

FAQ for the Axpo financial year 2024/25

How have the key figures developed?

The adjusted EBIT of around CHF 1.3 billion is a good outcome. As expected, it is below the two exceptional previous years but clearly above the level of the years before. This shows the company's long-term positive development.

Cash flow from operating activities is strong at around CHF 1.3 billion and provides us with the necessary financial flexibility to implement our strategy, further develop the business, and invest in energy infrastructure.

Result stands at CHF 880 million, below the previous year, but this is mainly due to special effects. These non-operating special effects include, in particular, the performance of the decommissioning and waste disposal fund for nuclear power plants (STENFO). Its performance was significantly higher in the previous year due to financial market developments.

Which developments shaped the result?

The Generation & Distribution business area and CKW were able to significantly improve their results, primarily thanks to higher hedged prices. The more than 200,000 CKW customers in the cantons of Lucerne and Schwyz once again benefited from electricity prices in some cases well below the median.

The international customer and trading business achieved another good result despite the challenging market environment and once again made the largest contribution to the overall result. This is based on tailored energy solutions for customers – private households, SMEs, and industrial clients – and on the strong marketing of the power plant portfolio. However, geopolitical uncertainties and subdued economic prospects led to a certain reluctance among customers to enter into medium- and long-term commitments. As a result, the extraordinary results of previous years were no longer achieved, as expected.

How much of the CHF 880 million profit comes from Swiss households?

The contribution from Swiss end customers is marginal again this year. Axpo operates in the free market and primarily supplies large customers. The company generates most of its value in the international customer and trading business. In Switzerland, Axpo Group only has regulated end customers through its subsidiary CKW. CKW end customers will also benefit from prices well below the median in 2026.

What does Axpo do with this profit?

We invest in energy infrastructure and further growth, pay dividends, and reduce debt. In the past financial year, we invested over CHF 660 million, of which around CHF 280 million was invested in Switzerland. Investments were primarily made in

existing facilities and new projects in wind, solar, biomass, and battery storage, as well as in the expansion and voltage increase of transmission grids. Axpo will invest around CHF 2 billion in Swiss energy infrastructure in the coming years. This does not yet include potential investments in a reserve power plant or in the Gösgen and Leibstadt nuclear power plants.

How do the cantons and their residents benefit?

Based on the strong result and solid financial position, the Board of Directors is proposing the distribution of an ordinary dividend of CHF 100 million and a special dividend of an additional CHF 100 million. In total, CHF 200 million is to be distributed to shareholders, and thus directly or indirectly to taxpayers in nine cantons. In recent years, Axpo has distributed over one billion francs in dividends and paid more than CHF 800 million in taxes.

How will the result develop in the future?

In general, Axpo is very well positioned with its strategy, capabilities, and market position. The company is rooted in Switzerland and makes a major contribution to supply security. At the same time, Axpo is pursuing international growth as an energy company. We are proud of this combination and are convinced that it provides the best foundation for continued success in the future.

For the financial outlook, it must be noted that hedged electricity prices will reach a peak in the 2025/26 financial year. At the same time, the result will be negatively affected by the delayed restart of the Gösgen nuclear power plant, likely until February 2026. Axpo is maintaining its proven hedging strategy. Furthermore, fluctuations in the value of STENFO will continue to influence the company's result in the future.

What risks does Axpo face?

There are still major uncertainties regarding the implementation of decarbonisation internationally and in Switzerland. These are further amplified by current geopolitical developments.

Axpo's main risk lies in the fact that a large portion of its Swiss electricity production is committed for the long term – even if market or weather conditions change significantly later. For the next three years, we have already hedged a large share of our electricity production, with hedged prices reaching a peak in the current financial year.

Overall, our diversified strategy, capabilities, and market positions put us in a strong position to continue our successful growth path.

Management compensation was criticised last year. What has changed?

The new compensation system was developed by shareholder representatives together with the Board of Directors and approved by the shareholders at the extraordinary general meeting on 7 November 2025 for the current 2025/2026 financial year. It sets long-term incentives, strengthens the interests of the owners, and supports Axpo's attractiveness as an employer in a dynamic, international market environment. Axpo is implementing this shareholder decision in the 2025/2026 financial year.

The maximum annual compensation paid to each member of the Executive Board (assuming all targets are met over a three-year period) averages around CHF 1 million. The CEO's compensation ranges between CHF 750,000 and CHF 1.37 million and is capped accordingly. The maximum compensation is only paid when all targets are fully achieved over three years. Levels such as those in the 2023/2024 financial year can no longer be reached.

What is the security of supply outlook for the coming winter?

Current supply security looks good and no shortages are expected:

- In Switzerland, the supply situation is good despite the missing production from the Gösgen nuclear power plant. Reservoir levels are slightly below the long-term average.
- Electricity production by French nuclear power plants was significantly higher throughout 2025 than during the crisis years 2022 and 2023.
- Gas storage levels in Europe are slightly below the long-term average but remain at a comfortable level. Liquefied natural gas availability is good, with the US contributing in particular.
- Switzerland also continues to have sufficient import capacity.