

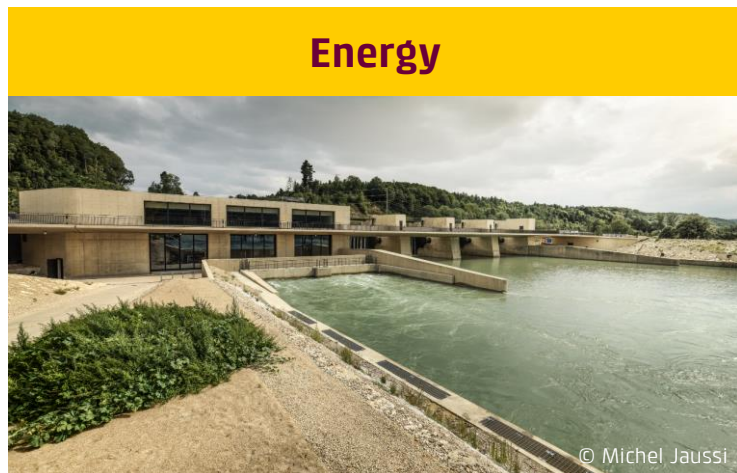


Analyst and Media
Conference FY 2022

Zurich, 14.03.2023

BKW pursues sustainable
growth trajectory

Strategic position enables further growth and earning potential



Capital requirement: high
Growth potential: high
Opportunities/risks: high



Capital requirement: high
Growth potential: low
Opportunities/risks: low



Capital requirement: low
Growth potential: high
Opportunities/risks: medium

Diversification with synergy potential along the value chain production, distribution, energy efficiency

FY 2022: BKW with outstanding result

Revenue

+46%

CHF 5,199 m

EBIT

+163%

CHF 1,039 m

Operating Net Profit

+191%

CHF 713 m

Successful FY 2022 further strengthens BKW's robust position

Extraordinary 125-year dividend

With the outstanding FY 2022 result, BKW continues its 125-year success story. BKW's Board of Directors proposes to the Annual General Meeting:

- to increase the dividend by 8% to CHF 2.80 per share
- **in addition, to pay an extraordinary 125-year dividend of CHF 1.25 per share**

Changes in BKW's Group Executive Board



- Robert Itschner took on the position as CEO on 1 October 2022
- CFO Ronald Trächsel to leave by the end of June 2023
- Succession planning for Ronald Trächsel is ongoing



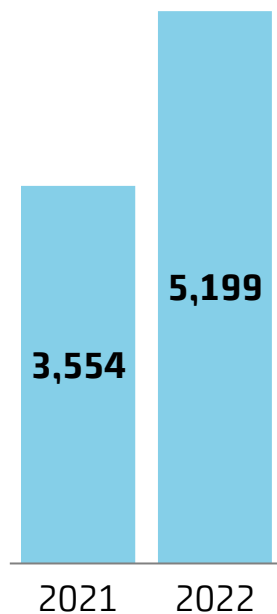
Financials FY 2022

Revenue, EBIT and net profit

Operating revenue

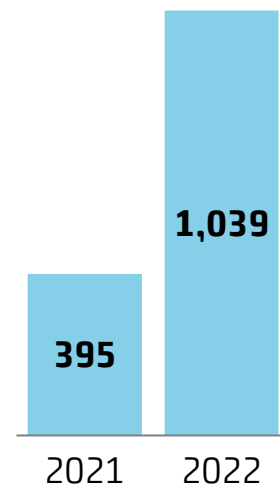
CHF m

+46%



EBIT

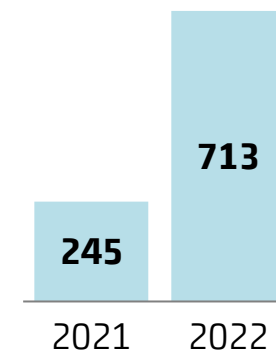
+163%



Operating net profit

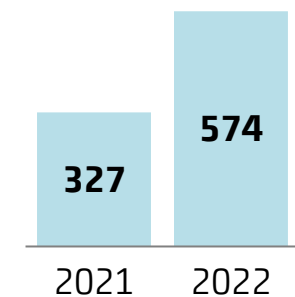
(before STENFO)

+191%



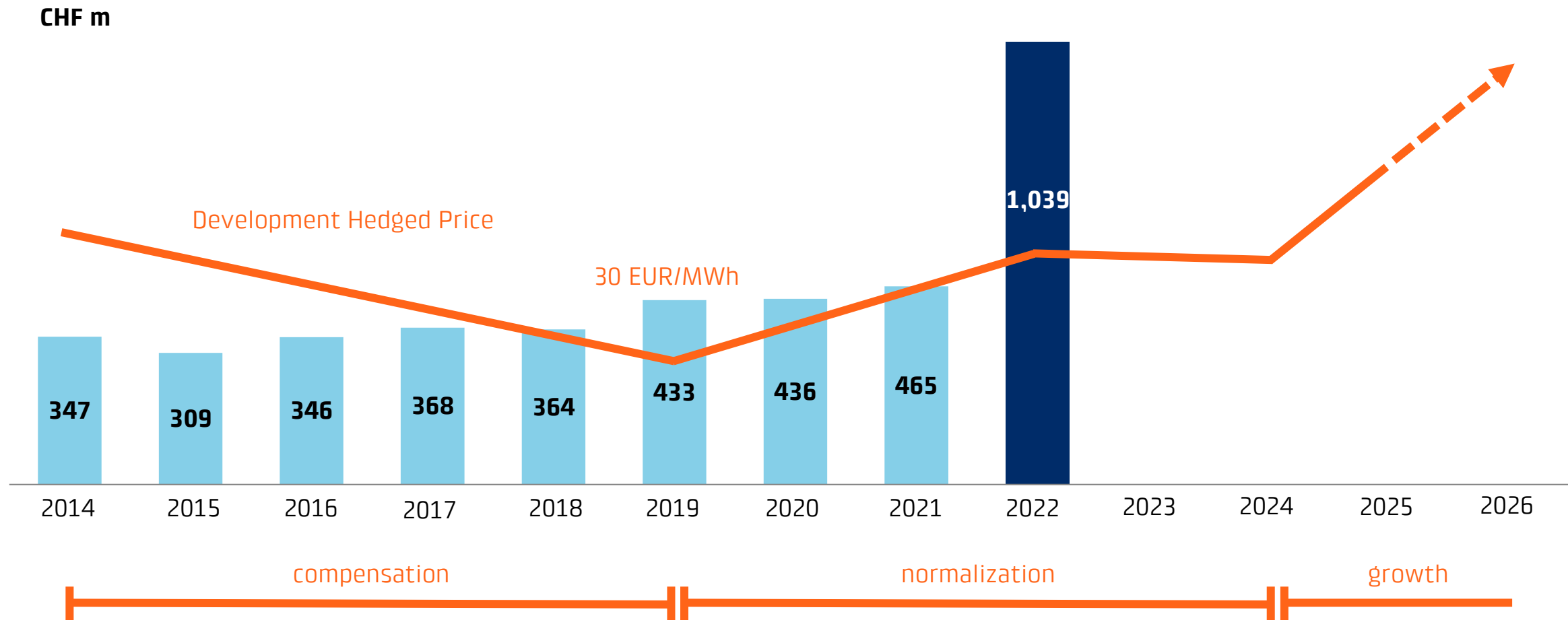
Reported net profit

+75%

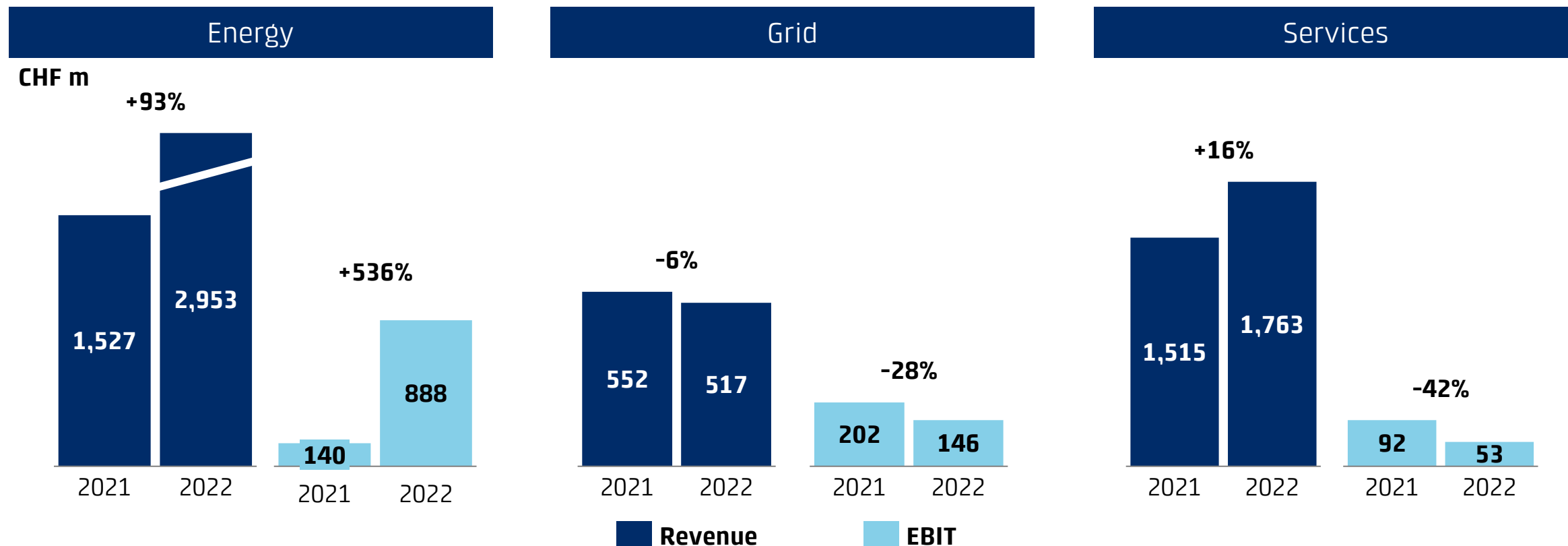


Exceptional result based on successful energy business

EBIT history (comparable)



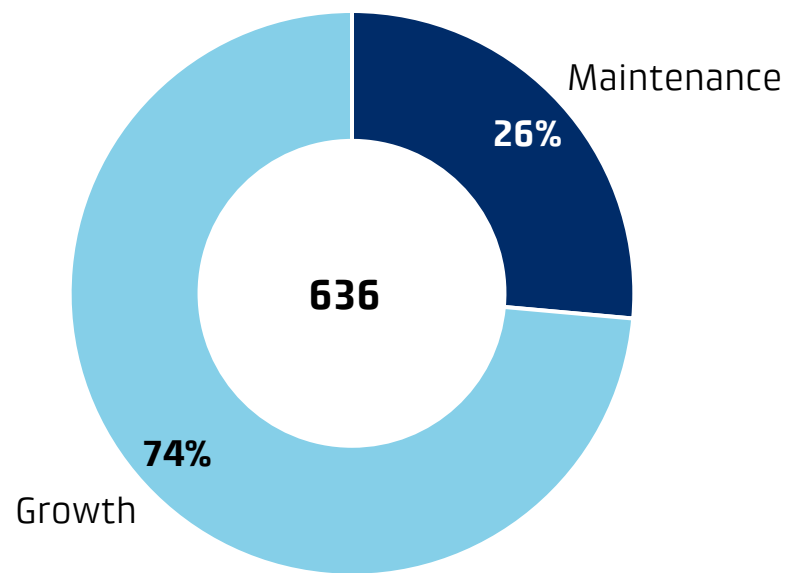
Revenue and EBIT by business area



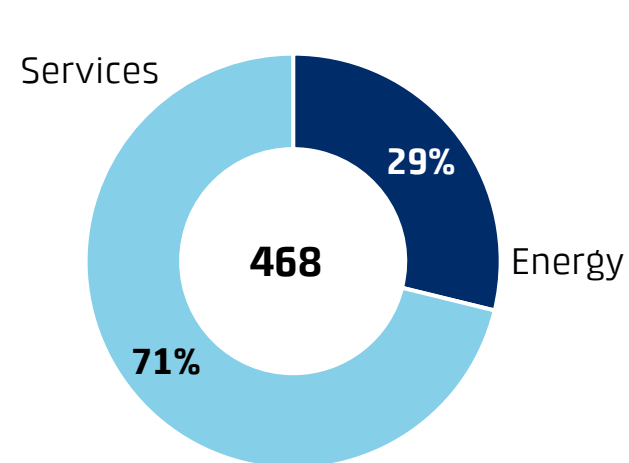
Outstanding EBIT in Energy overcompensates lower EBIT levels from Grid and Services

Investments

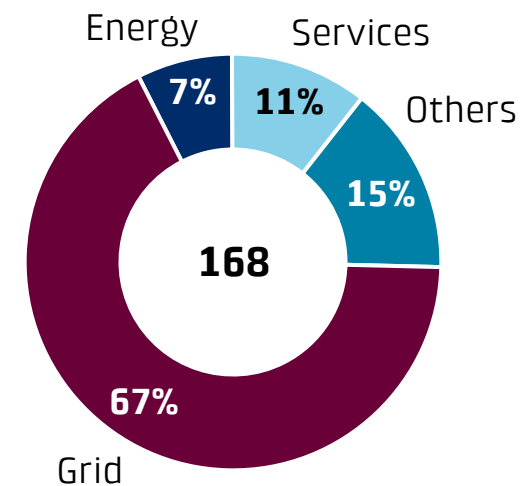
CHF m Investments



CHF m Growth



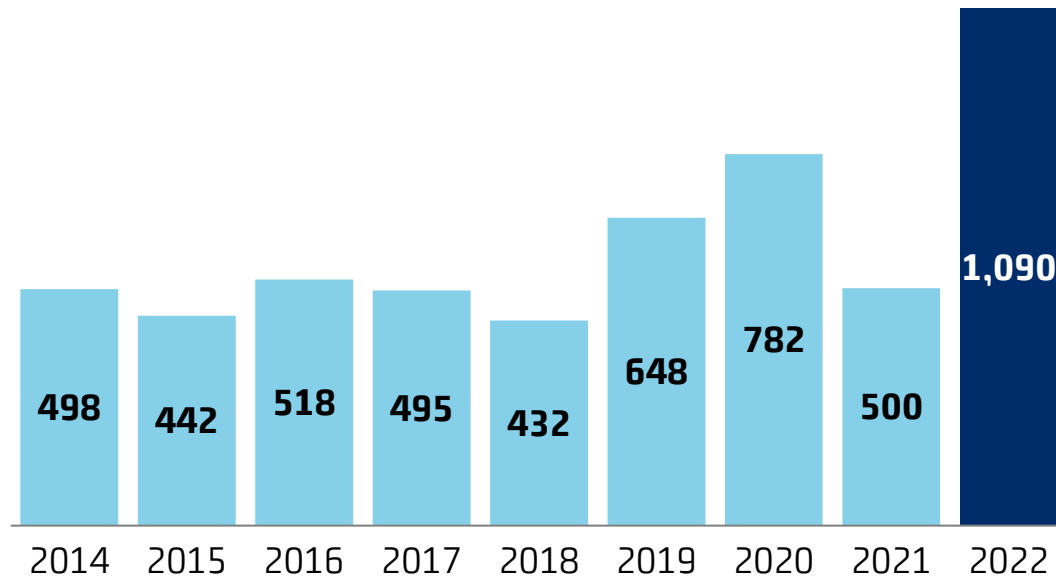
CHF m Maintenance



Three quarter of investments in Services and Energy growth

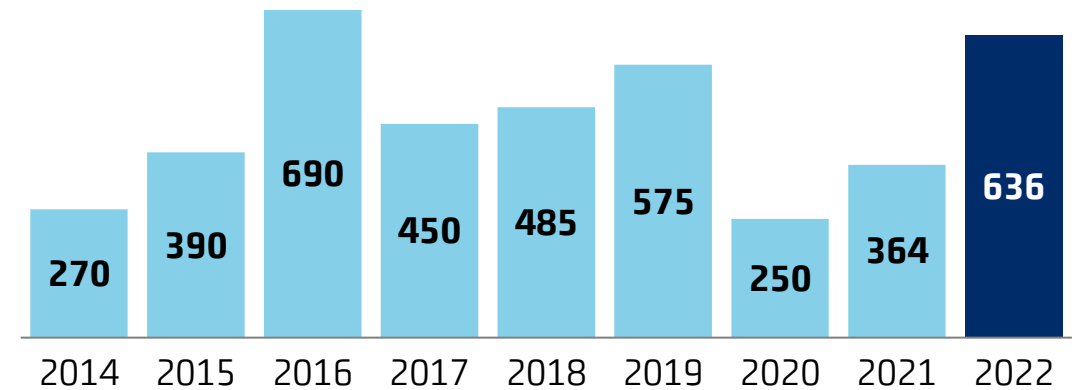
Cash Generation

CHF m Funds from operations (FFO)*



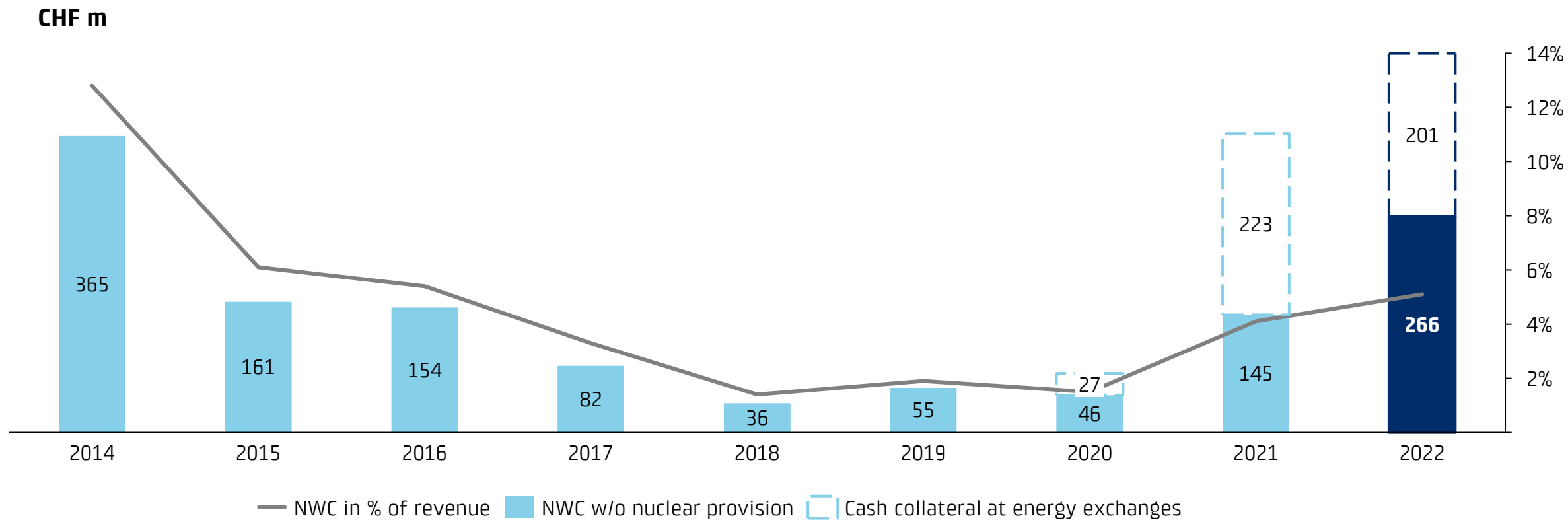
* before payments for decommissioning/disposal KKM

CHF m Investments



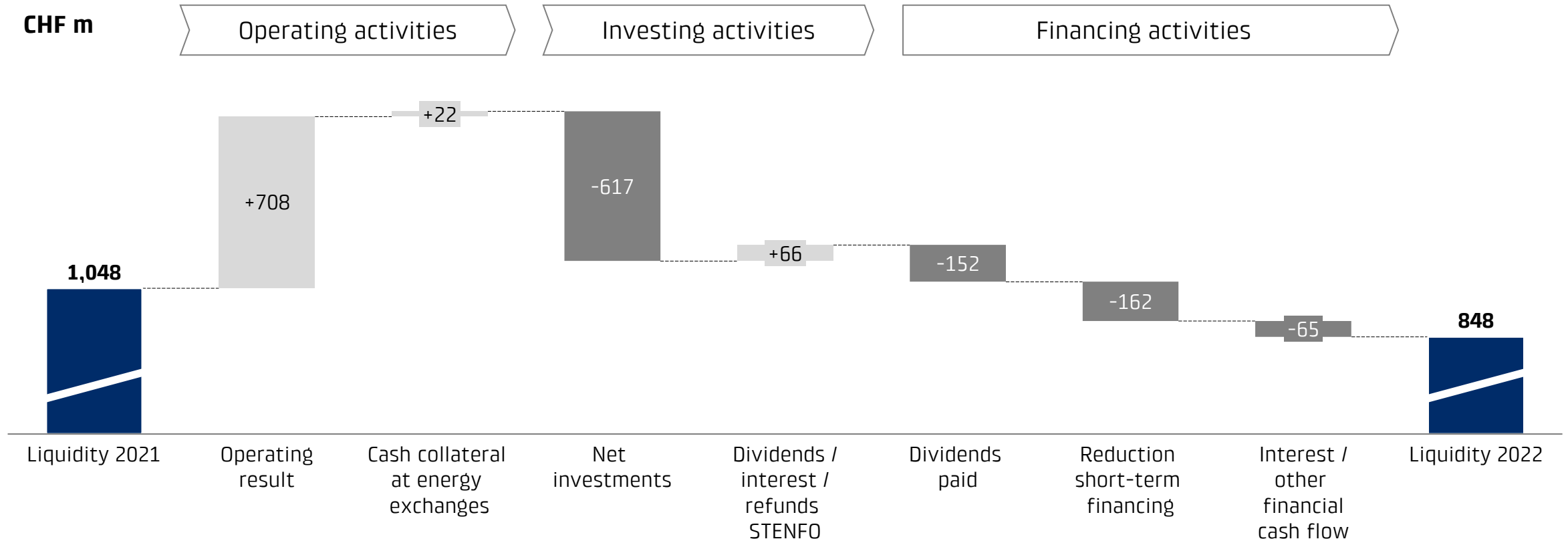
Funds from operations cover investments and strengthen financial position of BKW

Net working capital management



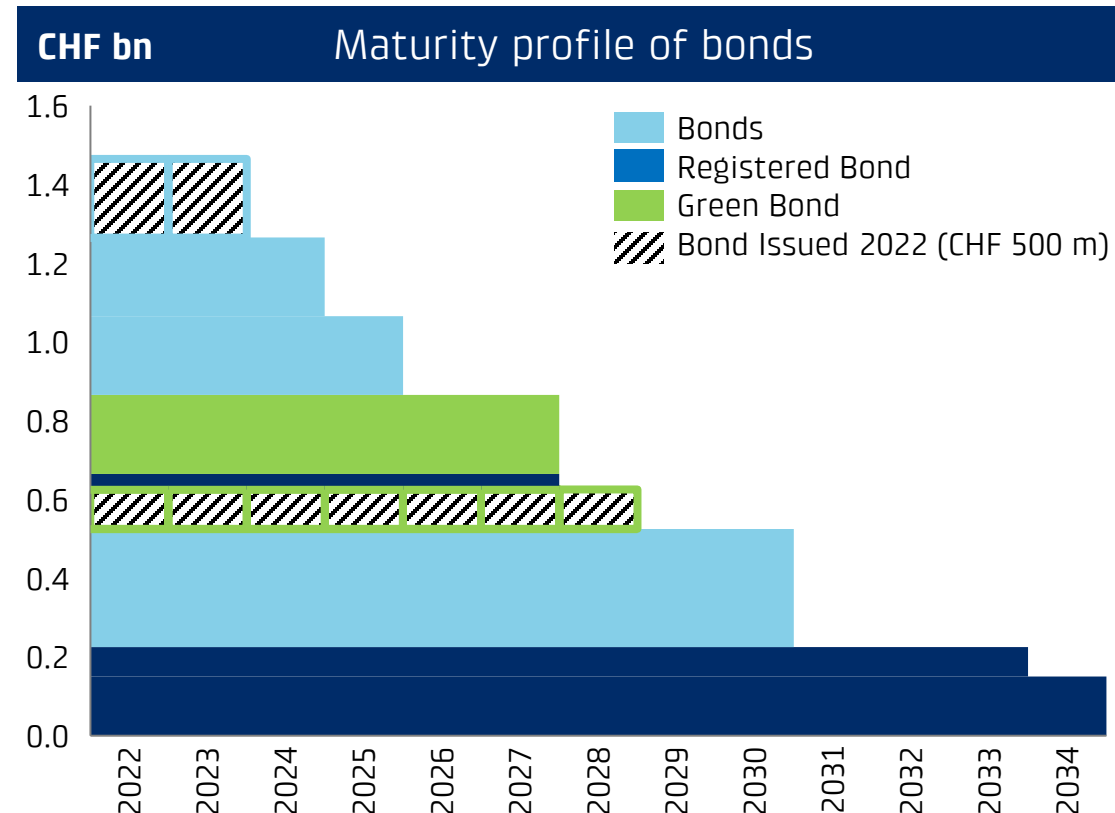
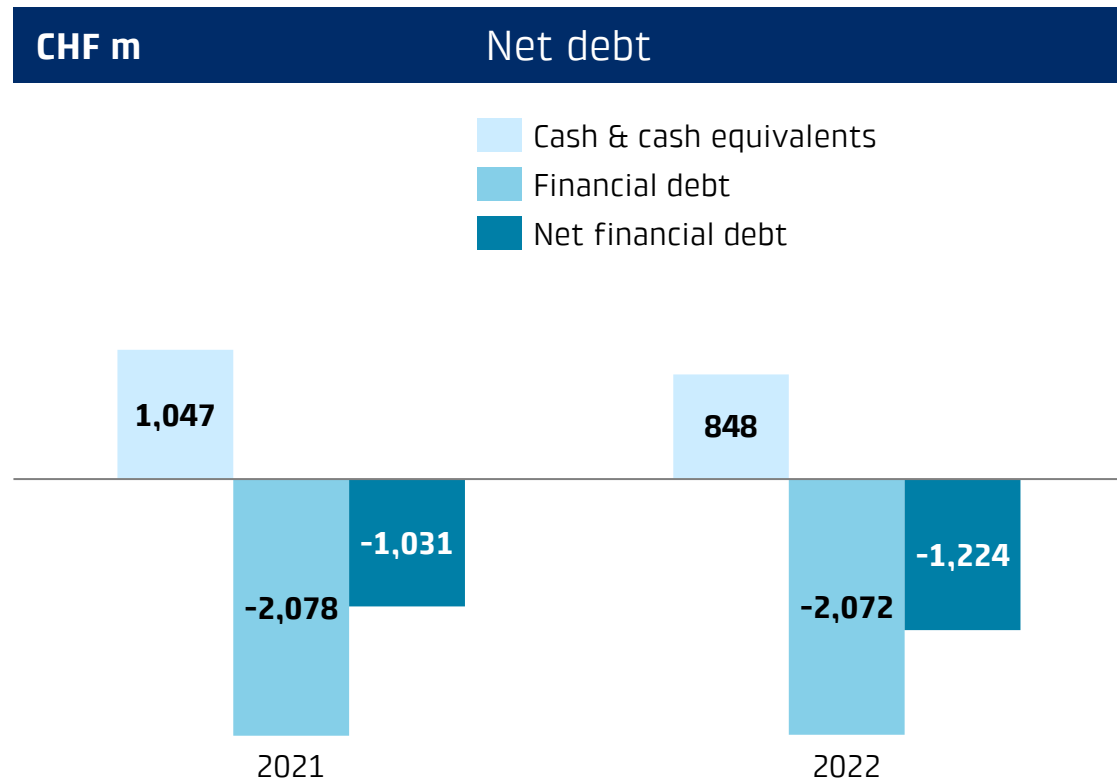
Increase in NWC driven by higher energy prices

Liquidity development



Liquidity remains high despite high net investments

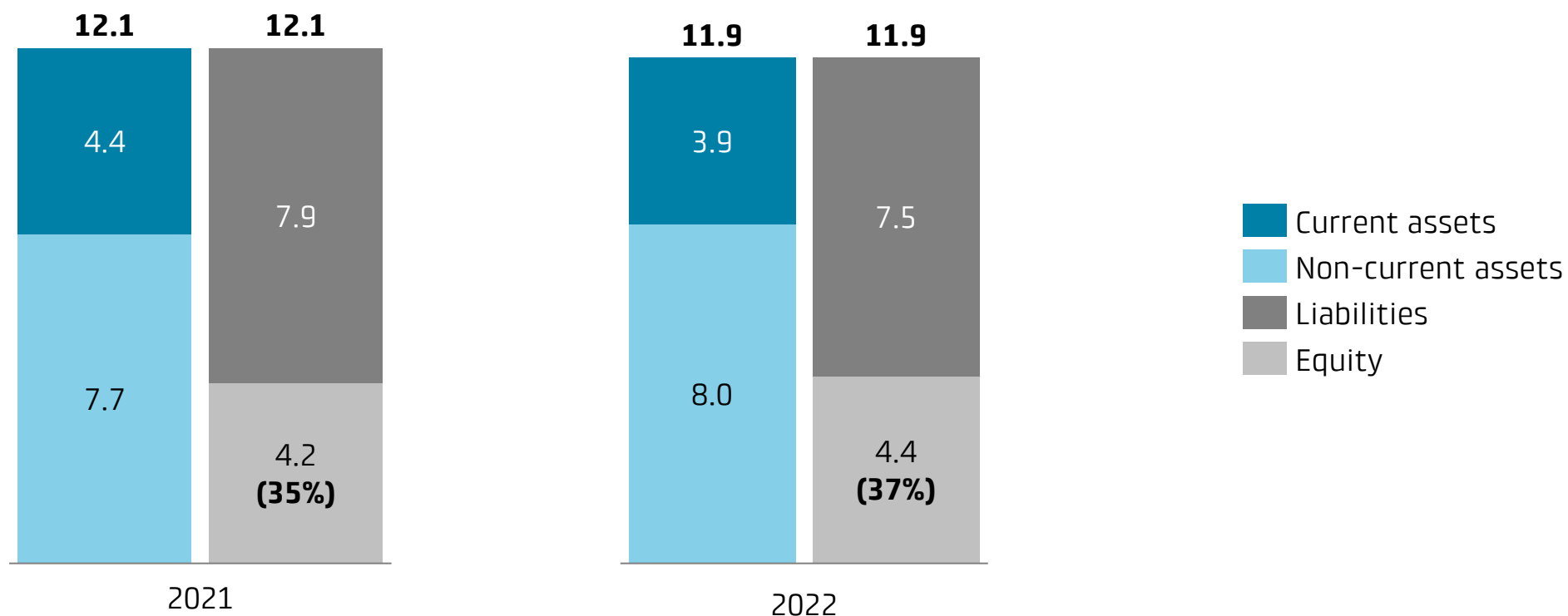
Net debt and Maturity profile of bonds



Financial flexibility ensured thanks to well-balanced maturity profile

Balance sheet

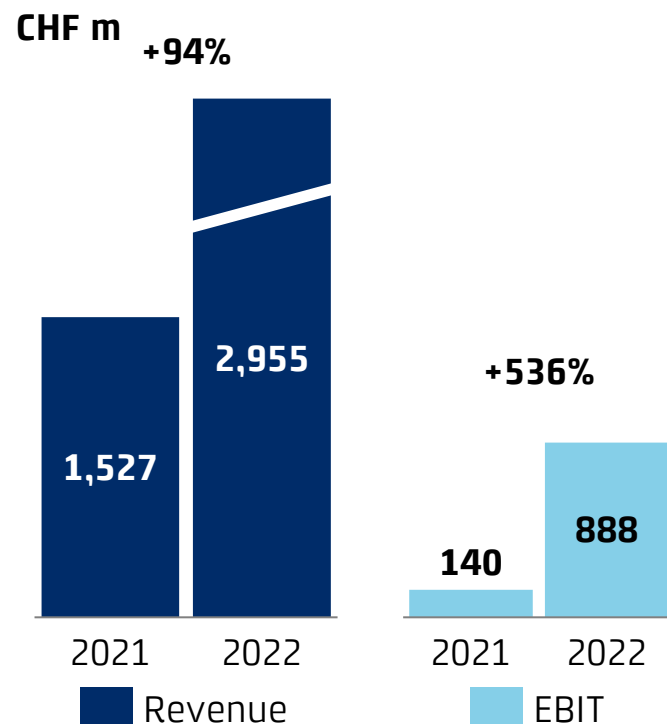
CHF bn



Increase in equity ratio, despite still expanded balance sheet due to high energy prices

Energy

Revenue / EBIT



Key points

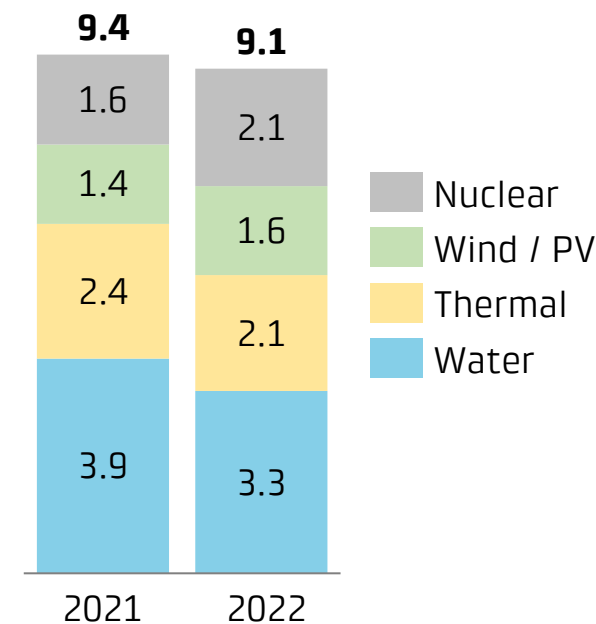
Revenue

- Increased energy prices

EBIT

- Successful portfolio management and trading
- Higher prices ancillary services

Production mix (volume in TWh)

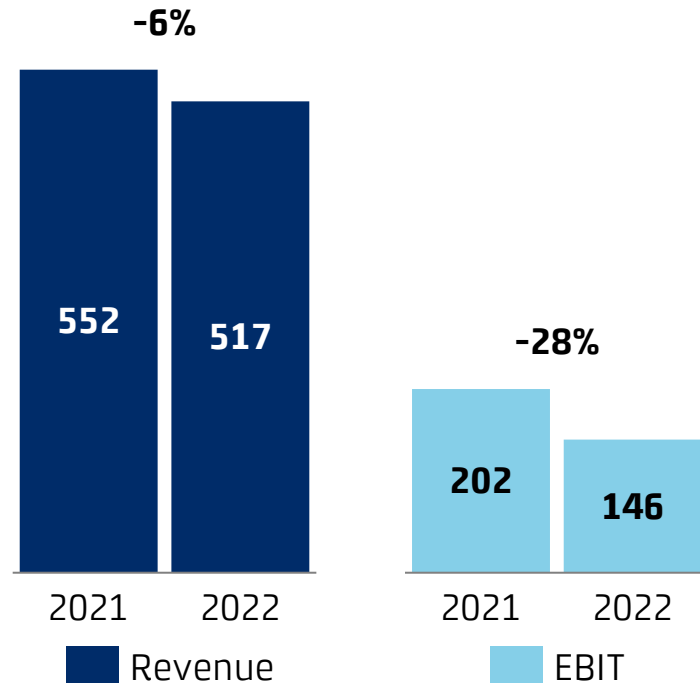


Result from energy management and trading overcompensated lower production

Grid

Revenue / EBIT

CHF m



Key points

Revenue

- Lower transmission volumes due to higher temperatures
- Announced tariff reductions 2022

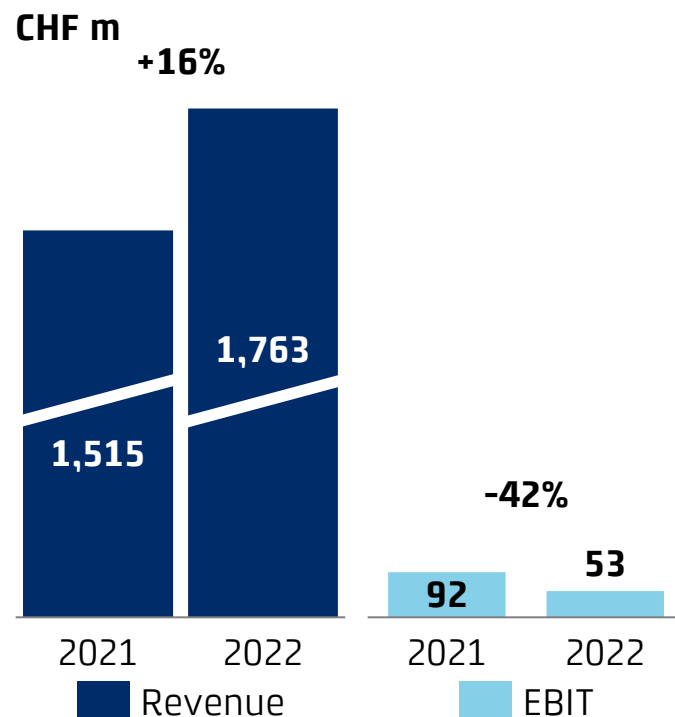
EBIT

- Lower transmission volumes due to higher temperatures
- Higher transmission grid cost (Swissgrid)

Solid earnings contribution at lower level

Services

Revenue / EBIT



Key points

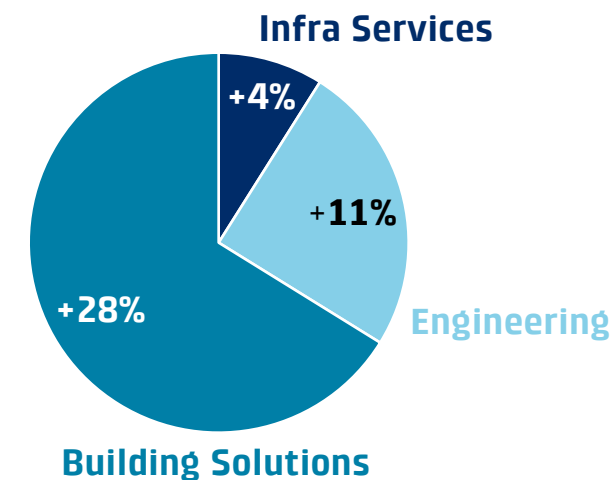
Revenue

- Acquisitions (UMB, Solstis, etc.)

EBIT

- Challenges in supply chain
- High material costs
- Project adjustments

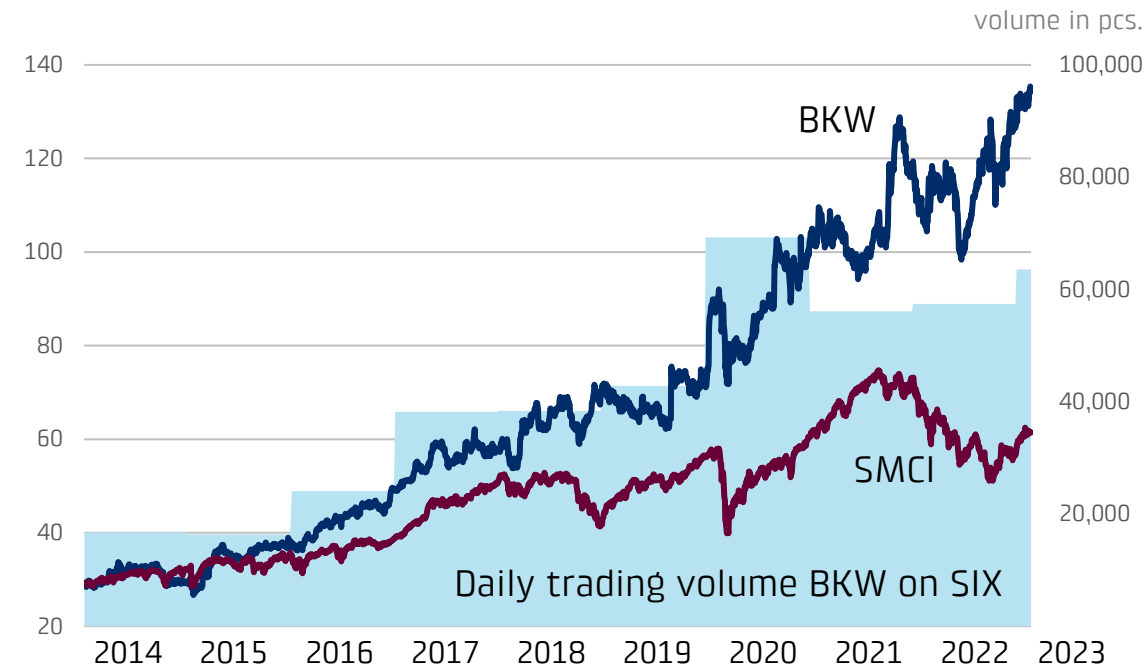
Revenue change



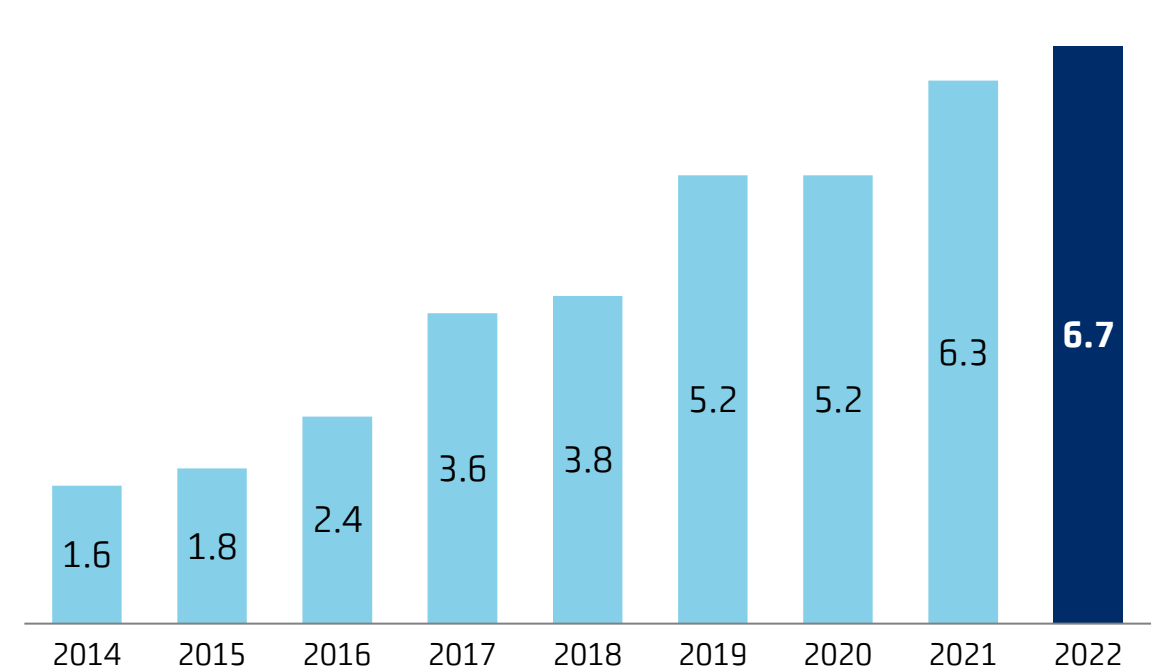
Strong inorganic revenue growth; margin under pressure due to supply chain challenges and project adjustments

Share price and Market capitalization

CHF Share price



CHF bn Market capitalization

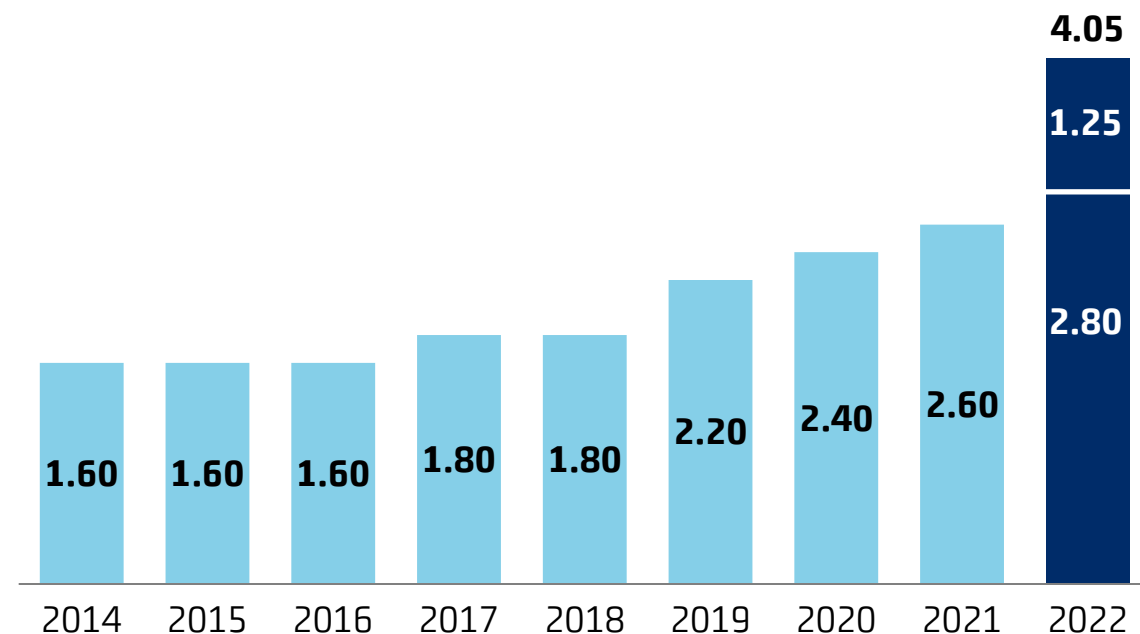


Total shareholder return (TSR) 481% and annualized return of 21.6% since 2014

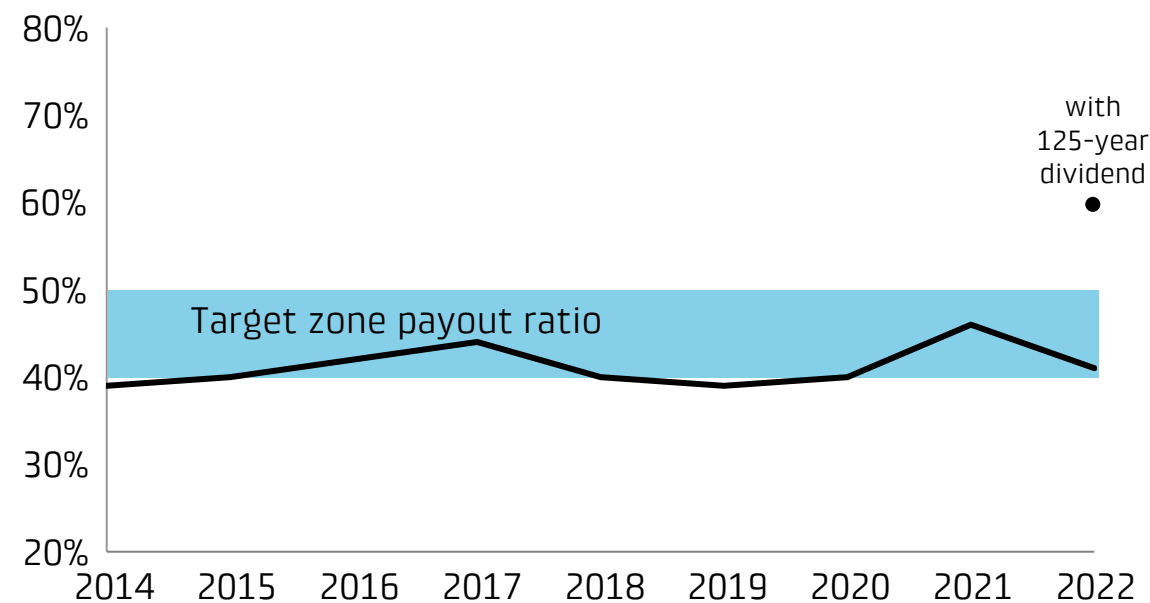
Proposed dividend increase: CHF 2.60 to **CHF 2.80**

Additional 125-year dividend of CHF 1.25

CHF Dividend per share



Payout ratio



Dividend proposal of CHF 2.80 in line with dividend policy, additional extraordinary 125-year dividend proposed



Strategy and outlook

BKW's robustness confirmed under extreme market conditions

Key challenges 2022

- Extreme conditions on the energy markets with high volatility and extraordinary price peaks
- High liquidity requirement
- Global post-Covid-19 supply chain challenges
- Higher material costs
- Inflation

BKW's robustness

- Proven risk framework
- Solid liquidity management
- Strong balance sheet (A-rating)
- Diversified revenue streams with three-pillar strategy Energy, Grid, and Services

BKW's strategy has shown its value and sets solid basis for further growth

Megatrends drive BKW's growth in attractive markets

Megatrends: Climate change, urbanization, technologization

Energy Growth drivers



- Rising electricity demand
- Strong growth in renewables
- Increasing customer requests for Smart Energy solutions
- Need for dispatchable production

Grid Stability guarantors



- Reliable revenue generation with a regulated WACC of 3.8% (as of 2024 4.13%)
- Decentralized production and consumption

Services Growth drivers



- Need for expansion and modernization of electric and transport infrastructures
- Growing demand for energy-efficient solutions in buildings
- Accelerated automatization and digitalization in infrastructures

Markets: Energy, infrastructure, buildings

BKW supports a comprehensive energy transition



Energy

- Invest substantially in new renewables > 1 GW
- Accelerate hydro, wind, and solar production pipeline in CH
- Benefit of good market conditions



Grid

- Drive digitalization of grid
- Realize cost-efficient grid expansion to support energy transition
- Delivers stable regulated revenues

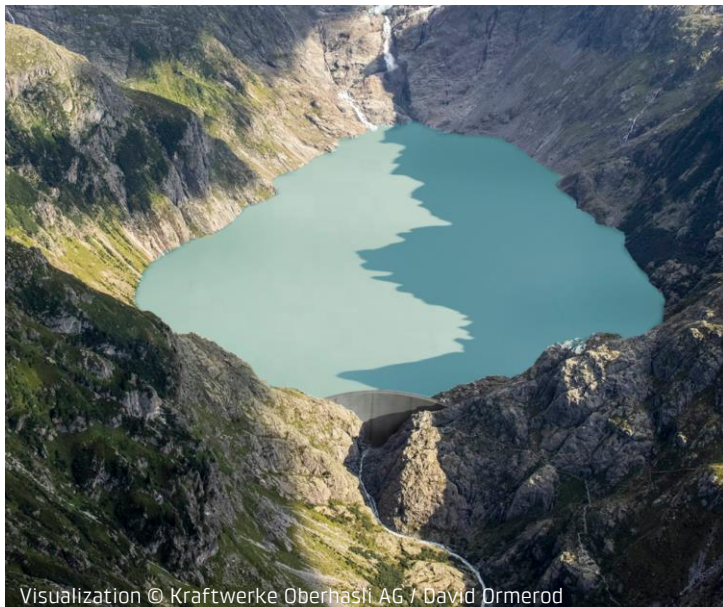


Services

- Plan and realize climate-friendly buildings and civil engineering structures
- Create resource-saving transport and supply infrastructures
- Sharpen portfolio – focus on profitable growth

Three-pillar strategy as guarantor of BKW's success and basis for further growth

Energy: Strong position to invest in renewables



Hydro

- Key projects Trift and Grimsensee
- Hydropower plants Augand, Arvigo, Saas-Grund



Wind

- Jeanbrenin
- Tramelan



Solar

- BelpmoosSolar
- Assessment of locations for alpine solar plants in CH

Grid: Reliable contributor to BKW's resilience



Grid connection

- Around 2,000 new grid connections per year
- 300% more technical connection applications compared to 2021



Smart Meter

- Launch of area-wide rollout in 2024
- Replacement of over 400,000 meters by the end of 2028



Digitalization

- Analysis of high-voltage line inspections with AI
- Automated target network planning medium voltage

Services: BKW to strengthen its portfolio



Building Solutions

- Installation of > 6 private solar systems per day
- Construction of Roche Towers in Basel



Engineering

- Technology center in Graz with largest ice storage in Europe
- Engineering of 50 MW Hydrogen Plant for BASF in Ludwigshafen



Infra Services

- Four major orders for the expansion of the German high-voltage network
- Installation of beam cables in SBB tunnels with BIM

Sustainability as a core element of BKW's strategy

2022

BKW defined its sustainability strategy **SUCCESS...**



2023

...to pursue ambitious sustainability goals, e.g.

- **Climate Neutrality:** Communication of decarbonization strategy with clear emission reduction targets
- **Corporate Governance:** Optimization and digitalization of compliance processes and systems
- **Employees:** Signing of the Advance Charta for the promotion of gender equality
- **Secure Products:** Assurance of reliable power generation and distribution, thanks to continuous investment in infrastructure

BKW is strongly committed to be part of the solution for a sustainable economy and society

BKW ready to continue its 125-year success story

BKW well positioned in **attractive target markets** energy, infrastructure, and buildings

Three-pillar strategy Energy, Grid, and Services enables BKW's **further growth**

EBIT outlook of CHF 550 to 600 million for the current financial year



Q & A

BKW GROUP

Annual Report 2022



We create spaces for life.



Disclaimer

This presentation contains forward-looking statements which are made on the basis of current expectations and assumptions. These forward-looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those contained in the forward-looking statements. Potential risks and uncertainties include, among others, such factors as market and economic conditions, governmental regulations, competitive conditions, interest rates and fluctuation in currency exchange rates. Although BKW believes that its expectations reflected in any such forward-looking statement are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved. BKW undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.