential or actual conflicts of interest. Central registration systems are in place for this purpose, where both benefits and conflicts of interest are recorded and documented transparently.

Group Compliance is the central point of contact for suspected cases of corruption and bribery. Furthermore, BKW has a whistleblower system – the BKW Integrity Line – accessible both to employees and external persons. Whistleblowers are protected from retaliation by appropriate measures.

Metrics

ESRS G1-4 **ESRS S1-17**

VIOLATIONS OF CORRUPTION, BRIBERY, HUMAN RIGHTS, DISCRIMINATION, AND ENVIRONMENTAL REGULATIONS

There were no penalties or convictions for violations of corruption, bribery, or environmental regulations in the 2025 fiscal year. Similarly, there were no ✓ fines, penalties, or other payments of damages for human rights incidents, discriminatory behavior or harassment.

ESRS G1-6

PAYMENT PRACTICES

BKW maintains a partnership-based relationship with its suppliers. Fairness, openness, and respect are the basis for a good business relationship. Fair treatment of suppliers also includes the payment terms, which are set out in the respective General Terms and Conditions of Purchase (GTCP) and are publicly available. The standard payment period for supply contracts is 30 days net.

For larger capital goods (e.g., contracts for work and services), there may be special agreements with an installment payment of typically 30 percent. All payment transactions are subject to the supervision of Financial Controlling. In 2025, there were no pending proceedings regarding BKW's payment practices.

✓ Audited (limited assurance) by PwC in 2025. The audit report can be found in the section Independent Auditor's Report.

Company-specific Sustainability Matters

Arzberg
Laura Wilkat, Project Manager, BKW Storage Solutions GmbH, BKW Infra Services, at one of Europe's largest energy storage facilities.

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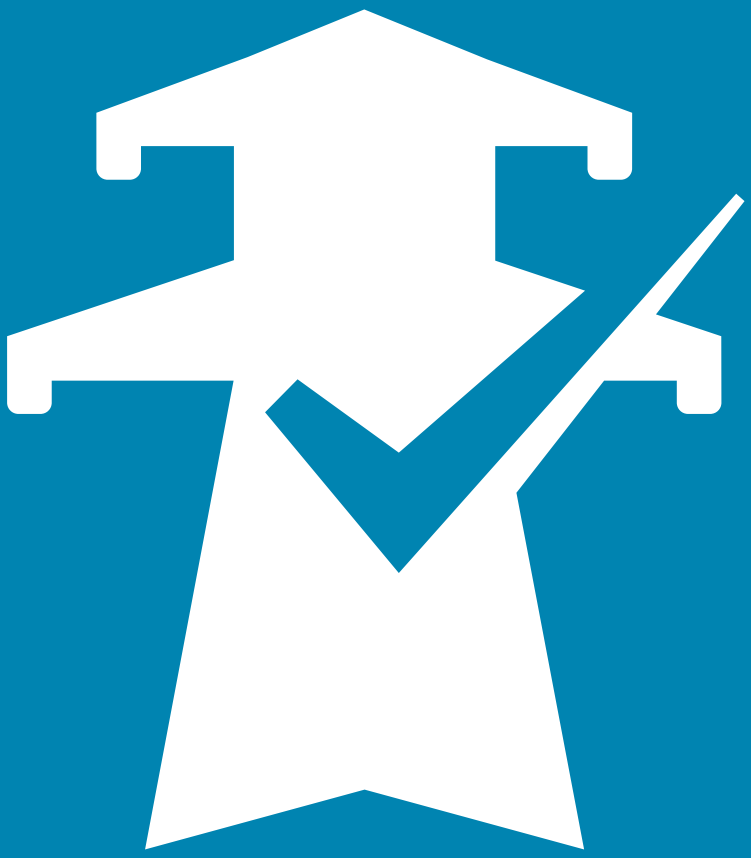
Security of Supply



A reliable energy supply is a key prerequisite for prosperity, economic growth, and social development. BKW makes a significant contribution to security of supply in Switzerland. As an energy and infrastructure service provider, BKW strives to guarantee the availability of the distribution grid and the power plants at a consistently high level.

Impact, Risk, and Opportunity Management

POLICIES AND ORGANIZATION RELATED TO SECURITY OF SUPPLY

With regard to its production and grid facilities, the BKW Group pursues a proactive maintenance policy. The necessary maintenance measures and investments are continuously carried out on the basis of regular needs and risk analyses. In this way, BKW ensures the reliable and smooth operation of the grids and facilities. At the same time, the Group invests in targeted employee training to ensure that BKW's performance, particularly the reliability and availability of its power plants and grids, consistently remains at a high level.

The Power Grid business area is responsible for managing BKW's impacts, risks, and opportunities with regard to the availability of the distribution grid, while the Energy Production business area is responsible for power plants. Both business areas are subject to numerous legal requirements to ensure security of supply. In Switzerland for example, the national legislation on electricity, energy, and spatial planning, the Heavy Current Ordinance, the Swiss standard SN EN 50110-1:2013, and specific directives of Federal Inspectorate for Heavy Current Installations (ESTI), the supervisory and regulatory authority for electrical installations are particularly relevant. National and international norms and standards must also be met. The distribution grid in particular is regulated, and there are clear statutory provisions to ensure that planning, construction, and operation are safe, effective, and efficient, in addition to regulations relating to the obligation to connect.

Distribution grid

The distribution grid is operated on the basis of the legal requirements, and tasks, responsibilities, and competencies are defined in various internal role descriptions. The business processes are coordinated and documented in the integrated management system. They are accessible and binding for all employees. The management system has been certified in accordance with ISO 9001, ISO 14001, and ISO 45001. The Power Grid's integrated management system provides clear guidelines and defines how operational processes should be planned, implemented, documented, and monitored. To ensure continuous improvement, processes are regularly reviewed and adjusted. Risk management, information security, and business continuity management are key pillars of a high level of availability and are central to all internal processes. In the event of disruptions or crises, BKW focuses on early detection, the protection of data and systems, and the maintenance of key processes based on the two Group directives on cybersecurity and risk management. In this way, the Group enhances operational resilience and ensures a reliable energy supply. BKW's Power Grid Business Segment also developed a safety concept for the distribution grid in the supply area in accordance with Article 12 of the Heavy Current Ordinance. This ensures that anyone who has access to the operating area, who carries out operational tasks, or who performs work on the facilities has received appropriate training. In addition to external audits, internal Group audits are also carried out. These audits assess adherence to compliance and governance requirements, financial management and control, risk management, and IT security controls. Internal Audit has unrestricted access to information and files necessary to carry out its duties.

As a Swiss distribution grid operator, BKW actively shapes the transition to decentralized energy production through its Power Grid business segment. This business segment is subject to the legal obligation to operate the distribution grid safely, efficiently, and at a high level of performance. The central control center performs operational management of BKW's distribution grid. With a comprehensive and forward-looking approach, Power Grid advances maintenance, renewal, and expansion of the grid, thereby laying the foundation for a reliable, future-proof energy supply in the context of the energy transition. With the continuous expansion of private photovoltaic systems, businesses and households are becoming increasingly important as decentralized electricity producers, feeding the energy they produce directly into Power Grid's local distribution network. This fundamentally changes the role of distribution grid operators, who are now taking on a more active role in the energy system and making a crucial contribution to

implementation of the energy transition. At the same time, the demand for accurate feed-in and consumption forecasts is increasing—a key prerequisite for efficient and stable grid operation. The Final Future Grid for the medium- and high-voltage network provides a key foundation for its further development. Another essential building block for meeting the challenges of the energy transition is the nationwide installation of smart meters, which enable more efficient use of existing grid capacities and provide valuable data for planning grid expansion in a targeted, needs-based manner.

Electricity production
BKW's contribution to security of supply is based on the high level of availability of the distribution grid and power generation plants.

BKW's generation facilities are operated by the Energy Production business area and managed by the Energy Markets business area.

BKW's technologically diversified portfolio of energy generation plants is designed to meet the increasing demands on the energy system over the course of the energy transition. It comprises a balanced mix of flexibly controllable power plants (mainly hydroelectric plants but also stakes in modern and efficient coal and gas-fired power plants), plannable base-load energy (such as run-of-river power plants and nuclear power plants), and new renewable energy power plants (wind and solar power plants and biomass). In addition, last year BKW established a new business unit for the development, implementation, investment, and operation of large-scale battery storage facilities in the capacity range of around 50 to 300 megawatts (MW). These facilities can enhance grid stability, enabling the balancing of fluctuating new renewable electricity generation in the grid.

Reliable operation of BKW power plants is ensured in accordance with the specific requirements of the respective production technologies. For example, hydropower plants have their own management system that governs responsibilities, operational processes, and maintenance procedures. All sites are certified in accordance with ISO 9001, and most are also certified in accordance with ISO 14001. The maintenance workshop of the Hydroelectric Power Plants division also has certifications for welding work (EN 1090 EXC3 and ISO 3834-2).

ACTIONS RELATED TO SECURITY OF SUPPLY

Investments in grid expansion and maintenance
BKW invested CHF 166.9 million in the maintenance and expansion of the distribution grid in 2025. This included the continued installation of smart meters (see also page 231).

Investments in the refurbishment of power plants
To keep the availability of the electricity generation facilities as high as possible over the long term, BKW invested CHF 7.7 million[90] in the maintenance and refurbishment of its power plants in 2025.

Flexibilization of run-of-river power plants and investments in battery storage
BKW is investing in increasing the flexibility of its run-of-river power plants, in the expansion and maintenance of its flexible (storage) hydropower plants, and, most recently, in large-scale battery storage systems, all of which make important contributions to security of supply.

90 Investments in partner plants are not included.

Targets and Metrics

TARGETS RELATED TO SECURITY OF SUPPLY

BKW aims to maintain, through 2030, the high level of availability its distribution grid has already sustained for many years. To this end, it wants to invest CHF 1 billion (CAPEX) in the grid expansion and maintenance of the distribution grid. This includes the conversion and expansion of 2,500 km of power grids, the reinforcement or new construction of 1,600 transformers, and the implementation of modern processes and technologies throughout the entire energy system. As part of this, over 400,000 smart meters will be installed by the end of 2028. In the area of power plants, BKW pursues the goal of increasing its power generation capacity by 1,300 MW (+38 percent) by 2030.

METRICS RELATED TO SECURITY OF SUPPLY

Distribution grid
The grid availability in BKW's distribution grid was 99.997 percent in 2025. The average downtime measured using the System Average Interruption Duration Index (SAIDI)[91] amounted to 16 minutes during this period. The value in 2025 was influenced by the smart meter rollout and the shutdowns required for installation. The cumulative shutdown time was approximately 1.7 minutes.

Average downtime of the distribution grid (SAIDI[91])

In minutes

	2025	2024	2023
BKW score	16[92]	17	11
Swiss benchmark	Not available[93]	21	18

The System Average Interruption Frequency Index (SAIFI) indicates the average frequency of supply interruptions per connected customer within a year. In 2025, the SAIFI value was 0.32.

System Average Interruption Frequency Index (SAIFI)

Interruptions per customer/year

	2025	2024	2023
BKW Score	0.32[92]	0.24	0.13
Swiss benchmark	Not available[93]	0.34	0.33

Installation of smart meters
The rollout of smart meters across the country was continued as planned in BKW's grid area. By the end of 2025, around 130,000 devices had been installed, corresponding to smart meter coverage of 34 percent.

Electricity production
In operating BKW's own power plants, the focus is on reliable, efficient, and cost-optimized energy production. The company therefore attaches great importance to the high availability of these facilities and continuously optimizes them[94]. The technical availability of the Tamarete gas-fired power plant operated by BKW was 96 percent in 2025, taking account of planned and unplanned interruptions. For the run-of-river hydroelectric plants operated by BKW, due to the hydrological effect in the winter half-year, economic availability[95] is used as the reference to determine the effective loss. In 2025, it stood at 97 percent.

91 Calculation based on the "old" SAIDI method, regardless of the voltage level, in order to facilitate a comparison with the Swiss benchmark.
92 Preliminary value.
93 Will only be available after publication of this report.
94 No operational management of BKW for investments in coal, nuclear, and pumped-storage power plants, and the stake in the Livorno Ferraris gas-fired power plant. In the case of wind and solar power plants, interruptions to individual turbines or panels are negligible for the production output of the portfolio.
95 Commercial availability is the amount of energy that could be produced with a technical machine availability of 100 percent.

Emergency Preparedness

Preventive protection of technologies, processes, organizations, and critical infrastructure facilities – especially of power generation plants and power grids – is a high priority. Digitalization is associated with potential and real risks from cyberattacks. Therefore, BKW has established a crisis management system at the executive committee level and an emergency management system at the business area level to ensure the functionality of (critical) energy supply structures, data security, and the detection of and defense against cyberattacks.

Impact, Risk, and Opportunity Management

POLICIES AND ORGANIZATION RELATED TO EMERGENCY PREPAREDNESS

BKW defines a crisis as a financial, safety-related, or image-damaging event that has the potential to harm the general public, a large number of customers, or BKW employees and to jeopardize the existence of the company in whole or in part. For example, natural events such as severe storms and flooding, major technical disruptions, or large-scale cyber incidents can escalate into a crisis. The resources required in such a crisis go beyond the capacities of the business areas and require the involvement of the central Group Crisis Management Team (GCMT). By contrast, less serious incidents that can be managed with the resources of the affected business areas are considered emergencies. They can be mitigated or eliminated with the help of the corresponding management system.

To prevent or manage potential crises, BKW has established an efficient organizational structure: relevant strategic decisions and those of fundamental importance to the company are made by the Crisis Management Team (part of the executive committee). The CEO decides whether to declare a crisis at the request of the head of the Group Crisis Management Team.

Group Crisis Management Team and emergency management
The Crisis Management Team is the Group's central management instrument at the operational level. The activities of the GCMT are based on specific BKW principles and specialist concepts, as well as a manual that is also available in printed form in case the Internet should fail. In the event of a crisis, a rapid response is essential. For this reason, the head of the GCMT has the authority to initiate the necessary measures independently in urgent situations.

Depending on the assessment of the situation, other representatives from the business areas and external experts may be called in to form an "Extended Crisis Management Team" (ECMT). This organization, with internal and external expertise, makes it possible to tackle all types of crises in accordance with a specific procedure. The Crisis Management Team is supported by an assistance team and a "COM" back office. On the instructions of the Crisis Management Team leadership, this office takes over internal and external communication and is also responsible for the on-site media work. Around 80 BKW employees are involved in crisis management throughout the Group.

Each business area has its own emergency management system with specific emergency response teams. These management systems define and describe the responsibilities and escalation levels with their respective procedures and information flows. The focus of all emergency measures is on personal safety. The business areas are also responsible for handling threats and attacks from the virtual world (targets, procedures, and responsibilities in case of cyber incidents and emergencies). Emergency response plans also specify the procedure to be followed with the emergency organizations of other business areas and the Group Crisis Management Team.

The transition from an emergency to a crisis situation is regulated individually for each business area. This is due to the diversity of the business areas and their different business activities. The respective definitions developed together with the Group Crisis Management Team are set out in the emergency response plans.

Cybersecurity

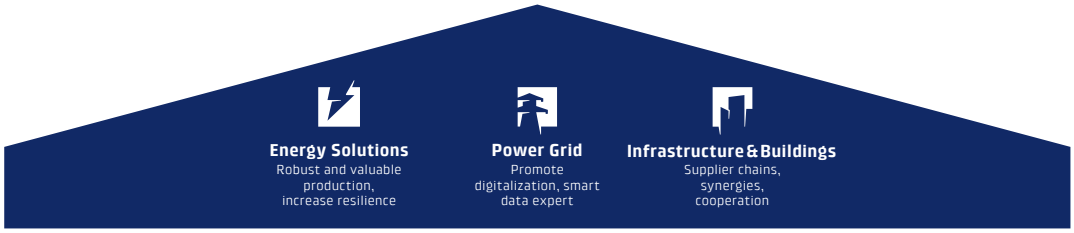
The executive committee is responsible for the operational implementation of cybersecurity. It delegates the strategic and tactical organization of the cybersecurity management system and the operational implementation of cybersecurity to the Group Security Support Function, headed by the Group Chief Information Security Officer (Group CISO). The CISO acts in accordance with the Cybersecurity Group Directive. It develops the cybersecurity policy, defines the principles of cybersecurity (see graphic on the next page), provides all requirements for information security and the secure operation of IT and OT (operational technology), and regularly reviews their compliance, also taking into account local and international reporting obligations. In 2025, the Cybersecurity & Privacy policy was adopted, which sets out all Group-wide requirements for cybersecurity management. Operational tasks in the area of cybersecurity are performed on a decentralized basis by local security officers in the BKW companies.

BKW has established a four-pillar strategy to identify and prevent any cyber incidents as well as defend against actual attacks. It is implemented through a cybersecurity program and managed with the help of the Information Security Management System (ISMS). BKW operates the ISMS in accordance with the NIST Cybersecurity Framework, the internationally recognized security standard. The requirement applies to all BKW organizational units and is defined by the cybersecurity rules and regulations.

In the four-pillar policy (see figure), targets are defined by taking into account the Group-wide company policy and the current threat situation. Key criteria are the availability of services and the confidentiality and integrity of data in the areas of technology, procedures, and organization.

BKW provides employees with a clear escalation process that they can use to report suspicious incidents. The process is defined by the cybersecurity policies and regulations.

The cybersecurity four-pillar strategy at a glance



Brand
Safe through and through

Governance by design

A framework and regulatory system enables risk-oriented decisions to be made and the company's values to be lived and protected in a sustainable and forward-looking manner. Responsibilities are regulated, even decentrally.

Data
Protect data centers

Data centric security

Business data is classified and protected against improper manipulation, loss and misuse throughout its entire life cycle. Not only systems are protected but above all data, which is increasingly being processed decentrally and in Cloud services.

Infrastructure
Increase resilience

Cyber Resilience

In cooperation with other units, we have increased the resilience and basic protection of our grid, products & services and also that or our organization and processes. Threats and vulnerabilities are identified at an early stage and suitable countermeasures taken.

Employees
Strengthen digitalization

Human-centric security

As our business is transformed, new processes, technologies, agile methods and the networked cooperation with employees, partners and suppliers are secure. All employees are empowered to recognize and eliminate dangers.

The cybersecurity principles at a glance

At BKW, cybersecurity is operated in accordance with NIST Cybersecurity (CSF)[96] and ISO/IEC 27001/27002:2022, IEC 62443, internationally recognized security standards, and the industry standards of the Association of Swiss Electricity Companies (VSE). The NIST CSF is used to analyze and evaluate the security level, accompanied by stress tests and internal and external audits.

BKW prioritizes data and information security. The ISMS includes interrelated processes for determining the security level, implementing the required measures, performing the audit, optimizing, and reporting on the implemented measures. BKW also works closely with authorities and bodies in the context of the national cybersecurity policy and is instrumental in formulating security requirements and recommendations in the Swiss energy sector. For example, this applies to the definition of legally required levels of resilience to meet minimum cybersecurity maturity values in the energy sector.

96 The NIST Cybersecurity Framework provides best practices and guidelines that support companies in the private sector in improving their information and cybersecurity risk management.

ACTIONS RELATED TO EMERGENCY PREPAREDNESS

In 2025, BKW implemented a wide range of measures both in the Group Crisis Management Team and the area of cybersecurity (non-exhaustive list):

Group Crisis Management Team

- Some 30 to 40 employees, including all members of the Group Crisis Management Team, are trained annually in a variety of fields. The training includes crisis exercises based on scenarios and with external support, the correct equipment for a crisis management room, and alternative means of communication. In 2024, the scenario was blackmail by a hacker. Each scenario is used twice, and the scenarios are changed every two years.
- New members receive an in-depth, half-day training session based on case studies and their analysis.

Cybersecurity

The annual cybersecurity program for the entire BKW Group includes a large number of individual projects. The following key projects were implemented in 2025 (non-exhaustive list):

- Continuing awareness-raising measures, training, and communication on different channels aimed at different stakeholder groups (awareness communication)
- Establishment of a central Security Operations Center (SOC)
- Group-wide phishing simulations
- Group-wide security benchmarking (surveys and maturity level analyses)
- Increase in detection and response capabilities through targeted use of new technologies
- Operationalization of the management system (ISMS) with certification in accordance with ISO/IEC 27001:2022; individual Group companies are already certified accordingly
- Increase in application and data security through the use of new processes and technologies
- Extensive internal and external audits
- Reorganization and expansion of the Group Security Support Function

Targets and Metrics

TARGETS RELATED TO EMERGENCY PREPAREDNESS

Emergency preparedness of all of BKW's business areas is to be further strengthened in the future. To ensure fast and effective responses to constantly changing situations and unplanned incidents that could affect business, the emergency response plans are to be continuously expanded. Appropriate training will be provided for the relevant employees in all business areas.

Another important goal of BKW is to strengthen its ability to detect cyberattacks, defend against them, and limit damage. To this end, Group Security's financial, human, and material resources were significantly expanded – in some cases by a factor of four between 2024 and 2025. In addition, BKW has implemented annual training sessions and campaigns on cybersecurity for all employees, which are tailored to the stakeholder group and are continuously being developed further.

METRICS RELATED TO EMERGENCY PREPAREDNESS

In 2025, BKW recorded an average of around 2,700 security-relevant events per month. In addition, approximately 42,500 phishing attempts were recorded each month. Of all security-relevant events, an average of around 45 actual security incidents per month led to an intervention by the BKW Security Operations Center (SOC).

In cooperation with strategically important partners, BKW operates its own SOC staffed around the clock to deal with cyber incidents.

In 2025, 91 percent of employees with access to a PC completed an e-learning program on cybersecurity.

Appendix

Sousbach
Andreas Weibel, specialist in operations and maintenance at BKW, in the central building of the hydroelectric plant.

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Implementation of Unbundling at BKW – for Fair Competition

BKW is committed to creating livable environments through holistic solutions for energy supply, building technology, and infrastructure. Based on its "Solutions 2030" policy, the company operates in the "Infrastructure & Buildings" (including the "Building Solutions," "Engineering," and "Infra Services" Business Areas), "Energy Solutions" (including the "Energy Markets" and "Energy Production" Business Areas), and "Power Grid" Business Segments.

While BKW faces extensive competition with other market players in the first two business segments mentioned, in the Power Grid segment, it performs tasks of a monopolistic nature through distribution grid operations and the basic supply of energy to customers. Grid operations relates to consumers, storage facilities, and producers, who are all bound to the grid operator due to their connection to the distribution grid. With regard to basic energy supply, customers with an annual consumption below 100 megawatt-hours (MWh) are bound to their grid operator and cannot freely choose their power supplier. The monopoly position held by BKW in these in these activities, which goes hand-in-hand with these statutory tasks, is largely regulated in the Electricity Supply Act (StromVG). To enable fair competition, the StromVG requires the companies concerned to separate these regulated areas from other business activities (unbundling).

BKW has implemented these "unbundling" requirements and thus ensured that the company does not gain any advantages from its regulated monopoly tasks in its areas that are subject to competition.

Legal requirements for unbundling
From a competition theory perspective, monopoly positions can have negative implications: There is a risk that such positions will be exploited to gain advantages over competitors in competitive areas. For example, this can occur through cross-subsidies, in particular by generating excessive revenues in the monopoly sector to support competitive activities, or by exploiting competitive advantages such as the use of customer information from monopoly activities that competitors do not have.

The legislature was aware of this risk when it enacted the StromVG and therefore provided rules on the unbundling of monopoly and competitive activities in Art. 10:

1. Electricity supply companies must ensure the independence of grid operation. Cross-subsidization between grid operations and other areas of activity is prohibited.
2. Commercially sensitive information gained from the operation of the power grids must be treated confidentially by electricity supply companies, subject to statutory disclosure obligations, and may not be used for other areas of activity.
3. At least for accounting purposes, electricity supply companies must separate the distribution grid areas from the other areas of activity.

BKW has implemented these requirements through its internal corporate, organizational, and system structures, as well as through the internal directives and regulations on which its employees are trained.

Legal unbundling of the Infrastructure & Buildings Business Segment
The Building Solutions, Engineering, and Infra Services Business Areas form their own legally independent corporate groups under BKW AG, separate from the Grid area. With the legal unbundling of the "Infrastructure & Buildings" Business Segment from the regulated activities, the company goes beyond the requirements of the StromVG by providing these services through its own companies. These companies are independent in terms of personnel and organization, and have their own management structure.
As each company has to prepare its own financial statements, the corresponding business activities are fully separated from the regulated areas with respect to accounting. Services between different Group companies are charged in compliance with tax law requirements, in particular the arm's-length principle.

Organizational unbundling of the grid area from the energy area
For historical reasons, the Energy Markets, Energy Production, and Power Grid Business Areas are part of BKW Energie AG. However, they are independent of one another from an organizational

perspective: Each business area has its own area management, which is responsible for the operational management of the respective business activities. The business areas have their own employees and their own organization operating independently of one another – subject to the shared services provided by the Support Function.

Shared services
In order to achieve economies of scale, various Support Functions provide certain services across the Group, which are purchased by the individual business areas (including the Power Grid Business Area). These services in particular include Group Human Resources, Group Legal and Compliance, IT services, and Group Communications. These services are charged to the individual business areas within the Group on the basis of standardized criteria and taking regulatory requirements into account.

Accounting unbundling and cost allocation
Allocable costs of the distribution grid
In implementing Art. 10 (3) of the StromVG, a separate company code is used to unbundle distribution grid business from the financial accounting of BKW Energie AG's other areas of activity. All costs allocated to the distribution end area have separate posting processes and are recorded in their own specific account assignment elements. This means that the costs allocated to end users through the grid usage and basic supply tariffs are clearly defined and have an audit trail.

The allocable costs of the distribution grid operation are defined in the StromVG and the Electricity Supply Ordinance and are set forth by the industry documents and the requirements of the regulatory authority (Federal Electricity Commission, "ElCom") for annual cost reporting.

Costs that may be allocated to endusers through grid tariffs include the operating and capital costs of a safe, performant, and efficient grid:

– Allocable operating costs include costs for the operation and maintenance of the distribution grid, the grid connection, metering, data provision, and invoicing of grid usage, as well as the upstream grid costs, grid losses, levies, and direct taxes.
– Allocable capital costs are made up of depreciation/amortization and imputed interest. The latter result from the assets required for operations (residual value of fixed assets, incl. assets under construction and net current assets), multiplied by the weighted average cost of capital (WACC) as specified by the Federal Department of the Environment, Transport, Energy, and Communications (DETEC).

The regulatory allocable costs are allocated to the individual grid levels and allocated to the respective consumption groups through the grid usage tariffs.

Allocable costs of the basic supply
Basic supply comprises the supply of electricity within the BKW grid area to fixed end consumers and to end consumers who waive grid access. Since basic supply likewise constitutes a legal and de facto monopoly, the permissible revenues are also regulated: The tariff is based on the production costs of efficient generation and on the distribution grid operator's long-term procurement contracts (Art. 4 of the Electricity Supply Ordinance (StromVV)). The distribution grid operator must maintain separate cost accounting (Art. 6 (4) StromVG).

BKW's energy tariffs for basic supply are based on a) the production costs of the Swiss power plants and BKW's long-term supply contracts, b) the costs arising from the obligation to purchase and remunerate decentralized electricity production in BKW's distribution grid, and c) on the costs of additional energy procurement from third parties, insofar as this is necessary to ensure an uninterrupted supply. BKW calculates these cost components based on legal requirements and the industry recommendations of the Association of Swiss Electricity Companies.

The allocable production costs of one's own production include operating and capital costs as well as the levies and payments to the respective local authorities incurred in connection with production:

– Operating costs include all costs directly associated with the operation of production. These include, in particular, the costs of procuring energy for one's own use and the maintenance of the production facilities.

– By definition, allocable capital costs include imputed depreciation/amortization and imputed interest on the assets required for production. The maximum basis for this is the original acquisition and manufacturing costs. The WACC of the production area is decisive for the imputed interest on the residual value of the assets. It takes appropriate account of the risks associated with electricity production.

In addition to the production costs, the allocable costs for energy supplies in the basic supply include an amount of up to CHF 60 per invoice recipient and year for administrative and sales expenses, as recognized by ElCom in accordance with its Directive 3/2022. It covers all expenses directly related to the purchase and sale of energy. These include costs for management, secretarial services, accounting, dunning and debt collection, controlling, human resources, IT, switchboard, and bad debt losses. Management and administrative costs, profit and capital taxes, and the imputed interest on net current assets are also taken into account.

Supervision by ElCom

BKW estimates the allocable costs for the distribution grids and the basic supply in advance for the coming tariff year and reports them to ElCom in accordance with regulatory requirements. After the end of a tariff year, the costs actually incurred are determined again and also reported to ElCom. ElCom can request further information and also initiate proceedings to review the cost calculations.

In 2018, ElCom initiated proceedings against BKW Energie AG and the Société des Forces Electriques de La Goule SA to review the costs of basic supply, which are currently still pending before the Federal Administrative Court. BKW and ElCom have different views on several conceptual issues, in particular whether and how the delivery quantities and procurement costs arising from commercial contracts in energy trading are to be taken into account in the production costs, which WACC is appropriate for the return on the capital employed in production, and whether a uniform tariff for the basic supply is permissible for the entire BKW Group.

Use of profits from regulated business

BKW's income from its regulated activities are derived from the allocable costs as stated above. BKW makes a regulated profit from the return on the capital employed for the distribution grids and its own production in accordance with the defined cost of capital rates and from a margin over the maximum costs specified by ElCom with regard to distribution and administrative costs of basic supply. There are no regulatory requirements regarding the use of these regulated profits, and BKW is basically free to decide how to dispose of them.

In the IFRS consolidated financial statements of the BKW Group, the net income/loss from regulated activities is included in the results of different business segments: The regulated net income from basic supply is part of the net income of the Energy Solutions Business Segment, because it is income from the supply of electricity. By contrast, the regulated profit from the distribution grids is reported in the Power Grid Business Segment. The income and costs allocable for regulatory purposes are reported within the Power Grid Business Segment in a separate company code corresponding to the published "Regulatory annual financial statements for the BKW Energie AG distribution grid"[97]. This differs from the annual financial statements prepared in accordance with IFRS as presented in the annual report, in particular due to EBIT-neutral differences in the presentation of income and expenses (for example, different requirements for the accounting of income and expenses from feed-in remuneration at cost). On the other hand, the net income reported in the annual report of the Power Grid Business Segment includes other profits generated from non-regulated activities of the business area. Overall, however, it should be noted that the profit arising from the regulated activities largely corresponds to the investments made by BKW for maintenance and expansion of the grid infrastructure in order to ensure smooth operation of the distribution grid.

97 See (available in German only): https://www.bkw.ch/de/energie/gesetzliche-publikationen/jahresrechnung-verteilnetze-energie-ag.

Informational unbundling
As a result of informational unbundling pursuant to Art. 10 (2) StromVG, BKW may not gain any competitive advantage over its competitors from the data and customer relationships obtained from the grid business. For example, it is prohibited to use specific customer data, such as load profiles recorded by the grid operator as the party responsible for metering, for customer acquisition and tender preparation in the free energy market.

BKW has defined comprehensive measures in a specific Group directive on unbundling to ensure informational unbundling. This directive is binding for all employees. It is published on the intranet and thus internally accessible to everyone. Group Legal also conducts regular training sessions on this topic for employees who work in areas that may be affected by the unbundling requirements. In addition, the designated employees of Group Legal are available in case of specific individual questions on data use or for information requests. Possible violations of the unbundling requirements can be reported using the Group-wide compliance system. No corresponding cases were reported in the reporting year.

Access restrictions to the grid operator data
Commercially sensitive grid operation data is only accessible to employees who require it for their work in the grid area (need-to-know principle). Other BKW employees do not have access to this data.

This basic requirement also applies, for example, when using measurement data within the Power Grid Business Segment: each use is checked and approved by the person responsible for the measurement data. Particular attention is paid to compliance with regulatory requirements and adherence to competitive neutrality. For example, the provision of measurement data to the "Energy Markets" Business Area, which requires the data to manage the BKW Energie AG balance group for customers supplied by BKW, is carried out in accordance with industry-wide data exchange standards and procedures in exactly the same way as to any other energy supplier who supplies customers in BKW's grid area.

Customer approach and service
Informational unbundling also means that customer contacts from the regulated area are not used to approach customers for competing services. In this regard, BKW regularly reviews its published content in the area of regulated business (such as websites). New communication measures to be launched are reviewed by BKW's Legal Services prior to publication. This applies to both one-off measures and recurring customer information (such as the "flash!" customer magazine).

Customer concerns at BKW are handled by a customer service center. This is organized for regulated customers and customers in the free market in accordance with unbundling requirements:

- Customers who obtain their electricity from the BKW grid and at the same time fall under BKW's supply monopoly are serviced in a dedicated customer service center in the Power Grid Business Segment. A service number is available for these customers.
- Customers who obtain their electricity from the BKW grid but have chosen their electricity supplier freely are serviced by the customer service of the Energy Markets Business Area if the supplier is BKW. If BKW is not the supplier, the customers are serviced by the Grid customer support.

This ensures that the different customer segments are serviced by different employees on the energy and grid sides. The data of these customers is stored in different systems, and the employees concerned are trained internally regarding in the applicable unbundling rules.

When grid customers contact the Power Grid customer service center with other concerns, employees are instructed not to give any information on or recommendations for BKW services. For example, if a customer asks about service providers for PV installation, there is a rule that they are referred to the usual internet search engines or the Swissolar website, where a list of solar engineers and installers can be found. This ensures that customer contacts in the regulated area are not used to broker services from the competitive areas.

Waste Balance Sheet

Amount of waste for recovery by recovery method[98]

Amount in metric tons (t)	2025	2024[99]
Hazardous waste avoided		
Preparation for re-use	0.0	0.9
Recycling	62.8	114.4
Other recovery processes	2.7	1.9
Total hazardous waste avoided	**65.4**	**117.2**
Non-hazardous waste avoided		
Preparation for re-use	0.0	62.5
Recycling	5,093.5	3,908.9
Other recovery processes	93.6	529.9
Total non-hazardous waste avoided	**5,187.1**	**4,501.3**
Total waste avoided	**5,252.5**	**4,618.5**

Amount of waste for disposal by treatment type[98]

Amount in metric tons (t)	2025	2024[99]
Hazardous waste		
Incineration (without energy recovery)	458.6	426.4
Incineration (with energy recovery)	0.1	0.0
Landfill	2.6	2.1
Other disposal methods	17.6	12.8
Total hazardous waste	**478.9**	**441.2**
Non-hazardous waste		
Incineration (without energy recovery)	276.7	327.7
Incineration (with energy recovery)	1,164.5	725.5
of which municipal waste[100]	793.8	725.5
Landfill	2,310.3	2,411.4
Other disposal methods	3.4	8.2
Total non-hazardous waste	**3,755.0**	**3,472.8**
Flotsam[101]	**1,057.5**	**1,590.5**
Total waste	**5,291.4**	**5,504.5**

At BKW, both operational waste and ordinary municipal waste are generated at office locations. The uniform collection and consolidation of waste volumes across the Group continues to pose a challenge as waste disposal in some business areas, in particular outside of Switzerland, is regulated and managed on a decentralized basis. In Switzerland, the collection of operational waste data is mainly carried out in cooperation with the waste disposal companies commissioned by BKW. The data vary in their granularity depending on the business area and are still incomplete in part. Municipal waste is collected on the basis of estimates, which are based on empirical data from individual larger office locations. They are not disposed of directly by a waste disposal company, but by the municipal waste collection service and burned in waste incineration plants. BKW is continuously increasing the coverage of its waste data and aims to achieve full accounting in the coming years. The increase in waste volumes compared to the previous year is mainly due to the closure of data gaps.

98 Waste from the Energy Production, Energy Markets, Power Grid, Infra Services, Building Solutions Business Areas and parts of the Engineering Business Area; Switzerland only; excluding radioactive waste.

99 Previous years were recalculated retroactively due to new findings and/or improvements in data quality. Therefore, the figures may differ from the figures in the previous year's report.

100 Where no other information is available, an average value of 70 kilograms of municipal waste per full-time position per year is assumed.

101 Trunk and branch wood as well as organic material, which is generated in particular by run-of-river power plants. BKW is fulfilling its obligation to dispose of this waste fraction, which is generated outside of its operational activities.

European Sustainability Reporting Standards (ESRS) Index

The following tables list all ESRS disclosure requirements from ESRS 2 and the ten topic-related ESRSs with references to the corresponding sections in the annual report. The page references show where relevant information can be found in the report. Depending on the topic, the disclosure requirements are reported in full or in part. The E2, S2, and S3 topical standards are not material for BKW (see page 149) and have therefore not been reported ("not material"). This does not apply to reporting obligations arising from the Swiss Code of Obligations. In addition, other data points from the topical standards applicable to BKW were not reported because they do not relate to any material impacts, risks, or opportunities. Certain other disclosures have not been reported ("not reported") due to the current state of development of the ESRS implementation.

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BKW's Contribution to the Sustainable Development Goals

In addition to the principles of the United Nations Global Compact, BKW is also committed to the 17 development goals of the 2030 Agenda (Sustainable Development Goals, "SDG"). It supports the 2030 Agenda with its business model and sustainability activities in a number of ways. Using the "Solutions 2030" policy and the actions and sustainability-related goals set out therein, it makes a concentrated contribution to various development goals (non-exhaustive list):

BKW's strategic direction	Linked development goals of the 2030 Agenda (SDG)	BKW's contribution
Climate	Take urgent action to combat climate change and its impacts 13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	Section Climate change mitigation and energy transition, pages 162–181
Energy	Ensure access to affordable, reliable, sustainable, and modern energy for all 7.1: Ensure universal access to affordable, reliable, and modern energy services by 2030 7.2: Substantially increase the share of renewable energy in the global energy mix by 2030 7.3: Substantially increase the share of renewable energy in the global energy mix by 2030	Section Climate change mitigation and energy transition, pages 162–181
Nature	Protect, restore, and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss 15.5: Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity, and, by 2020, protect and prevent the extinction of threatened species	Section Biodiversity and ecosystems, pages 168–191

BKW's strategic direction	Linked development goals of the 2030 Agenda (SDG)		BKW's contribution
People	Promote sustained, inclusive, and sustainable economic growth, full and productive employment and decent work for all 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value 8.8: Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment		Section Employees, pages 198–209
Governance	Promote peaceful and inclusive societies for sustainable development, providing access to the justice system for all people and establish effective, accountable, and inclusive institutions at all levels 16.6: Establish efficient, accountable and transparent institutions at all levels 16.10: Ensure public access to information and protect fundamental freedoms in accordance with national legislation and international agreements		Section General Information, pages 137-157, Governance Information, pages 217-226 and Emergency Preparedness pages, 232-237

Independent Practitioner's Report on Selected Indicators

Independent practitioner's limited assurance report on selected indicators in the Sustainability Report 2025 to the Board of Directors of BKW AG, Bern

We have been engaged by the Board of Directors to perform assurance procedures to provide limited assurance on selected indicators in the Sustainability Report (including the GHG emissions) in the Annual Report 2025 of BKW AG for the period from 1 January 2025 to 31 December 2025.

The selected indicators (including the GHG emissions) (hereafter referred to as 'selected indicators') are marked with the symbol ✓ in the Sustainability Report 2025 of BKW AG.

The selected indicators, as detailed in Appendix 1, were prepared by the Board of Directors of BKW AG (the 'Company'), as noted in the subsection "Basis for preparation" in the Sustainability Report in the Annual Report 2025, based on the selected European Sustainability Reporting Standards (ESRS) (hereafter referred to as the 'suitable Criteria'), published by the European Commission.

Inherent limitations

The accuracy and completeness of the sustainability information are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. In addition, the quantification of the selected indicators is subject to inherent uncertainty because of incomplete scientific knowledge used to determine factors and the values needed to combine e.g. emissions of different gases. Our assurance report will therefore have to be read in connection with the European Sustainability Reporting Standards (ESRS) as applied by BKW AG, its definitions and procedures in the subsection "Basis for preparation" on page 138 and the list of disclosure requirements in the European Sustainability Reporting Standards (ESRS) Index on pages 246 to 249 in the Sustainability Report in the Annual Report 2025, which have been applied by the Company for the selected indicators.

Board of Directors' responsibility

The Board of Directors is responsible for preparing and presenting the Sustainability Report 2025 based on the suitable Criteria. This responsibility includes the design, implementation and maintenance of the internal control system related to the preparation and presentation of the Sustainability Report 2025 that is free from material misstatement, whether due to fraud or error. Furthermore, the Board of Directors is responsible for the selection and application of the suitable Criteria and adequate record keeping.

Independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity,

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objectivity, professional competence and due care, confidentiality and professional behaviour and relevant independence and ethical requirements as transposed in Switzerland by EXPERTsuisse.

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

Practitioner's responsibility

Our responsibility is to perform a limited assurance engagement and to express a conclusion on the selected indicators. We conducted our engagement in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) 'Assurance engagements other than audits or reviews of historical financial information' and the International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements ('ISAE 3410'), issued by the International Auditing and Assurance Standards Board. Those standards require that we plan and perform our procedures to obtain limited assurance whether anything has come to our attention that causes us to believe that the selected indicators, marked with the symbol ✓, were not prepared, in all material respects, in accordance with the suitable Criteria.

Based on risk and materiality considerations, we performed our procedures to obtain sufficient and appropriate assurance evidence. The procedures selected depend on the assurance practitioner's judgement. A limited assurance engagement under ISAE 3000 (Revised) and ISAE 3410 is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement and therefore less assurance is obtained with a limited assurance engagement than for a reasonable assurance engagement.

We performed the following procedures, among others:

- Reviewing the application of the internal reporting guidelines for the selected indicators in the subsection "Basis for preparation" against the relevant ESRS;
- Inquiries and detailed walkthroughs with relevant stakeholders for the selected indicators in the Sustainability Report 2025, as included in Appendix 1;
- Analytical procedures;
- Reperformance of relevant calculations (including the GHG emissions);
- Additional assurance procedures as deemed necessary (e.g. on sample-based source tracing);
- Local level assurance procedures to inspect local processes and reconcile source evidence.

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

Conclusion

Based on the work we performed, nothing has come to our attention that causes us to believe that the selected indicators marked with the symbol ✓ (including the GHG emissions) in the Sustainability Report in the Annual Report 2025 of BKW AG for the period from 1 January 2025 to 31 December 2025 are not prepared, in all material respects, in accordance with the suitable Criteria.

Emphasis of Matter regarding the basis for preparation of the sustainability report

We draw attention to the paragraph “Basis for preparation” in the Sustainability Report 2025 where it is stated that the Sustainability Report has been prepared based on selected disclosures from the European Sustainability Reporting Standards (ESRS) and therefore is not in compliance with all ESRS requirements. Our conclusion is not modified in respect of this matter.

Other matter

The comparative sustainability information in the Sustainability Report in the Annual Report 2025 of BKW AG for periods prior to the period from January 1, 2025 to December 31, 2025 was not the subject of an assurance engagement. Our conclusion is not modified in respect of this matter.

Intended users and purpose of the report

This report is prepared for, and only for, the Board of Directors of BKW AG, and solely for the purpose of reporting to them on the selected indicators, marked with the symbol ✓, and no other purpose. We do not, in giving our conclusion, accept or assume responsibility (legal or otherwise) or accept liability for, or in connection with, any other purpose for which our report including the conclusion may be used, or to any other person to whom our report is shown or into whose hands it may come, and no other persons shall be entitled to rely on our conclusion.

We permit the disclosure of our report, in full only and in combination with the suitable Criteria, to enable the Board of Directors to demonstrate that they have discharged their governance responsibilities by commissioning an independent assurance report over the suitable Criteria, without assuming or accepting any responsibility or

liability to any third parties on our part. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors of BKW AG for our work or this report.

PricewaterhouseCoopers AG

Thomas Wallmer Petar Lesic

Bern, 09 March 2026

Enclosure:
Appendix 1 - Selected indicators in the Sustainability Report in the Annual Report 2025 of BKW AG

The maintenance and integrity of BKW AG's website and its content are the responsibility of the Board of Directors. The work we have performed as the independent assurance practitioner does not involve consideration of the maintenance and integrity of the BKW AG's website. Accordingly, we accept no responsibility for any changes that may have occurred to the reported selected indicators or the suitable Criteria since they were initially presented on the website.

Appendix 1 - Selected indicators in the Sustainability Report in the Annual Report 2025 of BKW AG

The following selected indicators in the Sustainability Report (including the GHG emissions) of BKW AG for the period from 1 January 2025 to 31 December 2025 are within the scope of the limited assurance engagement.

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Disclosure Requirement	Description of Disclosure Requirement	Page
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Imprint

The expectations and forward-looking statements expressed in this report are based on assumptions and are subject to risks and uncertainties. The actual results may differ from the expectations and forecasts expressed in this report. This report is published in German, French, and English. The German text is the authoritative version.

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