



ROMANDE
ENERGIE

The image shows three workers on a tall, green metal power line tower. Two workers in blue and yellow safety gear are on a platform near the top, working on a large, white, ribbed insulator. A third worker in an orange safety suit is positioned lower on the tower, also working. A red bucket is suspended from the top of the tower. The background shows a clear blue sky and a distant town with green hills.

Romande Energie Group
2024
Annual Report

Abbreviations

ACO	Achievement of corporate objectives
AES	Swiss Electricity Companies Association
ARC	Appointments and Remuneration Committee
ARIS	Architecture of integrated information systems
AVS	Swiss state retirement and disability insurance
BRM	Building Relationship Manager
BU	Business unit
CCI	Valais Chamber of Commerce and Industry
CCIG	Geneva Chamber of Commerce, Industry and Services
CEO	Chief Executive Officer
CFC	Chlorofluorocarbons
CHF	Swiss francs
CIFER	Industry training centre in Western Switzerland
CO	Swiss Code of Obligations
CREM	Urban energy R&D centre
CSR	Corporate social responsibility
CVCi	Vaud Chamber of Commerce and Industry
CVV	Corporate Venture Capital (CVC)
DDTrO	Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour
E4S	The Enterprise for Society Center
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation and amortisation
ENS	Energy Solutions business unit
EPFL	Swiss Federal Institute of Technology Lausanne
ERCO	Ordinance against Excessive Remuneration by Listed Companies Limited by Shares
ESTI	Federal Inspectorate for High-Voltage Installations
FADP	New Federal Act on Data Protection
FAC	Finance and Audit Committee
FMHL	Forces Motrices Hongrin-Léman SA
FPC	Financial performance criteria
FER	Account reporting recommendations
FTE	Full-time equivalent
GAAP	Generally Accepted Accounting Principles
GHG	Greenhouse gas
GHG Protocol	Greenhouse Gas Protocol
GREE	Wind Power Federation in Western Switzerland
GRI	Global Reporting Initiative
H2	Hydrogen
HEC	Faculty of Business and Economics of the University of Lausanne
HEC	Paris School of Advanced Business Studies
HEG-FR	School of Management Fribourg
HEIA	School of Engineering and Architecture of Fribourg
HEIG-VD	Western Switzerland School of Engineering and Management
HFC	Hydrofluorocarbons
HFCF	Hydrochlorofluorocarbons
HP	Heat pump
HR	Human Resources
HSG	University of St Gallen
HV	High voltage
IMD	International Institute for Management Development
IPCC	Intergovernmental Panel on Climate Change
IPCC	International Panel on Climate Change
ISIN	International Securities Identification Number
ISO	International Organization for Standardization
KBOB	Swiss Public Building & Real Estate Coordination Body
LED	Light-emitting diode
LV	Low voltage
MBA	Master of Business Administration
MontCAD	Montreux district heating network
MV	Medium voltage
N2O	Nitrous oxide

NOx	Nitrogen oxides
NPS	Net Promoter Score
ODS	Ozone-depleting substances
ORODE	Decarbonisation Research Institute for Western Switzerland
ORRChem	Chemical Risk Reduction Ordinance
PET	Polyethylene terephthalate
PSE	Social and Environmental Percent
R&D	Research & development
RCP	Representative Concentration Pathway
RE	Romande Energie
REH	Romande Energie Holding
RE Ventures	Romande Energie Ventures
RPRE	Romande Energie employee representation
SBTi	Science Based Targets initiative
SDG	Sustainable Development Goal
SF6	Sulphur hexafluoride
SFOE	Swiss Federal Office of Energy
SPEI	Service de la promotion de l'économie et de l'innovation
SSC	Strategy and Sustainability Committee
SU	Support units
Swiss	
GAAP FER	Swiss Generally Accepted Accounting Principles
TCFP	Task Force on Climate-related Financial Disclosures
UICN	International Union for Conservation of Nature
UNIGE	University of Geneva
UNIFR	University of Fribourg
UNIL	University of Lausanne
UX	User Experience Department
VSGS	Swiss Smart Grid Association
WACC	Weighted average cost of capital

Units

Currencies			
CHF	Swiss francs		
EUR	euros		
m	million		
bn	billion		
Power			
kW	kilowatt		
kWp	kilowatt-peak		
MW	megawatt	1,000 kW	
MWp	megawatt-peak	1,000 kWp	
Energy			
kWh	kilowatt hour		
MWh	megawatt hour	1,000 kWh	
GWh	gigawatt hour	1 million kWh	
TWh	terawatt hour	1 billion kWh	
Voltage			
kV	kilovolts	1,000 volts	
Carbon footprint			
gCO ₂ -e	grams carbon equivalent		
tCO ₂ eq	tonnes of carbon equivalent		

Summary

1	Letters to shareholders	2
	Guy Mustaki, Chairman of the Board of Directors, and Patrick Bertschy, Interim CEO	4
	Nicolas Conne, CFO and Head of Services	8
2	Corporate Governance Report	12
3	Remuneration Report	36
4	Sustainability Report	50
	Introduction	52
	Methodology and reference framework	54
	A champion of decarbonisation and the energy transition	56
	Material topics	59
	Executing our 2030 Strategy	61
	Leading with vision and integrity	64
	Managing TCFD climate risks and opportunities	67
	Protecting other natural resources	82
	Investing in the energy and digital transition	85
	Delivering a fair transition	91
	Quality – Certifications	96
	Outlook for 2025	97
	Definition of specific indicators in 2024	98
5	Financial statements	104
	Romande Energie Group Management Report	106
	Romande Energie Group Consolidated financial statements	112
	Romande Energie Holding SA Parent company financial statements	145
	2025 financial calendar	
	Contacts	
	Credits	

Editorial

The energy industry remains in a state of flux, requiring an adaptive approach to our Annual Report.

We have aimed to refocus on the key information in an effort to align ourselves with the rules and legislation in force and to meet the expectations of our investors.

One change is that some of the details previously contained in the Corporate Governance section can now be found on our Investor Relations website.

In addition to cross-referencing to GRI standards, our Sustainability Report now complies with the Ordinance on Climate Disclosures. All in all, our climate-related risks and other key priorities are assessed and presented in full transparency.

This report is a snapshot of business as at 31 December 2024. However, significant changes to leadership occurred between the end of the year and the first quarter of 2025. These are discussed on a specific page in the Corporate Governance section (p. 28). Revised versions of the organisational chart, executive biographies and other items will be posted on our Investor Relations website once the changes become effective.

We would like to thank all of our employees and business partners for their invaluable help in preparing this report.

Letter to shareholders



From transformation to consolidation

In 2024, financial performance was mixed, weighed down by unfavourable regulatory conditions. Following a period of transformation, we are heading into a new phase of our history whereby we will consolidate our positions and refocus on long-standing and profitable lines of business such as electricity, heating and energy renovation. The third iteration of our strategy again shows that we are serious about reducing the carbon intensity of Western Switzerland, by placing the emphasis on business performance, responsible environmental stewardship and customer care.

Christian Petit left his role as Chief Executive Officer in December 2024, having orchestrated the strategic repositioning of Romande Energie since 2019. His successor will be tasked with consolidating our achievements while continuing to pursue growth.

The strategy implemented in recent years has transformed the entire Group into a multi-service energy provider and has strengthened our position as a key player in the decarbonisation drive in Western Switzerland. The growth phase sharply increased our revenues and workforce as well as expanding our geographic footprint in our traditional business. After five years of expansion, it is now time for consolidation. Going forward we will adapt the organisational structure to the Group's larger size and more effectively align our products and services with business trends. In short, we want to ensure that the Group is operating as efficiently as possible. Moreover, we remain committed to measuring everything we do against our three pillars of sustainability, which are business performance, responsible environmental stewardship and social impact, including how we look after customers.

Leadership changes

In keeping with this shift in focus, we have been actively reshaping our senior management team and the Group's organisation since 2024 to meet the challenges ahead. First, François Fellay has been appointed as the new CEO, taking over from Christian Petit. François is currently Managing Director of OIKEN, an energy company based in Valais. He will be tasked with continuing to implement the Group's strategy, boosting growth and improving operating



Patrick Bertschy, Interim CEO, and Guy Mustaki, Chairman

results. He will join Romande Energie by 1 October 2025 and our current Interim CEO, Patrick Bertschy, will help him settle in.

Second, Michel Rizzo has been appointed following the resignation of Virginie Vasselon as the new Head of People & Talent. Michael will take up his position on 1 May 2025.

Meanwhile, the Group's structural overhaul has begun and is expected to be completed by 1 July 2025. One of the main changes is the creation of a new Property business unit, which will be headed by Oliviero Iubatti. He rejoined the Management Committee in March this year after selling his equity interest in Romande Energie Services to the holding company. Next, the Energy Solutions business unit has been split into two separate entities, which are now Markets and Energy. Aurore Amaudruz will lead the first, while we are currently recruiting an executive to lead the second following the departure of Guillaume Fuchs as co-head of Energy Solutions. No changes are planned at the Grids business unit or within the support units.

In the midst of this reorganisation of Romande Energie's day-to-day management, it is essential to have a stable Board of Directors. It will therefore be proposed to the Annual General Meeting that the Chairman's term of office be renewed for another year.

Romande Energie reached a new milestone in sustainability in 2024 by streamlining and strengthening efforts within governing bodies and throughout the

Group. Specific training modules have also been dispensed to employees, including the Management Committee, as well as to the Board of Directors.

Complex regulatory backdrop impacting the Group

The Swiss federal government's policy to achieve net zero by 2050 requires an overhaul of the national energy apparatus. This is resulting in an unprecedented level of complexity as well as a fundamental shift in wholesale power markets.

At the same time, there is a growing consensus that calls for lower household and business electricity bills. This is so that consumers can regain their purchasing power and companies can become more competitive. The resulting political decisions are significantly increasing the pressure on electricity suppliers. In addition, the implementing ordinances stemming from the Electricity Act, which was approved by referendum in June 2024, only partially address the imbalances in the electricity market while also enacting further cuts to authorised margins.

Finally, the outcome of the negotiations with the EU raises the prospect of a change in the regulatory framework for our business. Full market liberalisation could be back on the agenda, as well as the obligation to unbundle monopoly activities for companies serving more than 100,000 end customers.

Focusing on innovation and digitalisation in response to energy-related and environmental challenges

Collectively, the latest regulatory and market developments imply that the coming years may present significant challenges for the energy industry. Despite ongoing discussions between the Swiss Electricity Companies Association (AES), our umbrella organisation, and politicians and civil servants, the grey areas persist, necessitating a repositioning of our operations.

Our focus is on high-growth segments, and we are formulating priority growth initiatives. These include building energy renovation, a more robust and forward-looking grid strategy, and power and heat generation.

Increased power and heat generation

In 2024, Romande Energie increased its electricity production by 32 million kilowatt hours. This is thanks to the addition of three hydroelectric and wind power plants: the Bex and Etivaz small hydroelectric plants, inaugurated in autumn 2024, and the Sainte-Croix wind farm project, which was commissioned in early 2024 and has promising generation figures. The six wind turbines generated over 20 million kWh in 2024 despite the run-in period in the first few months. We are also seeing an increase in the number of solar installations that are being completed under contract.

In district heating, three new plants came on stream: two in Lonay and one in Château-d'Oex. We also acquired an existing network in Siviriez. This business

has begun a process of consolidation, which involves increasing the total number of connections for all 45 of our facilities with the aim of increasing installed capacity by 18%. In the years ahead, the major networks to come on stream will be MontCAD, Payerne Energie and Morges Energies.

We are also pleased to announce the successful completion of a significant project for our team, namely the voltage upgrade from 10,000 to 21,000 volts in the Vaud Chablais area, which has made our power grid in the region more robust.

Continued innovation and digitalisation

Romande Energie is responding to energy-related and environmental challenges by focusing on innovation and digitalisation. Our recent investments through RE Ventures in promising Swiss cleantech, climatetech and proptech start-ups in Switzerland and Europe are in line with our aspiration to exert real influence in R&D and cutting-edge technologies in this field. We have invested in Yord, which optimises heating systems, Popety, a platform that facilitates prospecting in the property industry, and Enerdrape, which manufactures innovative geothermal panels. The Group is also involved in two hydrogen pilot projects.

Internally we have continued to upgrade our information systems and digitalise our services to improve efficiency and provide customers with an experience tailored



Our thanks to Christian Petit

In December 2018, the Board of Directors appointed Christian Petit to drive the Group's transformation. As a visionary leader, he successfully raised awareness within the Group about the need to reposition Romande Energie more wisely in an ever-changing market. Leveraging his telecommunications expertise, he also played a key role in accelerating the digital transition and the focus on customers. Christian quickly established a vision rooted in the three pillars of sustainability, a substantial investment strategy in renewable energy, and successfully fostered employee engagement in our new mission to make Western Switzerland the first net-zero region in the country. The Group's strong market position and reputation today are a testament to Christian's leadership and commitment.

Christian is a visionary leader and a tireless advocate for the cause of sustainability. The Board of Directors sincerely thanks him for his dedication and wishes him every success in the future.

to their needs. We are also harnessing AI to improve generation forecasts for our power plants and predict customer demand more accurately.

Focused on the future

We have grown fast in recent years as we have expanded our lines of business. But now is the time to strengthen our operations, and we are doing so with determination and confidence. We reaffirm our commitment to reducing the carbon intensity of Western Switzerland, to improving our efficiency and to increasing the profitability of our business. It is our firm belief that Romande Energie has the technical and business acumen to shine in the energy industry.

We also extend our gratitude to all our stakeholders for their support and the energy they bring to their work. They play a key role in the success of our Group and help drive our business forward, as do our shareholders, whose loyalty is both an honour and a source of pride. We would like to thank our employees, who bring our strategy to life with conviction. We are grateful that we can count on their invaluable expertise and unwavering dedication as we move into this next phase. Last but not least, we extend our warmest thanks to our customers for their trust. We are committed to continuing the conversation and strengthening our relationships so that we can better meet their needs and fulfil their expectations.

Guy Mustaki
Chairman of the Board of Directors

Patrick Bertschy
Interim CEO

Regulatory constraints and market swings prove a costly combination



Nicolas Conne, CFO and Head of Services

After an extraordinary 2023, the 2024 financial year produced unusually low profits, in line with expectations. This can be attributed to an increasingly onerous regulatory burden and the time lag between our investments and their prospective returns. The outlook remains positive, but the benefits will take time to materialise. The Group's ability to generate strong cash flow from operations and to deliver robust performance in merchant activities such as energy services provides a solid, sustainable foundation that will pave the way for value creation.

Although the energy crisis (2021-2023) is over, its repercussions continue to disrupt energy markets. Prices may have dropped, but they are still higher than before the turmoil hit. Volatility persists, particularly in the short term, largely due to the significant increase in solar power generation, which is reshaping the intraday pricing structure. Historically, the demand peak has been situated between 12pm and 2pm. This now happens towards the end of the day. This is resulting in higher market prices while at the same time, solar energy generation tends to peak mid-afternoon, which drags prices lower – sometimes even into negative territory.

In this new paradigm, the Group's supply portfolio, which is built for the medium to long term, is coming under increasing pressure each year from the sale of surplus energy on the one hand and the cost of balancing power on the other.

Much of the supply portfolio is locked in for several years. To make matters worse, distribution system operators are required to purchase the growing amount of domestic solar power being fed into the grid. This has resulted in large amounts of surplus energy being sold on the market, often on the cheap or at a loss. Moreover, due to the fact that government-controlled pricing mechanisms have not yet adapted to the new paradigm, the resulting losses are charged directly against the energy supply margin. As solar generation increases, the profit and loss picture is worsening year after year. Tariff clawbacks meant that this effect was difficult to see in 2023. But it was visible in 2024 and could become even more detrimental in the future unless the rules are changed.

In short, regulations are the main drag on business, in circumstances that have taken a far more complicated turn than the regulator had probably anticipated. The Electricity Act, approved by referendum in 2024, corrects some of the effects, such as the average pricing method, but other issues make us extremely cautious about the future. For instance, implementation of this law on 1 January 2026 will result in the elimination of almost all of the authorised gross margin earned on regulated kWh sales. The gross margin was reduced from 95 to 75 francs in 2020, then to 60 francs in 2024, and will be scrapped from 2026. Only a return on the working capital requirement will be authorised, in addition to actual cost coverage. The cumulative CHF 10 million shortfall witnessed over these past five years will therefore grow to nearly CHF 16 million in 2026.

In this setting, Romande Energie is working tirelessly to implement measures to mitigate the risks, cut costs and ensure a minimal amount of profitability from this business, especially through a strategic initiative centring around the provision of kWh.

We will continue to expand our grid at rapid speed to respond to electrification in society and decentralised generation and consumption

Level of investment adjusted

Close to CHF 670 million have been invested since 2021 as part of our ambitious value-creation strategy. Some of these investments have yet to deliver the expected returns, even though they are already being depreciated in the Group's accounts. In short, returns on investment may be taking longer to materialise, but the blueprint is intact.

Some of the factors are outside the Group's control, such as the extra time taken to connect French wind assets to the grid. Others are the product of unforeseen circumstances. This is particularly the case for district heating. Some innovative technologies have not achieved the targeted levels of profitability, resulting in writedowns in the value of these installations. Other projects have run into administrative delays, while in some cases it is taking longer to connect homes and businesses to heating networks than expected.

At the same time, the Group will continue to expand its grid at rapid speed in response to the trend towards electrification in society and decentralised generation and consumption. However, the Federal Council's decision to change the method for calculating the return on infrastructure investments (WACC) will also have a negative impact on grid infrastructure starting in 2026.

The Group takes this mismatch between planned and actual returns extremely seriously and has initiated a consolidation phase to ensure the successful completion of development projects and their profitability. We are fully focused on improving the profits generated from these installations. All new investments will be subject to a more rigorous screening process, and prospective IRR calculations must be more robust and reliable. More broadly, the investment portfolio has been reviewed, and an asset reorganisation is underway. An efficiency and cost-saving plan is also being drafted and is expected to have a positive impact from 2026.

Successful diversification
by energy services

Our energy services business lines have achieved profitability in line with forecasts. They have a promising future.

Romande Energie Services started trading in 2017, in a fiercely competitive environment. Despite the pandemic in 2020 followed by the war in Ukraine – both of which drove up material costs – the company has continued to expand its business and expertise across Western Switzerland year after year. Today, it delivers results in line with expectations, including an operating margin of 4%.

In early 2024, we transferred our renowned multi-technical expertise in property decarbonisation to a new company, ID GO, which offers customised services for energy renovations. So far, the financial results have been promising, with a profit from year one. We can safely say that the company has a bright future ahead of it, supported by the business environment and by government policies to rehabilitate and modernise Switzerland’s housing stock.

Strong cash flow, and dividend
policy unchanged

Despite lower profits in 2024 and the impact of regulations on our energy supply margin, cash flow increased year-on-year, supported by grid-related business and the initial returns under the Group’s investment policy. Cash flow is expected to grow further between now and 2030 in tandem with rising EBITDA.

Given the high level of cash generated by the business, we are in a position to maintain the dividend policy. It will therefore be recommended to the Annual General Meeting to pay an unchanged dividend of CHF 1.44. The challenges we face have not detracted from our ability to offer stable, predictable returns to shareholders.

A sustainability-centric business

We strongly believe that it is essential to incorporate sustainability into our business lines and financial strategy. At Romande Energie, the goal is not simply to comply with various standards and pieces of legislation. Rather, we want to seize this unique opportunity to unlock value over the long term.

In 2024, we agreed a 15-year, CHF 150 million green loan with a new financial partner. We have also made changes to our purchasing policy, which now includes minimal environmental, social and governance criteria that Group suppliers must meet. We have invested in systems for reporting on environmental impacts and are intentionally playing the transparency card by reporting greenhouse gas emissions linked to our Alpiq interest in our totals.

Despite our active engagement, the tightening of the assessment criteria applying to the industry is placing a strain on our corporate ratings. Yet we remain committed to continuing our efforts to measure, continuously improve and transparently communicate our practices. By doing so, we can ensure the durability of our operations and create a sustainable future for all.

Long-term growth

Refocusing on our core business as an energy company lays a foundation for long-term value creation. We are also taking efficiency and cost-saving measures, and remain confident that we can improve the profitability of our activities. The high levels of EBITDA and cash flow are positive signals in this respect.

Our market continues to offer attractive opportunities in the context of the electrification of society and the energy transition. One example is property renovation. And our investment policy remains on track, despite the adjustments.

EOS NER SA reported solid results, but Alpiq’s decision to repay its public hybrid loan last autumn, together with the restatement of accounts as per Swiss GAAP FER, significantly depleted the contribution from EOS Holding to the Group’s results in 2024. This is a one-off. Our interests in associates represent a major asset and provide diversification within the industry and geographically, as well as having a welcome steadying influence.

In conclusion, despite the current challenges, Romande Energie is amply funded and exhibits remarkable financial strength considering the regulatory context in which it operates. We can also count on a high equity ratio (74%) plus robust cash generation, allowing us to look to the future with peace of mind.

Romande Energie Group

Key figures
and achievements
in 2024

No. 1
electricity supplier in
Western Switzerland



People & Talent

1,493
employees

15
apprenticeship streams
and 57 apprentices



Power generation

100%
renewable

250
power facilities in Switzerland
(excl. cogeneration)
and 13 in France

779
million kWh of power generated



Grids

11,000 km
of powerlines including
9,400 underground

1,198 km
of optical fibre

5,112
new connections
to generators



Installations

93
residential PV installations

15.4 MW_p
of new installed capacity for
industrial PV arrays

82
residential heat-pump installations

177,650
smart meters installed

500th
parking lot fitted with Click & Charge



Thermal generation

124
million kWh of power sold

2
million kWh of cooled air sold

45
plants in Switzerland
(including cogeneration plants)

Corporate governance



Corporate governance at Romande Energie is guided by transparency and fairness. This approach seeks to inspire confidence in all our stakeholders. The principles of our corporate governance aim to sustain profitability in the long run while also safeguarding the interests of our shareholders, customers and business partners.

1 Group structure and shareholders

The Group’s main business activities are the generation, distribution and marketing of electrical and thermal energy, together with energy services.

1.1 Group structure

1.1.1 Operational structure of the Romande Energie Group

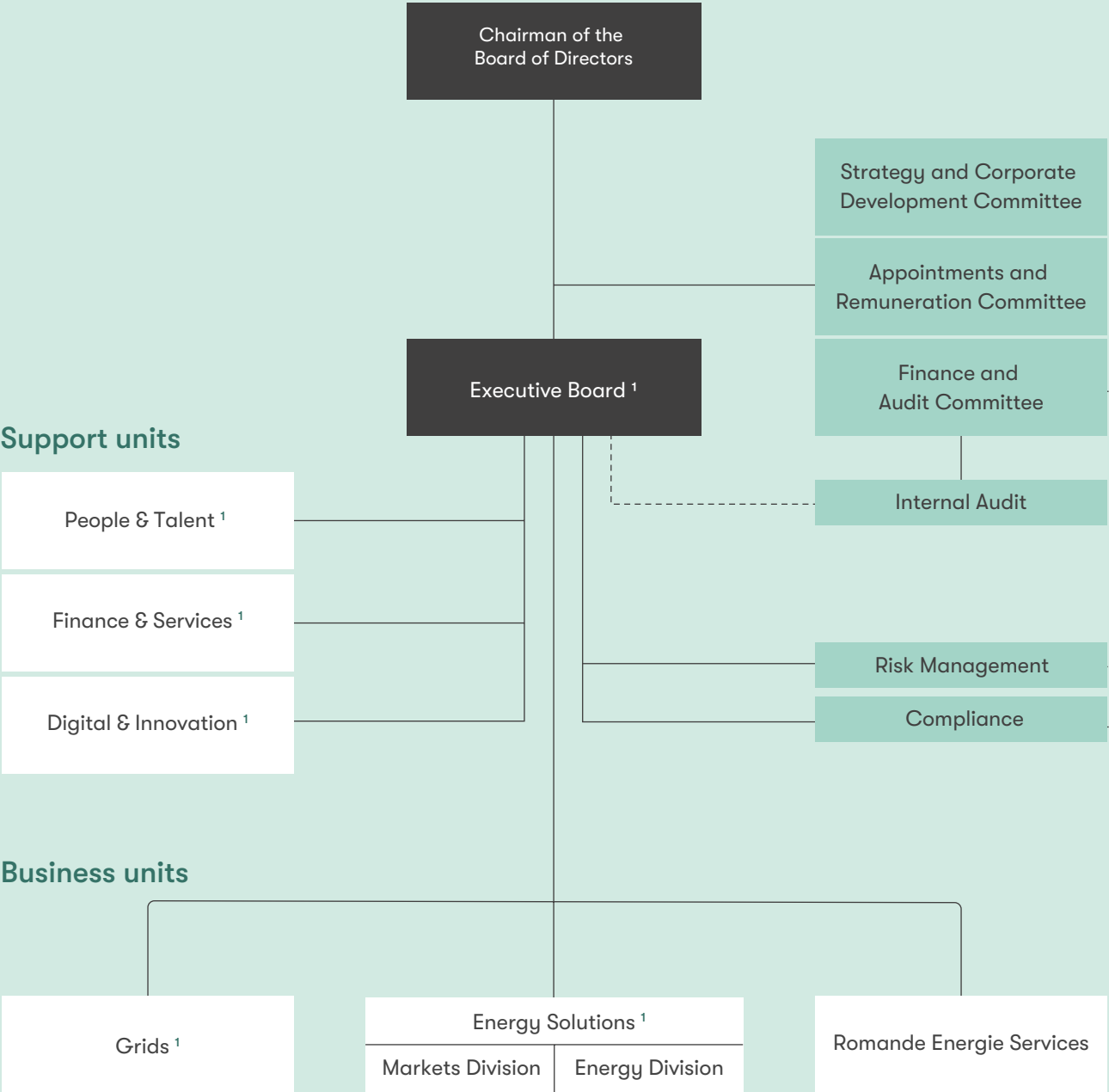
As at 31 December 2024, the operational structure of the Romande Energie Group comprised three business units: Grids, Energy Solutions and Romande Energie Services, and three support units: Finance & Services, People & Talent, and Digital & Innovation. The Group’s organisational structure is presented in the adjacent chart.

1.1.2 Legal structure of the Romande Energie Group

Romande Energie Holding SA, whose head office is located at Rue de Lausanne 53, CH-1110 Morges, Switzerland, is the ultimate holding company of the Romande Energie Group. Its securities are listed on the SIX Swiss Exchange in Zurich under security number 126.367.632 and ISIN code CH 1263676327. It was established in 1901 under the corporate name Compagnie Vaudoise des Forces Motrices des Lacs de Joux et de l’Orbe and originally listed on the Lausanne Stock Exchange. Adjusted for shares held in treasury, its market capitalisation amounted to CHF 1.103 billion as at 31 December 2024. Romande Energie Holding SA has no actual operations and is the only Group company that has shares listed on the stock exchange. The list of companies that are consolidated by Romande Energie Holding SA as at 31 December 2024 is shown in Note 27 to the consolidated financial statements, on page 150 of this report. [GRI 2-1](#)

The Romande Energie Group fulfils the statutory and regulatory provisions concerning corporate governance applicable in Switzerland. This report complies with the terms of the Directive on Information relating to Corporate Governance, issued by SIX Exchange Regulation on 29 June 2022, and uses the numbering system. It also follows the Swiss Code of Best Practice for Corporate Governance (2023 edition). Supplementary information is contained in the Remuneration Report (see page 36). Unless stated otherwise, the information contained herein relates to the Group’s status as at 31 December 2024.

Group organisational structure
as at 31 December 2024



1 Member of the Executive Board

Given the major changes in governance in progress as at the date of this report’s publication as stated on page 28, please refer to the Investor Relations section of our website, which we will keep updated as and when these changes are implemented.



<https://www.romande-energie.ch/ir-organigramme>

1.2 Significant shareholders

Vaud Canton, Banque Cantonale Vaudoise, 118 Vaud municipalities and SIE SA (Service Intercommunal de l'Electricité) are bound by a shareholders' agreement providing for reciprocal pre-emption rights on each other's shares. Together these shareholders hold 55.4% of the share capital and the associated voting rights.

A list of significant shareholders is provided on page 132 in Note 19 to the consolidated financial statements.

No disclosures relating to shareholdings were published in the year under review. Notices can be viewed on the website of the body responsible for such announcements:

<https://www.ser-ag.com/fr/resources/notifications-market-participants/significant-shareholders.html#/>

1.3 Cross-shareholdings

Romande Energie Holding SA has no knowledge of any cross-shareholdings exceeding 5% of the share capital in each case, or of all shares with voting rights. It does not own shares in its significant shareholders, namely Groupe E SA (Fribourg) and Banque Cantonale Vaudoise (Lausanne). There is also no cross-representation on the boards of listed companies. However, it should be noted that Romande Energie SA, a subsidiary of Romande Energie Holding SA, owns 29.71% of EOS Holding SA, which in turn owns 33.3% of Alpiq Holding SA. Guy Mustaki, Chairman of the Board of Directors of Romande Energie Holding SA, also chairs the Board of Directors of EOS Holding SA. Stéphane Gard and Xavier Company, both members of the Board of Directors of Romande Energie Holding SA, are also members of the Board of Directors of EOS Holding SA. Christian Petit, CEO of Romande Energie Holding SA until 10 December 2024, was a member of the Board of Directors of EOS Holding until 13 December 2024.

2 Ownership structure

2.1 Share capital

The ordinary share capital of Romande Energie Holding SA amounts to CHF 28.5 million, divided into 28.5 million registered shares with a nominal value of CHF 1 each. Romande Energie Holding SA has no conditional capital.

2.2 Specific indications on the capital band and conditional capital

Romande Energie Holding SA has no capital band or conditional capital.

2.3 Changes in capital during the past three years

None during the past three years.

2.4-2.5 Shares, participation and dividend-right certificates

The share capital consists solely of registered shares. All shares are vested with the same ownership and voting rights. The Company has no liabilities in regard to participation and dividend-right certificates or concerning convertible bonds. The allocation of earnings is governed by Article 24 of the Articles of Association¹ and Articles 671 and 672 of the Swiss Code of Obligations, which stipulate that:

- a. 5% of net profit for the year is allocated to statutory retained earnings. Statutory retained earnings must be replenished until, together with the statutory capital reserve, this reaches 20% of the share capital specified in the companies register.
- b. The following amounts are assigned to the statutory capital reserve:
 1. any share issue proceeds in excess of the nominal value and the issue costs;
 2. the amounts paid up on forfeited shares (Art. 681 subsection 2) that have been retained, unless there is a shortfall on the newly issued shares;
 3. other contributions and advances made by holders of equity securities.

The statutory capital and retained earnings reserve may be repaid to the shareholders if the statutory capital and retained earnings reserve exceeds 20% of the share capital specified in the companies register.

2.6 Limitations on transferability and nominee registration

2.6.1 Limitations on transferability

The following rules apply:

- There are no transfer restrictions on registered shares

2.6.2 Reasons for granting exceptions in the year under review

2.6.3 Admissibility of nominee registrations

- Natural persons and legal entities are registered with no limitation on voting rights
- Nominee registrations carry no voting rights
- The Company no longer prints paper certificates
- SIS nominee securities (NS) are not entered in the share register

The May 2024 Annual General Meeting introduced a new Article 6b to the Articles of Association, which states that "Shareholders listed in the share register under the terms of Article 6a of these Articles of Association who are acting on behalf of a beneficial owner must provide full disclosure that they are acting in their interests."



https://investor.romande-energie.ch/about-us/at-a-glance/organization.aspx?sc_lang=en

Please refer to page 138 of the 2024 consolidated financial statements for a list of companies in the Romande Energie Group. In addition, the Group's corporate structure is available in the Investor Relations section of our website.

2.7 Convertible bonds and options

Romande Energie Holding SA has not issued any convertible bonds or options. It has issued a bond listed on the Swiss domestic segment of the SIX Swiss Exchange (ISIN CH 1196217017), which became tradable on 15 July 2022.

Movements in shareholders' equity

CHF thousands	Share capital	General reserve	Statutory retained earnings	Voluntary retained earnings	Reserve for own shares	Own shares	Retained earnings	Total shareholders' equity
Equity as at 1 January 2022	28 500	-	5 859	945 164	-	-99 524	-	879 999
Net profit				13 140				13 140
Dividend paid				-36 947				-36 947
Equity as at 31 December 2022	28 500	-	5 859	921 357	-	-99 524	-	856 192
Net profit				15 104				15 104
Dividend paid				-36 947				-36 947
Equity as at 31 December 2023	28 500	-	5 859	899 514	-	-99 524	-	834 349
Net profit				47 592				47 592
Dividend paid				-36 947				-36 947
Equity as at 31 December 2023	28 500	-	5 859	910 159	-	-99 524	-	844 994

3 Board of Directors

The Board of Directors of Romande Energie Holding SA, which acts concurrently as the Board of Directors of Romande Energie SA, sets out the Group's strategy and has ultimate authority for ensuring this strategy is executed. It also has ultimate responsibility for overseeing management of the Group. Under its Organisational Regulations², it has also set up three Board committees.

3.1 Members of the Board of Directors

The Board of Directors has nine members, all of whom are Swiss citizens. At no time during the last three years have they exercised any day-to-day management duties within the companies of the Romande Energie Group. Neither do they have close business ties with any of these companies.

Member	Education	Duties	Expiry of term of office	Committee appointments
Guy Mustaki (1960), Chairman**	Doctorate in Law, University of Lausanne Admitted to the bar	2005	2025	Chairman, Strategy and Sustainability Committee
Anne Bobillier (1965), Vice-Chairwoman*	MSc Computer Science, Geneva University, Business administration diploma from CRPM	2016	2027	Chairwoman, Appointments and Remuneration Committee
Stéphane Gard (1965) Director**	MBA, HEC (Lausanne) Swiss certified accountant	2020	2025	Chairman, Finance and Audit Committee
Xavier Company (1988) Director*	Law degree and cross-disciplinary master's degree in law, economics and regulatory affairs, University of Lausanne. Admitted to the bar	2021	2027	Member, Finance and Audit Committee
Nicolas Fulpius (1973) Director**	Lic. Oec (MBA), major in Corporate Finance, HSG St-Gallen, MSc in Management Science & Engineering, Stanford University	2021	2025	Member, Strategy and Sustainability Committee
Olivier Gfeller (1967) Director*	Arts graduate Qualified high school teacher	2021	2027	Member, Appointments and Remuneration Committee
Sofia de Meyer (1974) Director*	Law degree, Bristol University Professional legal training, College of Law (London)	2024	2027	Member, Finance and Audit Committee
Alphonse-Marie Veuthey (1965) Director**	Law degree, Fribourg University Admitted to the bar and licensed to practise as a notary	2011	2025	Member, Appointments and Remuneration Committee
François Vuille (1970) Director*	MSc in Physics, PhD in Astrophysics and MSc in Energy Engineering	2019	2025	Member, Strategy and Sustainability Committee
Paola Ghillani (1963) Former director*	MSc in Pharmacy from University of Lausanne; degree in International General Management for Executives from IMD; International Programme for Board Management, Digital Transformation for Boards programme	2009	May 2024	Former Member, Finance and Audit Committee

* Director appointed by the Vaud cantonal government (Articles 762 CO and 16 of the Articles of Association)
The end of their term of office is a matter for the Vaud cantonal government.

** Director elected by the Annual General Meeting

GRI 2-9, 2-11

Career-related information concerning active members of the Board of Directors is available in the Investor Relations section of our website.

https://investor.romande-energie.ch/about-us/board-of-directors/board-members.aspx?sc_lang=en



² Articles of Association:
https://investor.romande-energie.ch/about-us/governance.aspx?sc_lang=en



Stéphane Gard

Alphonse-Marie
Veuthey

Olivier Gfeller

Anne Bobillier

François Vuille

Guy Mustaki

Nicolas Fulpius

Sofia de Meyer

Xavier Company

3.2 Other activities and lobbying roles

Please refer to page 43 of the Remuneration Report for details of the offices and executive duties held in other companies.

3.3 Number of offices permitted

(Article 626(2) CO)

Under Article 22a(1) of the Articles of Association, members of the Board of Directors may each hold the following other offices in the supreme management and supervisory bodies of legal entities, which must be registered in the Swiss companies register or a comparable foreign register:

- 1. no more than five offices as a member of a Board of Directors or as a member of a supreme governing or supervisory body of companies considered as publicly traded companies, as defined by Article 727(1) point 1 of the Swiss Code of Obligations;
- 2. no more than fifteen offices as a member of a Board of Directors or member of a supreme governing or supervisory body of companies not considered as publicly traded companies within the meaning of the Swiss Code of Obligations and the Federal Act on Collective Investment Schemes;
- 3. no more than ten offices as a member of the Board of Directors or member of a supreme governing or supervisory body of other legal entities not meeting the above criteria.

According to Article 22a(3) of the Articles of Association, the restrictions stated in Article 22a(1) of the Articles of Association do not apply in relation to legal entities controlled directly or indirectly by the Company or which control the Company. Neither do they apply in relation to legal entities which are the occupational pension funds covering the employees of the Company or companies that it controls directly or indirectly.

Furthermore, offices held in several non-Group legal entities among which there is direct or indirect control, or within occupational pension funds covering the employees of these companies, only count as one office within the meaning of subsections 1 and 2.

Potential issues arising from conflicts of interest are managed in accordance with Article 13.4 of the Organisational Regulations. [GRI 2-15 3.](#)

3.4 Elections and terms of office

Under Articles 762 of the Swiss Code of Obligations and 16 of the Articles of Association, five of the nine members of the Board of Directors are appointed by the Vaud cantonal government, two of whom represent shareholding municipalities. The Vaud cantonal government is responsible for determining the expiry of their terms.

The other four members of the Board are elected individually by shareholders at the Annual General Meeting for a term of one year, expiring after the conclusion of the following Annual General Meeting. These directors may be re-elected. However, directors reaching the age of 70 in the calendar year in which the election takes place are no longer eligible for re-election.

In addition, the Articles of Association contain no clauses deviating from the statutory provisions on the appointment of the Chair, members of the committee overseeing remuneration and the Independent Proxy. [GRI 2-10 3.5](#)

3.5 Internal organisational structure

The Board of Directors meets for half-day sessions, usually at least eight times a year. In 2024, the Board of Directors met ten times for sessions lasting approximately four hours. Among these sessions, it met for one seminar lasting one-and-a-half days and on five other occasions for shorter meetings of between one and three hours focused on specific issues. Business performance monitoring, an update to the Group’s strategy and trends in the energy markets and the legal framework formed the main focus of the Board’s deliberations. Committee meetings are attended by the CEO and other senior executives and, as required, internal or external experts invited to provide advice on specific issues.

The members of the Board of Directors have an excellent attendance record at Board meetings and the meetings of committees on which they sit. Under the Organisational Regulations, each committee of the Board of Directors is given its own terms of reference, tasks and responsibilities. Committees’ decision-making powers are laid down in the Company’s Articles of Association or its Organisational Regulations. They meet several times a year, depending on the matters at hand and opinions required by the Board of Directors. Committee members receive the necessary documents in good time for them to prepare for deliberations. Committee meetings are attended by the CEO, the relevant heads of division and, as required, internal or external experts invited to provide advice on specific issues.

Attendance at meetings of the Board of Directors and of its committees in 2024 (non-nominative):

Member	Board of Directors	Strategy and Sustainability Committee	Finance and Audit Committee	Appointments and Remuneration Committee
Member A	100 %	100 %	-	-
Member B	100 %	-	-	100 %
Member C	100 %	-	100 %	-
Member D	100 %	75 %	-	-
Member E	100 %	-	-	100 %
Member F	79 %	100 %	-	-
Member G	100 %	-	100 %	-
Member H	100 %	-	100 %	-
Member I	87 %	-	-	100 %
Member J	100 %	-	100 %	-

Strategy and Sustainability Committee

The Committee consists of the Chairman of the Board and two other members. Meetings are normally held seven to nine times a year (eight times in 2024) and are chaired by the Chairman of the Board. Meetings last for three hours on average. The Committee is responsible for providing the Board with recommendations and opinions on the following strategic issues:

- Economic environment, legal and regulatory conditions and developments in energy markets
- Corporate strategy, business strategy, information technology (IT) strategy and developments, strategic targets and key performance indicators, and strategic action plans
- Corporate development
- Cooperation and strategic partnerships
- Strategic acquisitions
- Shareholder base
- Relations with cantonal authorities and the municipalities served
- Sustainability issues
- Any other business that the Board may wish to entrust to it

In 2024, the Strategy and Sustainability Committee was involved in updating the corporate strategy. Furthermore, the Committee was entrusted with strategic sustainability issues in November 2024. Accordingly, its name was changed to the Strategy and Sustainability Committee and its remit extended to cover this specific area. **GRI 2-16**

Finance and Audit Committee

The Committee has three members and usually meets nine to twelve times a year (nine times in 2024). Meetings last for three and a half hours on average. The Committee is responsible for providing the Board with recommendations and opinions on the following issues:

- Financial statements and the Annual Report
- Corporate Governance Report
- The budget and medium-term financial roadmap
- Appointment and replacement of the Statutory Auditors
- Target rates of return on investment projects
- Treasury, financing and contingent liabilities
- Critical tax issues
- Notifying the courts if overindebted
- Internal control framework
- Management of business, energy and sustainability risks
- Organisational Regulations
- Compliance
- Principles for implementation of stock exchange disclosure rules (ad hoc publicity and directors' dealings)
- Articles of Association, except provisions relating to remuneration for members of the Board of Directors and the Executive Board
- Internal audit reports
- Any other business that the Board may wish to entrust to it

It has decision-making authority in the following areas:

1. Appraising the expertise, independence and services of the Statutory Auditors, and management of their appointment
2. Clarifying differences of opinion between the Management Committee and the Statutory Auditors in respect of the financial statements
3. Approving the internal audit programme

It also has the powers and authority conferred upon it by the Organisational Regulations and Annexe 2 thereof.

In 2024, the Finance and Audit Committee monitored financial results and preparation of the budget, analysed the organisation of control functions (compliance and the internal control framework) and monitored collaboration with the Statutory Auditors.

Appointments and Remuneration Committee

The Committee has three members and usually meets nine to twelve times a year (twelve times in 2024).

Meetings last for three hours on average.

The Committee is responsible for providing the Board with recommendations and opinions on the following issues:

- Composition of the Board of Directors and Board committees
- Oversight of rules in relation to effective corporate governance
- Code of Conduct and business ethics
- Remuneration Report
- Appointment of members of the Board of Directors and its Chair, members of the committees and their chairs, the Company Secretary, the Group's representatives on the boards of directors of Romande Energie SA, Romande Energie Commerce SA and EOS Holding SA, as well as the non-Group member(s) for Romande Energie Services SA
- Appointment of the Chief Executive Officer and Executive Board members
- Remuneration scheme for members of the Board of Directors and individual remuneration in regard to the latter, based on the maximum aggregate amount of remuneration approved by shareholders at the Annual General Meeting
- Pay scheme for members of the Executive Board and employees
- Proposal (to the Board of Directors for submission at the Annual General Meeting) of the maximum aggregate amount of remuneration payable to the Board of Directors and the Executive Board in the coming financial year
- Amendment of the Articles of Association in relation to the remuneration policy for members of the Board of Directors and the Executive Board
- Relations with occupational benefits institutions

Additionally, the Committee's remit is to determine the individual remuneration of the Chief Executive Officer and members of the Executive Board, based on the maximum aggregate amount of remuneration approved by shareholders at the Annual General Meeting. It must also approve the total payroll for the coming year in preparation for

negotiations between labour and management, subject to the establishment of personnel expenses by the Board of Directors in connection with the annual budget.

It also has the powers and authority conferred upon it by the Organisational Regulations and Annexe 2 thereof.

In 2024, the Appointments and Remuneration Committee conducted a self-assessment of the Board of Directors and aspects relating to changes within the Group's senior management team and considered a matter reported on the whistleblowing hotline. **GRI 2-18**

3.6 Division of responsibility between the Board of Directors and Executive Board

The Board of Directors exercises the non-transferable and inalienable duties set out under Article 716a of the Swiss Code of Obligations. It defines corporate strategy and strategic targets, establishes the annual budget and medium-term financial roadmap, determines financial policy, defines risk policy – particularly with respect to the wholesale energy sales and purchases – and is responsible for establishing or disposing of subsidiaries and for buying and selling significant shareholdings. Under Articles 716b of the Swiss Code of Obligations and 17 of the Articles of Association, the Board of Directors has delegated management of the Group to the Chief Executive Officer (CEO) under the terms of the Organisational Regulations. The CEO is responsible for organising and exercising the powers of the Executive Board, in particular: making recommendations on strategy; executing the business strategy and implementing plans and projects; defining missions; managing and leading the Company; achieving the objectives, profitability and expansion of the Company's business, and enhancing its reputation; preparing operating, investment and cash budgets; hiring employees and setting individual remuneration packages; representing the Company in its dealings with third parties; and organising the flow of information within and outside the Company.

The Chairman of the Board of Directors and the CEO maintain close contact with one another in order to coordinate their actions and review current business.

3.7 Information and control mechanisms with regard to the Executive Board

The Board of Directors is informed of current business trends at every meeting. Special attention is paid every quarter to the Group’s results and results of its business units. At least once a year, current Group results are accompanied by a detailed projection of estimated annual results. Reporting on shareholdings, which presents the performance of in businesses and companies in which Romande Energie Group has financial interests, together with a risk management report covering all the Group’s activities, is also prepared by the Executive Board for the Board of Directors once a year. Twice per year, the Board of Directors is given a progress report on strategy implementation.

The Executive Board submits its action plans to the Board of Directors. To exercise its oversight, the Board of Directors uses these documents, together with regular briefings on the main projects undertaken by the Executive Board and on the Group’s business trends: revenues, results relative to various profitability benchmarks, cash flow, capital investment, guarantees and sureties, risks and workforce numbers.

In addition to risk management, Romande Energie Holding SA has an internal audit function, which is organised in accordance with an internal audit charter based on the international standards of the Institute of Internal Auditors. Internal audit reports directly to the Finance and Audit Committee, a Board committee, and is fully independent from the Executive Board. This function has been outsourced to a specialist service provider. Internal audits campaigns (usually three to five per year, two in 2024) are regularly conducted with external specialists who are not the Statutory Auditors. Romande Energie also has Risk Management and Compliance teams, which report to the CEO. The compliance team has an additional reporting line directly to the Finance and Audit Committee on a functional basis.

Lastly, a whistleblowing hotline operated by an independent law firm also reports directly to the Finance and Audit Committee or to the Appointments and Remuneration Committee, depending on the matters raised. In 2024, one case was handled by this law firm. **GRI 2-25**

The Board of Directors is regularly kept informed of the Group’s business developments and receives reports at each of its meetings.

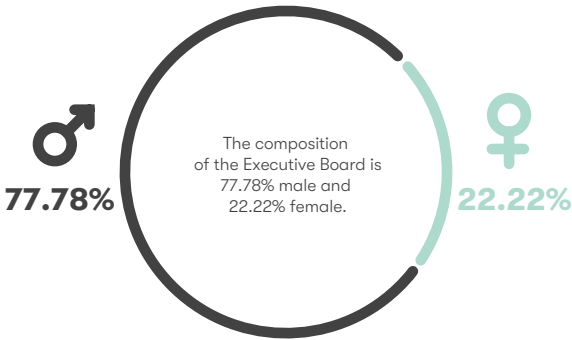
The minutes of Management Committee meetings are submitted to the Chairman and the Board of Directors and the chairs of its committees.

A daily press review is sent to each member of the Board of Directors.

A description of the risk management procedures adopted can be found on page 67 of this report.

3.8 Gender threshold

The composition of the Board of Directors is 77.78% male and 22.22% female. The representation of women on the Board is taken into account when appointing new members.



4 Management Committee

The Management Committee is made up of the members of the Executive Board. It meets every week for half-day sessions. Each year it holds three to five days of seminars (four in 2024) dedicated to current issues.

4.1 Members of the Management Committee

The members of the Executive Board are appointed by the Board of Directors. As at 31 December 2024, all of its members were Swiss citizens.

Member	Position	Education	Member
Patrick Bertschy (1968)	Interim CEO* Head of Grids	MSc Electrical Engineering, HEIA Fribourg Executive MBA, HEG Fribourg Executive Certificate in Advanced Management, HEC Paris	Since 2014
Aurore Amaudruz (1985)	Joint Head of Energy Solutions (Markets Division)	MBA, IMD, (Lausanne) CAS HES-SO Renewable Energies, HEIG-VD (Yverdon) MSc/BSc Communication Systems, EPFL (Lausanne)	Since 2021
Nicolas Conne (1980)	CFO and Head of Services	Foundations for Business Leadership (FBL), IMD (Lausanne) Swiss certified accountant MSc Management, HEC, University of Lausanne	Since 2019
Guillaume Fuchs (1974)	Joint Head of Energy Solutions (Energy Division)	Advanced Management Programme, CRPM Diploma in Mechanical Engineering, Université de Technologie de Belfort-Montbéliard (France) Diploma of Technology in Mechanical Engineering, Institut Universitaire de Technologie de Mulhouse (France)	Since 2021
Assia Garbinato (1971)	Head of Digital & Innovation	PhD, Computer Science, Higher National School of Computer Science (Algeria)	Since 2021
Christian Petit (1963)	Chief Executive Officer**	Economist, MBA, ESSEC, Cergy Pontoise (France) Programme for Executive Development (PED), Leadership, IMD (Lausanne)	2019 - 2024
Virginie Vasselon (1976)	Head of People & Talent***	Master of Commerce (major in marketing), University of Wollongong, Australia, Institut d’Etudes Politiques de Paris, Communication and HR faculty, Master Coach Certification, Institut Coaching International (Geneva)	2021 - 2024

* since 11 December 2024
** until 10 December 2024
*** until 13 November 2024

Revitalised governance framework

After repositioning itself as a major force at the vanguard of the decarbonisation drive in Western Switzerland from 2019, the Romande Energie Group is now beginning a phase of consolidation and revitalising its leadership team and its organisation structure.

François Fellay, Romande Energie's CEO designate

François Fellay was appointed CEO of Romande Energie by the Board of Directors on 12 March 2025. He will take up his new role by 1 October 2025 at the latest. In the meantime, Patrick Bertschy will continue to serve as interim CEO following Christian Petit's departure in December 2024.

François Fellay (48) is currently the Chief Executive Officer of OIKEN SA, a Sion-based power distribution company. As CEO, François Fellay will be tasked with formulating and executing the Group's strategy, accelerating its growth and operating performance, deploying resources and putting in place the requisite organisational structure and oversight arrangements.

Drawing on his experience, he will continue to enhance our entrepreneurial and innovation-led culture. He will galvanise the deployment of new technologies and prepare the business to meet the challenges and opportunities arising from societal change, including digitalisation and the energy transition.



© Olivier Maire

François Fellay, Romande Energie's CEO designate

Michel Rizzo will be our new Chief People & Talent Officer, taking up his new role on 1 May 2025 at the latest. He will replace Virginie Vasselon, who left her position in November 2024.

Michel Rizzo is a recognised expert with extensive experience in human resources. He is a specialist in change management and innovative approaches to industries undergoing major change. His experience of international Switzerland-based businesses and his multi-faceted capabilities will support development and help meet the challenges that lie ahead for the Group.

Gratitude and thanks to Virginie Vasselon

Virginie Vasselon joined the Group in August 2021. In her role as Chief Human Resources Officer, she undertook a strategic reorganisation of her department to align with the Group's needs. She turned it into the People & Talent support unit we have today. She left her position in November 2024. The Board of Directors wishes to express its sincere gratitude to her for her highly positive contribution.

New organisation structure

The Group plans to reorganise its business units (BUs) to refocus its efforts on key sectors, such as property. Its activities will be split into four BUs. The segmentation concept will be dropped as the goal is to facilitate end-to-end management and address energy-related priorities more effectively.

Both divisions of the **Energy Solutions business unit** will become separate entities, to be called Markets and Energy.

Aurore Amaudruz will take over as head of the Markets BU, while a recruitment process has been launched for the head of the Energy BU, with **Guillaume Fuchs** leaving his management role.

Gratitude and thanks to Guillaume Fuchs

The Board of Directors wishes to place on record its gratitude to **Guillaume Fuchs** for his contribution as co-head of the Energy Solutions BU. He is a ground-breaking renewable energies engineer who masterfully led a number of projects, including the flagship Lac des Toules floating solar farm. His skill set and his sense of responsibility, together with his drive and kindness, made him very popular among the Group's employees.

New Property BU

Oliviero lubatti has rejoined Romande Energie's Management Committee effective 1 March 2025 as Head of Romande Energie Services. He will take the helm at the new Property BU, which will position itself to provide a unique set of services in Western Switzerland supporting decarbonisation of the sector.

The **Grids BU** and the **Finance and Services, People & Talent and Digital & Innovation support units** will remain unchanged.

The new organisation structure will be introduced by 1 July 2025. The Investor Relations section of our website will be updated as and when these changes take effect.

4.2 Education, career, other activities and lobbying roles

None of the executives act as consultants for key lobbies in Switzerland or abroad. None of them worked for the Group or any of its companies before their current duties. Career-related information for Management Committee members as at 31 December 2024 is available in the Investor Relations section of our website.



<https://www.romande-energie.ch/ir-codir>

Please refer to page 46 of the Remuneration Report for details of the offices and executive duties held in other companies.

4.3 Number of offices permitted (Article 626(2) CO)

Under Article 22a(2) of the Articles of Association, members of the Executive Board, with the agreement of the Board of Directors, may each hold the following other offices in the management and supervisory bodies of legal entities which are required to be registered in the Swiss companies register or a comparable foreign register:

1. no more than one office as a member of a board of directors or as a member of a supreme governing or supervisory body of companies considered as publicly traded companies, as defined by Article 727(1) point 1 of the Swiss Code of Obligations;
2. no more than fifteen offices as a member of a Board of Directors or member of a supreme governing or supervisory body of companies not considered as publicly traded companies within the meaning of the Swiss Code of Obligations and the Federal Act on Collective Investment Schemes;

3. no more than ten offices as a member of the Board of Directors or member of a supreme governing or supervisory body of other legal entities not meeting the above criteria.

According to Article 22a(3) of the Articles of Association, the restrictions stated in Article 22a(2) of the Articles of Association do not apply in relation to legal entities controlled directly or indirectly by the Company or which control the Company. Neither do they apply in relation to legal entities which are the occupational pension funds covering the employees of the Company or companies that it controls directly or indirectly. Furthermore, offices held in several non-Group legal entities among which there is direct or indirect control, or within occupational pension funds covering the employees of these companies, only count as one office within the meaning of subsections 1 and 2.

Potential issues arising from conflicts of interest are managed in accordance with Article 13.4 of the Organisational Regulations.

4.4 Management contracts

Romande Energie Holding SA has not entered into any management contracts.

4.5 Gender threshold

As at 31 December 2024, men and women account for 60% and 40% respectively of the Management Committee members.



5 Remuneration, shareholdings and loans

Please refer to the Remuneration Report on page 36.

6 Shareholders' participation

6.1 Voting-right and representation restrictions

All shares entitle the holder to one vote. There are no restrictions on voting rights.

Under Article 12(4 and 5) of the Articles of Association, shareholders may be represented by another shareholder, by any other representative of their choice, except for a custodian or a member of a governing body of the Company, or by the Independent Proxy.

The Articles of Association contain no clauses deviating or supplementing the statutory provisions with regard to Independent Proxy instructions. Neither do they contain rules relating to participation in the Annual General Meeting by electronic means.

6.2 Quorums and majority voting requirements

Shareholders at the Annual General Meeting pass resolutions and conduct elections by a simple majority of the voting rights cast. Abstentions and blank or spoilt votes are not taken into consideration in the calculation of the majority. This does not apply to matters requiring a two-thirds majority of the voting rights represented, pursuant to Article 704(1) of the Swiss Code of Obligations.

6.3 Notice of Annual General Meetings

General Meetings, either annual or extraordinary, are called as set forth under Article 699 of the Code of Obligations.

6.4 Inclusion of business on the agenda

Under Article 10(3) of the Articles of Association, shareholders representing a total of 0.5% of the share capital or voting rights may request that an item of business be placed on the agenda. This request must be made to the Board of Directors in writing no later than 30 days before the date of the meeting, indicating the purpose of the debates and the motions submitted.

6.5 Entry in the share register

Shareholders must be registered in the share register no later than 10 to 15 days before the appointed date in order to take part in the Annual General Meeting or appoint a proxy. The deadline is shown in the official notice of the meeting.

7 Changes of control and defence measures

7.1 Obligation to make an offer

This is not covered by any clause in the Articles of Association. There is no opt-out or opt-up clause. Vaud Canton, Banque Cantonale Vaudoise, 118 Vaud municipalities and SIE SA (Service Intercommunal de l'Électricité) are bound by a shareholders' agreement providing for reciprocal pre-emption rights on each other's shares. Together these shareholders hold 55.4% of the share capital and the associated voting rights.

7.2 Clauses on changes of control

This is not covered by any clause in the Articles of Association. Nor is there any agreement or programme benefiting the members of the Board of Directors or the Executive Board in such cases. The employment contract of Management Committee members may be terminated by either party by giving six months' notice as from the end of the current month.

8 Statutory Auditors

8.1 Duration of the contract and term of office of the lead auditor

The Annual General Meeting of shareholders in 2024 appointed Ernst & Young SA, in Lausanne, as the new Statutory Auditors for a renewable period of one year. The lead auditor is Laurent Bludzien. The maximum term for lead auditors is seven years, as required by law.

The selection and replacement of the Statutory Auditors is the responsibility of the Board of Directors, relying on advice from the Finance and Audit Committee, following a periodic invitation to tender.

8.2 Audit fees and non-audit fees

The fees charged by Ernst & Young SA are as follows:

	CHF
Audit fees	473'400
Non-audit services - Taxation	818'45
Total	555'245

Audit fees include auditing the financial statements, the basic work of reviewing the statutory accounts of each entity, reviewing the Romande Energie Group financial statements, plus audit services in relation to pension plans, monitoring the implementation or revision of accounting methods, the review of this Corporate Governance chapter, the verification of the Remuneration Report and the production of the audit statements.

Non-audit services are categorised by type of service offered.

The Internal and External Audit Charter of Romande Energie Holding SA provides that, outside of exceptional circumstances, non-audit fees may not represent more than 50% of the total fees for auditing or auditing-related services.

In 2024, this ratio was 17%.

8.4 **Oversight and control of the Statutory Auditors**

See Finance and Audit Committee, item 3.5.

Every year, the Finance and Audit Committee annually checks the services, fees and independence of the Statutory Auditors and reports this information to the Board of Directors. The Statutory Auditors’ work is fully independent of the Board of Directors and the Executive Board. The Finance and Audit Committee assesses the quality of reporting and the audit reports, the proposed audit approach and its implementation, concentrating on coverage of material risks, recommendations, timeframes and resources. It also meets with the individuals performing the work to ensure they have the requisite expertise. Specifically, it compares the fees budgeted and invoiced by the Statutory Auditors and vets any additional services (see item 8.3). Focusing on independence, it checks the advisory services commissioned from the statutory auditors (scope and fees). The Board of Directors previously ruled that extra support services would not be bought in for internal auditing purposes.

The Statutory Auditors receive all the documentation that is prepared for every meeting of the Finance and Audit Committee. In 2024, they took part in five committee meetings.

Comments by the auditor are systematically submitted to the Finance and Audit Committee. The Statutory Auditors’ work is fully independent of the Board of Directors and the Executive Board. The Statutory Auditors must possess all the relevant professional qualifications required for the audit of a listed company. They must have the necessary resources available to fulfil their mission.

9 **Information policy**

Romande Energie Group pursues an information policy in keeping with its size and stature. The disclosures made are designed to maintain public trust in the Company. Particular care is also taken to ensure that executives are provided with timely, accurate information to enable them to carry out their leadership responsibilities. Shareholders of Romande Energie Holding SA are kept informed of the basic aspects of the Group’s business by the Annual Report, the Interim Report and press releases.

Sensitive data that may affect the share price is disclosed on an ad hoc basis in accordance with the relevant guidelines of SIX Swiss Exchange. Information is compiled by the corporate communications department and the head of investor relations team. Information about the Group is also posted on the internet at www.romande-energie.ch.

Notices required by law and by the Articles of Association are published in the Swiss Official Gazette of Commerce. The Company will be deemed to have duly communicated with shareholders if it sends a letter by post to the address recorded in the share register, by email or by any other means deemed appropriate by the Board of Directors (Art. 28 of the Articles of Association).

A financial calendar containing the publication dates for the annual and interim financial statements and the Annual Report, as well as the date of the press conference, is posted on the Group’s website early in the year. An events calendar for the current financial year and contact addresses are shown on the penultimate page of this report.

The following links can be used to subscribe to our alert service, where you can select the type of news you would like to receive:

In French
<https://www.romande-energie.ch/ir-notifications>

In English
<https://www.romande-energie.ch/ir-alerts>

10 **Closed periods**

Every year, the CFO issues a memo to employees, the members of the Management Committee and the members of the Board of Directors reminding them that they may not conduct any kind of market transaction on the registered shares, bonds or other equity securities of Romande Energie Holding SA that they may hold or wish to acquire during the closed periods. In 2024, the closed periods ran from 3 January to 25 April 2024 (inclusive), then from 1 July to 9 September (inclusive), i.e. until the second trading day following the official publication of either full-year or interim financial results.

11 **Romande Energie Group Anti-Corruption and Anti-Bribery Directive**

Romande Energie Group acts responsibly towards its customers, business partners, employees and society at large. It is committed to maintaining a climate of trust with its customers and business partners and to free and fair competition, in compliance with the applicable laws and regulations.

The Romande Energie Group has a zero-tolerance policy on corruption and bribery. The basic principles relating to this matter are set forth in the Code of Conduct.

The Swiss Criminal Code has expanded the definition of corruption to include employees of private-sector companies. In the event of a conviction, both the individual and the company will face legal consequences. Employees committing acts of corruption may also be personally liable to serious criminal and civil penalties that may include substantial fines and even imprisonment.

In early 2017, the Board of Directors approved Romande Energie Group Anti-Corruption and Anti-Bribery Directive (updated in early 2024), which sets out the basic principles in this area. The Directive applies to all employees and business partners of Romande Energie and must be provided to them at the start of the employment or business relationship and as often as necessary thereafter.

Giving or accepting reasonable gifts to or from public officials or persons operating in the private sector is permitted, but care should be taken when giving or accepting gifts which could be perceived as inappropriate or place the recipient under an obligation. Soliciting gifts is forbidden. Gifts also include invitations to a meal, a show, or other forms of hospitality.

Whether or not a gift is legally permissible depends on the intention of the person offering it. If it is offered with the aim of influencing a decision or obtaining an advantage, it is a bribe. On the other hand, a reasonable gift offered with the intention of improving business relations or marking a special occasion is not considered a bribe.

Consequently, an upper limit of CHF 200 has been set. The value of a gift received from an outside party must therefore be below this amount. Gifts worth more must be turned down. Cash or gift vouchers may never be accepted. If in doubt, the employee or business partner should always consult their line manager or the Head of Compliance.

The Directive applies to all companies over which Romande Energie Holding SA has majority control, either directly or indirectly.



To the Board of Directors of
Romande Energie Holding SA, Morges

Lausanne, 4 April 2025

Independent Assurance Report on the information published on Corporate Governance

We were engaged by the Board of Directors to perform a limited assurance engagement on information published on Corporate Governance of Romande Energie Holding SA, on pages 14 to 33 of the separate chapter of the annual report, which has been prepared for the period ending 31 December 2024 in accordance with the directive on information relating to the Corporate Governance of SIX Swiss Exchange (hereinafter « Corporate Governance Directive »).



Board of Directors' responsibilities

The Board of Directors is responsible for the preparation the information published on Corporate Governance in accordance with the Corporate Governance Directive. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation the information published on Corporate Governance that is free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for the selection and application of the criteria and the keeping of appropriate records.

Independence and Quality Control

We are independent of Romande Energie Holding SA as defined by the guidelines on independence issued by EXPERTsuisse and have observed the Code of Conduct and Professional Rules issued by EXPERTsuisse. These requirements are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm 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.



Responsibility of the assurance practitioner

Our responsibility is to perform a limited assurance engagement and to express a conclusion about the information published on Corporate Governance based on the procedures we have performed and the evidence we have obtained.

We conducted our engagement in accordance with Swiss Audit Standard 950 "Assurance Engagements other than Audits or Reviews of Historical Financial Information". This standard requires that we plan and perform our procedures to obtain limited assurance about whether the information published on Corporate Governance has been prepared in accordance with the Corporate Governance Directive in all material respects.

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

We have carried out primarily the following work:

- ▶ Analytical procedures
- ▶ Comparison with the Corporate Governance Directive and verification of compliance with the structure given in its appendix
- ▶ Interview of the Compliance and Legal Department
- ▶ Review of the minutes of the meetings of the Board of Directors and the decisions of the General Assembly.

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



Conclusion

Based on our limited assurance engagement, nothing has come to our attention that causes us to believe that the information published on Corporate Governance of Romande Energie Holding SA for the period ending 31 December 2024 has not been prepared, in all material respects, in accordance with the Corporate Governance Directive.

Ernst & Young Ltd



Laurent Bludzien
(Qualified Signature)

Licensed audit expert
(Auditor in charge)



Richard Gattucci
(Qualified Signature)

Licensed audit expert



Remuneration Report

1 Board of Directors

1.1 Governance

Under Article 21(3) point 2 of the Articles of Association, the Board of Directors, acting upon the recommendation of the Appointments and Remuneration Committee, determines the individual remuneration payable to the members of the Board of Directors, bearing in mind the maximum aggregate remuneration approved by shareholders at the Annual General Meeting. Note that this amount refers to the total remuneration for the next financial year, in application of Article 15 of the Articles of Association.

1.2 Remuneration principles

The principles governing the remuneration of the Board of Directors are laid down by Article 22c of the Articles of Association. Directors receive a fixed annual allowance, which does not depend on the Group's financial results, as well as fees for attending Board and Committee meetings and external or special preparatory meetings.

Remuneration is not set at any particular interval, and no distinction is drawn between directors. Remuneration is determined in accordance with Swiss private-sector standards. In 2022, the remuneration paid to members of the Board of Directors of Romande Energie was compared with a sample group of 15 companies, all listed Swiss non-financial companies with similar market capitalisation, revenue and employee numbers. This was carried out with the help of HCM International SA, a specialist advisory firm. This showed that the directors of the Romande Energie Group earn below the average relative to the comparator market.

Annual remuneration and attendance fees were as follows:

Annual remuneration and fees	CHF
Chair	85 000
Vice-Chair	37 500
Director	30 000
Chair of Board committee, in addition to basic remuneration	6 000
Attendance fees	
- Half-day	1 200
- Meeting outside normal hours	1 200
- Full day	1 800
- Extraordinary meeting short session (≤2 hours)	600
- Other extraordinary meetings	300/h.

Members of the Board of Directors receive an allowance of CHF 0.70 per kilometre for travelling from their place of work or residence to the meeting. They also receive a fixed amount to defray expenses. Directors do not receive bonuses, shares or other forms of profit-sharing.

1.3 Total remuneration

In 2024, the remuneration, fixed allowances for expenses and social insurance costs for members of the Board of Directors were as follows:

CHF		Remune- ration and fixed allowances	Social insurance costs	Total 2024	Remune- ration and fixed allowances	Social insurance costs	Total 2023
Guy Mustaki	Board chair/SSC chair ¹	149 250	12 520	161 770	135 015	10 990	146 005
Anne Bobillier	Board Vice-Chairwoman/ ARC chair ²	93 597	7 676	101 273	72 004	5 503	77 507
Stéphane Gard	Director/FAC chair ³	73 973	12 799 **	86 772	76 242	13 043 **	89 285
Xavier Company*	Director	59 775	-	59 775	57 705	-	57 705
Sofia de Meyer ⁽¹⁾	Director	34 633	-	34 633			
Nicolas Fulpius	Director	55 065	4 526	59 591	56 686	4 305	60 991
Olivier Gfeller*	Director	56 225	-	56 225	49 132	-	49 132
Paola Ghillani ⁽²⁾	Director	26 250	4 100 **	30 350	67 424	10 334 **	77 758
Alphonse-Marie Veuthey	Director	94 625	17 204 **	111 829	89 197	15 380 **	104 577
François Vuille*	Director	55 665	-	55 665	54 656	-	54 656
Total		699 058	58 825	757 883	658 061	59 555	717 616

⁽¹⁾ From 29 May 2024
⁽²⁾ Until 29 May 2024

* Paid to Vaud Canton or the municipality represented.
** Including employer contributions linked to optional membership of the pension fund.

The above amounts include remuneration paid by Group subsidiary companies, i.e. in which the Group's shareholding exceeds 50%. The remuneration paid by third parties for offices held in associates (Group shareholdings of less than 50%) are not included in the above amounts. Offices held in subsidiaries and associates of the Group are set out in item 4.1 of this report. The dates on which directorships commenced and ceased are set out in section 2, Corporate Governance, under item 3 on page 19.
As all transactions with members of the Board of Directors in relation to products marketed by the Group are carried out on an arm's length basis, they are not included in the above amounts.

¹ Strategy and Sustainability Committee
² Appointments and Remuneration Committee
³ Finance and Audit Committee

At the Annual General Meeting of 16 May 2023, shareholders approved the maximum aggregate remuneration payable to members of the Board of Directors, amounting to CHF 790,000 (CHF 720,000 in pay including fixed expense allowances, and CHF 70,000 in social insurance costs), for the period from 1 January 2024 to 31 December 2024.

2 Executive Board

2.1 Introduction

The success of the Romande Energie Group depends largely on the skills and commitment shown by its employees. The Group strives to be an employer of choice, attracting, retaining and motivating the most talented people at all levels.

Every effort is made to ensure that the remuneration policy fairly reflects the financial performance of the Group and its constituent companies and the commitment of its employees to achieving results.

2.2 Governance

Under Article 15(1) point 2 of the Articles of Association, the Annual General Meeting must annually approve the amount that the Board of Directors has set for the maximum aggregate remuneration payable to the Executive Board in the coming financial year.

On the recommendation of the Appointments and Remuneration Committee (ARC), the Board of Directors determines the Group remuneration policy for the Executive Board, in accordance with the principles set out in Article 22d of the Articles of Association. The ARC, composed entirely of non-executive directors, monitors application of the remuneration policy, periodically reviews proposals to increase overall remuneration and determines the individual remuneration paid to Executive Board members, subject to the maximum aggregate amount approved by the Annual General Meeting.

Remuneration practices in other companies serve as a basis for comparison. A comparison with Swiss companies operating in the same area of activity or listed in Switzerland is conducted biennially (in even years) based on companies that are most similar to the Romande Energie Group in terms of their revenues, market capitalisation and number of full-time employees. During 2024, the remuneration of members of

Romande Energie’s Management Committee was benchmarked against a group of 20 companies, all operating in the same core sector of activity as Romande Energie, i.e. Swiss energy suppliers. This remuneration benchmarking exercise was carried out with the help of EY. The comparisons yielded the conclusion that the average remuneration of all members of the Romande Energie Group’s Management Committee is lower than that of the comparator market.

2.3 Remuneration principles

Executive pay is not set in isolation but relative to other employees.

The aim is for total remuneration for executives is to be below but close to the market median.

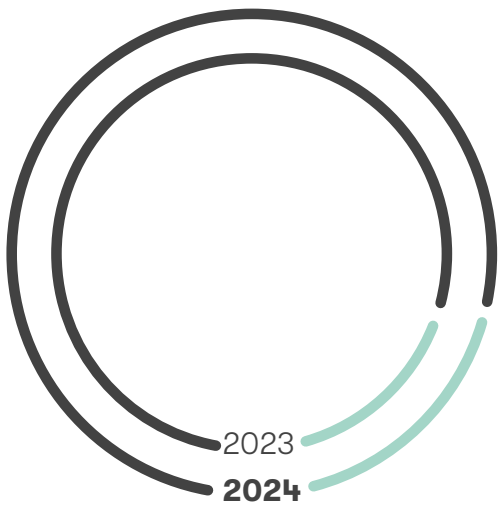
Caps are also set in the form of a pay-gap ratio. The highest-paid executive cannot earn more than thirteen times the lowest-paid person.¹ Nor can the average remuneration of the Executive Board be more than eight times that of the lowest-paid person. In 2024, the results of these comparisons were 11.35x and 5.89x, respectively.

The total remuneration of executive officers comprises a fixed salary and profit-sharing tied to the Group’s financial results.

GRI 2-19, GRI 2-21

Annual salary

The remuneration packages of senior executives are reviewed every two years. In even years, a maximum budget is set based on benchmarking study. In odd years, salaries are adjusted based on the results of the benchmarking exercise and the pay-gap ratios identified. In line with this principle, the salaries of Executive Board members did not change in 2024.



Components of total remuneration (%)		Influence
Profit sharing		EBITDA over several years and corporate objective
Basic salary		

Profit-sharing

The target value of the Group’s profit-sharing set at CHF 50,000 per Executive Officer and CHF 100,000 for the Chief Executive Officer and in force until 31 December 2023 was adjusted by a common target value of 20% for each Executive Board member. This necessitated minor adjustments to certain basic salaries and overall led to a small increase in the target value.

The target profit-sharing values are influenced by the degree of achievement in relation to financial and corporate objectives, using the following formula:

Sum available

×

FPC

×

ACO

=

x

max 120%
min 80%

max 120%
min 80%

max 144%
min 64%

FPC = financial performance criteria: economic component. This is determined by calculating the difference between budgeted and actual adjusted EBITDA (i.e. excluding profit from FMHL)

ACO = achievement of corporate objectives: social and environmental components. The objectives are set each year by the Management Committee, in line with the corporate strategy, and approved by the Appointments and Remuneration Committee.

To give this pay component a long-term perspective, the sum vests as follows:

- two-thirds based on results in the reference year;
- one-third is paid based on the average EBITDA in the reference year and the two previous years (three years in total).

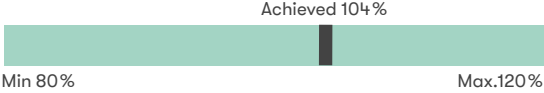
The sum of these values represents the final amount.

Financial performance criteria
The performance came to 90%:



Performance against corporate objectives in 2024 was as follows:

Environmental target



Customer relations/suppliers target



Workplace safety target



The average achievement of these targets for 2024 was 95%. After including long-term information, the performance variable for determining profit-sharing was 85%.

Overview

Comparisons of pay for directors and senior executives in 2024 yielded similar results in that total pay packages were below the market rates. Basic salaries are increased in odd years. In 2024, basic salaries were not changed to reflect pay increases, but some small adjustments were made as a result of alterations to the Group’s variable salary policy with regard to profit-sharing.

GRI 2-20, GRI 2-21

¹ This corresponds to the annual full-time salary of a permanent employee employed according to the terms of Romande Energie SA.

2.4 Total remuneration

For 2024, total remuneration granted to the seven members of the Executive Board was as follows:

CHF	Remuneration			Social insurance costs		
	Fixed salary	Profit-sharing variable	Total remuneration	Entertainment expenses and car allowance if applicable	Pension fund	Other social insurance costs
2024						
including per diem payments received						
Total remuneration	1 987 500	351 900	2 339 400	115 440	323 871	208 813
Highest remuneration:						
Christian Petit, Chief Executive Officer	583 596	99 220	682 816	18 000	91 548	55 835
- In 2024, the Management Committee had 6.6 FTE members. - Total variable salary represented 17.0% of the basic salary for the CEO and 18.0% for the other members of the Executive Board						

2023

Total remuneration	2 065 456	352 260	2 417 716	121 740	323 271	214 543
Highest remuneration:						
Christian Petit, Chief Executive Officer	583 586	92 700	676 286	18 000	91 074	55 355
- In 2023, the Management Committee had 6.6 FTE members. - Total variable salary represented 15.9% of the basic salary for the CEO and 18.0% for the other members of the Executive Board						

Other social insurance costs chiefly comprise state-pension, unemployment, accident and income-protection contributions.

At the Annual General Meeting of 16 May 2023, shareholders approved the maximum remuneration payable to members of the Executive Board, amounting to CHF 3,720,000 (CHF 2,900,000 in pay, CHF 660,000 in social insurance costs and CHF 160,000 in allowances), for the period from 1 January 2024 to 31 December 2024.

2.5 Other allowances

Entertainment expenses

Entertainment expenses are paid as a fixed allowance of CHF 1,250 to each member per month (CHF 1,500 for the CEO). In return, Executive Board members pay their recurrent out-of-pocket expenses themselves up to an amount of CHF 50 per day (CHF 75 for the CEO).

Company cars

Members of the Executive Board are provided with a company car if they so wish and reimburse the company for any personal use of the vehicle. Those who do not use a company car receive a fixed travel allowance instead.

Allowances in connection with activities on boards of directors

All amounts (annual allowances and attendance fees) received by Executive Board members in connection with directorships served representing Romande Energie are remitted in full to Romande Energie.

2.6 Retirement benefits

Members of the Executive Board are enrolled in the Romande Energie pension plan and receive benefits identical to those of other Romande Energie SA employees. There are no special benefits such as top-hat schemes or facilities to purchase of additional insurance years.

3 Other benefits for members of the Board of Directors and the Executive Board

Share ownership is as follows:

Share ownership

Shares held by Group companies as at 31 December 2024			2842125 shares	9.97%
Other shareholders			25657875 shares	90.03%
Of which:				
• Held by members of the Board of Directors			360 shares	<1%
• Held by members of the Executive Board			250 shares	<1%

As in previous years, no benefits in the form of shares, options, additional fees, loans or other credit, repayment waivers, or other financial advantages or benefits in kind were granted to members of the Board of Directors or the Executive Board or to parties closely related to them in 2024. The municipality of Lausanne, where Xavier Company is a member of the executive, holds 870,350 shares. Stéphane Gard, a Board member, holds 360 shares. Patrick Bertschy, Interim CEO with effect from 11 December 2024 and Head of Grids, holds 250 shares.

4 Supplementary information

In accordance with Article 734e of the Swiss Code of Obligations, the external duties and offices held by members of the Board of Directors and Executive Board in business undertakings at 31 December 2024 are listed below.

4.1 Members of the Board of Directors

Guy Mustaki

General barrister and professor in law at University of Lausanne

Offices held at non-listed companies:

- Chairman of the boards of directors of EOS Holding SA (Lausanne), EOS NER SA (Lausanne), Rhom SA (Lausanne), Yteqam SA (Lausanne) and DR Invest SA (Lausanne)

Offices held at other legal entities

- Board member of the Foundation for the Centre for Corporate Law (CEDIDAC) at University of Lausanne (Chavannes-près-Renens)
- Board member of the Théodora Foundation (Lonay)

Other activities

- Member of advisory committee for ACAD, a training centre for company directors (Lausanne)
- Member of advisory committee for CSDA, a non-profit body championing diversity in top management (Lausanne)

Anne Bobillier

Director and corporate governance and organisation consultant

Offices held at non-listed companies:

- Chairwoman of SkySoft-ATM (Geneva)
- Member of the boards of directors of Rolex Holding SA (Geneva) and Rolex SA

Offices held at other legal entities

- Board member of the Franco-Swiss Chamber of Commerce and Industry (Geneva)
- Member of SwissBoardForum (Bern)
- Founder and chair of ABoCA Sàrl (Geneva)

Xavier Company

Member of Lausanne City Council and responsible for its public utilities department

Offices held at non-listed companies

- Member of the Board of Directors of LFO SA (Lausanne) and SI-REN SA (Lausanne)
- Member of the boards of directors of Cadouest SA (Prilly), EOS Holding SA (Lausanne), EOS NER SA (Lausanne), Gaznat SA (Lausanne), Petrosvibri SA (Vevey), Forces Motrices de l’Aboyeu SA (FOMAB, Martigny) and Epura SA (Lausanne)

Offices held at other legal entities

- Board member for the Lausanne local trade foundation

Nicolas Fulpius

Chairman and co-founder of InflaRx CEO and co-founder of Ansam Group

Offices held at listed companies:

- Board Chairman, InflaRx NV (Netherlands), listed on NASDAQ

Offices held at non-listed companies

- Board Chairman at Ansam Holding SA (Nyon), idros SA (Nyon) and Baszanger SA (Vésenaz)
- Managing Director of CIMA Corporate Investment Management Affentrager Holding SA (Zug), Agora Care SA (Plan-les-Ouates) and BIP informatique SA (Sion)
- Board member at Filaos SA (Rolle), iXion Services SA (Chexbres) and BRS Immobilier SA (Lausanne)
- Managing Director and Chairman of NJ Informatique Sàrl (Yverdon)

Stéphane Gard

Director and consultant

Offices held at non-listed companies

- Founder and Chairman of Alteris M&A SA (Lausanne)
- Member of the boards of directors EOS Holding SA (Lausanne), EOS NER SA (Lausanne), Schenk Holding SA (Rolle) and Nice & Green SA (Nyon)

Offices held at other legal entities

- Pension Fund Chairman, Schenk SA (Rolle)
- Pension Fund Vice-Chairman, Vaud Canton
- Board member of the FAOA (Federal Audit Oversight Authority), Bern
- Board member of the Plateforme!0 foundation, Lausanne

Olivier Gfeller

Mayor of Montreux

Offices held at other legal entities

- Chair of foundation boards for Étoiles de Noël (Montreux) and the Fondation Comtesse Andrée d’Etchégoyen (Montreux)
- Vice-Chairman of the Board of Directors of Casino Barrière de Montreux SA (Montreux) and the Claude Nobs Foundation (Montreux)
- Committee member of Avenir 2m2c, an ordinary partnership (Montreux)
- Board member of the Montreux Jazz Festival Foundation (Montreux), the Alice and Karl Schenkel-Wagner Foundation (Chernex) and the Château de Chillon Foundation (Veytaux)
- Board member of the Upper Lake Inter-Municipal Amenities Body (Vevey)
- Member of Montreux and District Children’s Services Network and Property Tax Assessment Commission (Vevey)
- Members of the Board of Directors of Centre des Congrès Montreux SA (CCM SA)

Other activities

- Member of Vaud cantonal parliament

Sofia de Meyer

Founder and CEO of Giwa Sàrl

Offices held at non-listed companies

- Committee member for the Riviera-Chablais Hospital (Rennaz)

Offices held at other legal entities

- Chairwoman of the Jean-Marcel Aubert foundation (Champex-Lac)
- Member of UNIL’s Advisory Board (Lausanne)
- Executive Committee member, FRC, Western Switzerland’s consumer association (Lausanne)
- Board member of the “Margherita” Foundation (Crans-Montana) and the FiBL Foundation (Frick)

Alphonse-Marie Veuthey

Lawyer and notary

Offices held at non-listed companies

- Chairman of the Board of Directors of Bas-Valais Energie SA (Vouvry)
- Member of the boards of directors of Romande Energie Commerce SA (Morges) and Satom SA (Monthey)

Offices held at other legal entities

- Vice-Chairman of the Riviera-Chablais Hospital Benevolent Foundation (Rennaz)
- Vice-Chairman of the Association of Chancellors of State for Valais Canton
- Member of the committees of Chablais-Région (Aigle) and the Association du Chablais (Radio Chablais, Monthey)
- Board member of the “Divisionnaire F. K. Rünzi” Foundation (Crans-Montana) and the Chablais Scope Foundation (Aigle)
- Sole director of Veuthey Avocats SA and Veuthey Notaire SA

Other activities

- Chancellor of State for the Monthey district

François Vuille

Head of the Energy Department at Vaud Canton Cantonal Representative for the Energy Transition

Offices held at non-listed companies

- Board member at Forces Motrices Hongrin-Léman SA (Château-d’Oex) and SIRESO Société d’Investissement de Suisse Occidentale SA (Granges-Paccot)
- Member of the Executive Committee, Cleantech Alps (Sion)

Offices held at other legal entities

- Vice-Chairman of the cantonal energy building certification body (CECB, Switzerland)
- Member of the Scientific Council of AEE Suisse (Bern)
- Member of the Strategic Committee of the Solar Impulse Foundation (Lausanne)
- Founder and partner of Proxipel SA (Le Vaud), founder and Chairman of Softcar SA (Fribourg) and Chairman of Tilt Global (US)

Other activities

- President of the Conference of Cantonal Energy Directors (EnFK, Bern)

4.1.1 Non-director member

Otilie Morand

Company Secretary

Offices held at non-listed companies

- Board member, Bosson-Pillet SA (Lancy) (until June 2024)

4.2 Member of the Executive Board

Patrick Bertschy

Interim CEO
Head of the Grids business unit

Offices held at non-listed companies

- Chairman of the Board of Directors of Forces Motrices de l'Avançon SA (Bex) and SIRESO SA (Granges-Paccot)
- Executive Director, Bas-Valais Energie SA (Vouvry) and General Manager

Offices held at other legal entities

- Committee member of RegioGrid (Aarau) and AES (Lausanne)
- Member of Steering Committee of the StreamX consortium (Morges)
- Chair of Romande Energie Pension Fund (Morges)

Aurore Amaudruz

Joint Head of the Energy Solutions business unit

Offices held at non-listed companies

- Member of the Board of Directors of Logement idéal Scoop (Pully)
- Member of the Board of Directors of ID GO Management SA (Morges)
- General Manager, Bas-Valais Energie SA (Vouvry)

Offices held at other legal entities

- Committee member of non-profit Economie Région Lausanne (ERL) (Lausanne)

Nicolas Conne

CFO and Head of Services

Offices held at non-listed companies

- Member of the Board of Directors of ID GO Management SA (Morges)
- Member of the boards of directors of Romande Energie Services SA (Préverenges), Romande Energie Commerce SA (Morges), Energie Solaire SA (Sierre), Spontis SA (Avenches)
- General Manager, Bas-Valais Energie SA (Vouvry)

Offices held at other legal entities

- Head of the Investment Committee and board member of the Fondation de Prévoyance Romande Energie (Morges)

Guillaume Fuchs

Joint Head of the Energy Solutions business unit

Offices held at non-listed companies

- Chairman of Centrale Hydroélectrique de Bar SAS (Paris) and Romande Energie France SAS (Paris)
- Member of the Board of Directors of Romande Energie Services SA (Préverenges) and EnergeÔ SA (Vinsel)
- General Manager, Bas-Valais Energie SA (Vouvry)

Assia Garbinato

Head of the Digital & Innovation support unit

Offices held at non-listed companies

- Member of the business advisory committee of the HEIG-VD engineering and management school (Yverdon-les-Bains)
- Member of the selection committee for sustainability and innovation projects, SPEI (Vaud canton)
- General Manager, Bas-Valais Energie SA (Vouvry)



Shape the future
with confidence

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To the General Meeting of
Romande Energie Holding SA, Morges

Lausanne, 4 April 2024

Report of the statutory auditor on the audit of the remuneration report



Opinion

We have audited the remuneration report of Romande Energie Holding SA (the Company) for the year ended 31 December 2024. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the section 1.3 and sections 2.4 to 2.6 of the remuneration report.

In our opinion, the information pursuant to Art. 734a-734f CO in the remuneration report (pages 39 and 42) complies with Swiss law and the Company's articles of incorporation.



Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the remuneration report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the audited sections of the remuneration report, the audited indicators of the Sustainability report, the Corporate Governance report and our auditor's reports thereon.

Our opinion on the remuneration report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the remuneration report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the remuneration report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Directors' responsibilities for the remuneration report

The Board of Directors is responsible for the preparation of a remuneration report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error. It is also responsible for designing the remuneration system and defining individual remuneration packages.



Auditor's responsibilities for the audit of the remuneration report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this remuneration report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement in the remuneration report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Ernst & Young Ltd



Laurent Bludzien
(Qualified Signature)

Licensed audit expert
(Auditor in charge)



Richard Gattucci
(Qualified Signature)

Licensed audit expert

2024 Sustainability Report



Introduction

The Sustainability Report forms an integral part of the 2024 Annual Report and has been prepared in compliance with GRI 2021 standards. The GRI sector standards applicable to the Romande Energie Group – Utilities and Renewable Energy – have not yet been drafted. As a result, our sole obligation is to comply with the universal standards (GRI 1, 2 and 3) and the standards on material topics. This year we are publishing our climate disclosures in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). References to the GRI and TCFD indicators are shown in the index on page 102. We have disclosed the information listed in the GRI standard content index for the period from 1 January 2024 until 31 December 2024.

GRI 2-1



Foreword by Patrick Bertschy, Interim CEO of Romande Energie

Sustainability, a compass guiding our every move, remains a Group-wide strategic priority for Romande Energie, and we have established ourselves as an organisation that will create long-term value amid the climate crisis. In 2024, we adapted our strategy to the new market realities and are now embarking on a period of consolidation. Our decarbonisation goals remain wholly intact.

While the changes in the legal and regulatory framework for the energy transition provide us with opportunities to support our customers in reaching their own net zero targets, these have also created a number of hurdles for energy companies like us. Reaching our own decarbonisation targets and achieving sustainability are among the goals that have become more complex.

We are changing how we work and how we do business to better accommodate the current challenges, such as the finite natural resources available, the need to conserve biodiversity, and equality. We have also added stringent sustainability requirements to our invitations to tender. In addition, we have educated our employees about the major impact they can have through their conduct and their relationships with our suppliers.

I'd like to thank everyone involved in producing this year's Sustainability Report. Transparency is crucial for us, not only to gain the confidence of our investors but also to drive continuous improvement in our performance in these areas.



Introduction by Florence Schmidt, Romande Energie's Head of Sustainability

2024: a crucial year in our commitment to a sustainable future.

In reformulating our strategy, we have clarified our vision of sustainability, with a bold action plan backed up by a strategic initiative focused on our responsible environmental stewardship.

We are taking action to meet our primary challenge: reconciling the reduction in emissions from our own activities with the growth of the business, which is on a mission to decarbonise Western Switzerland. Our goal is to set emission reduction targets that are both ambitious and realistic in order to maintain our alignment with the Paris Agreement and fulfil our decarbonisation agenda. We made our greenhouse gas inventory more comprehensive following the audit conducted in 2023 and have further tightened up oversight of our sustainability programme.

In parallel, we have again actively invested in electric and thermal renewable energies. Spurred on by the continuous improvement in our digital systems, we have stepped up our building renovation, installation of charging stations for electric vehicles, hydrogen production and smart meter deployment activities.

Summary

Introduction	52
Methodology and reference framework	54
A champion of decarbonisation and the energy transition	56
Material topics	59
Executing our 2030 strategy	61
Leading with vision and integrity	64
Managing TCFD climate risks and opportunities	67
Protecting other natural resources	82
Investing in the energy and digital transition	85
Delivering a fair transition	91
Quality – Certifications	96
Outlook for 2025	97
Appendix	98

We upgraded the skills of all our employees during 2024 by training them on climate issues, organising workshops on sustainable purchasing and supporting the adoption of new environmental practices. These measures aim to enhance each individual's ability to make sustainability a cornerstone of our corporate culture.

Lastly, our employees rallied behind our social and environmental commitments, lending their support to regional non-profit organisations and academies and in so doing helping to further local development.

Together, we will continue to pursue our sustainability and energy transition goals, resolutely combining pragmatism and innovation.

Together, we will continue to pursue our sustainability and energy transition goals, resolutely combining pragmatism and innovation.

Methodology and reference framework

Reporting period, frequency and contacts

If you have any questions related to the Romande Energie Group's Sustainability Report, please get in touch:

Media and publishing contact

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Sustainability contact

Florence Schmidt, Head of Sustainability
Romande Energie SA
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Direct tel.: +41 21 802 97 81
florence.schmidt@romande-energie.ch

GRI 2-3

Scope, content and objectives of the report

This is the fifth Sustainability Report produced by Romande Energie, a group based in Morges (Switzerland). It presents the requisite quantitative and qualitative information for readers to gain a clear understanding of the material sustainable development topics in 2024. It covers all the activities of the Group and entities affiliated with Romande Energie Holding SA.

Note that the health and safety indicators merely cover Romande Energie SA and Romande Energie Services SA.

It is crucial to understand the limitations and scope of our report in order to be able to interpret our performance accurately. [GRI 2-2](#)

Restatements of information

We have restated our 2023 greenhouse gas inventory and have disclosed the quantitative changes, which affect Scope 3 emissions in particular. The emissions arising from our financial investments have now been included in the inventory. In addition, the methodology used to calculate work-related injuries has been brought into line with the GRI recommendations. [GRI 2-4](#)

External assurance

This report has been read and approved by the members of the Board of Directors. As required by GRI standards, the report has been sent to the GRI. Ernst & Young (EY) has provided limited independent assurance of eight performance indicators (three of which are new in 2024), and these are flagged in the report with their logo. This assurance assignment has been conducted in accordance with ISAE 3000 based on the requirements of the GRI standards and others set by Romande Energie, which are available on page 98. The audit report is provided on page 99. [GRI 2-5](#)

SDG	Priority material topics for Romande Energie and its stakeholders	Indicators	Page number in the 2024 report	2020 values	2021 values	2022 values	2023* values	2024 values	
	Transparency concerning the greenhouse gas footprint	GHG emissions intensity, gCO ₂ e per CHF of revenue (excluding emissions from financial investments) GRI 305-1, 305-2, 305-3, 305-4	76-80	155	140 (revised)	152 (revised)	137 (revised)	148	
		GHG emissions volume, tCO ₂ e, Scopes 1 & 2 GRI 305-1, 305-2, 305-3, 305-4	79	9 102	9 698	10 134	9 005*	10 784	
		GHG emissions volume, tCO ₂ e, Scope 3 GRI 305-1, 305-2, 305-3, 305-4	79	131 680	127 145	103 384	810 442*	764 320	
		Volume of biogenic emissions, tCO ₂ e (from combustion of wood) GRI 305-1, 305-2, 305-3, 305-4	79	-	-	-	91 735*	97 424	
	Carbon footprint reductions	Carbon intensity of Romande Energie's electricity generation activities in Switzerland, gCO ₂ e per kWh	75-76	-	-	-	8.4	9.2	
		Carbon intensity of electricity distributed by our grid in Switzerland, based on marking, gCO ₂ e per kWh	75-76	9.9	10.0	10.0	9.4	11.3	
		Reduction in CO ₂ e emissions at our customers as a result of connections of existing buildings to district heating	79	-	8 655	6 271	6 865	7 217	
		Carbon intensity of thermal energy distributed by our grid, gCO ₂ e per kWh	79	-	-	-	85.5	88.0	
	Waste management and recycling	Percentage recycled of the quantity of waste handled by Thévenaz Leduc	60-83	-	-	-	88%	89%	
	Employee training	Maintaining employee satisfaction	91	-	49	42	39	27	
		Number of days' training per employee	95	-	-	-	1.5	2	
		Number of apprentices being trained	95	47	51	50	57	57	
	Workplace health and safety	Rate of recordable work-related injuries (Number of work-related injuries per million hours worked) GRI 403-9a iii	94	-	-	-	10.71*	15.01	
		Total number of work-related injuries GRI 403-9a iii	94	18	21	28	20*	32	
	Equal pay policy	Total number of employees GRI 2-7	92	1 022	1 175	1 253	1 338	1 493	
		Total number of employees (FTE) GRI 2-7	92	937	1 075	1 149	1 226	1 379	
		Percentage of the total number of employees who are women	92	23%	24%	23%	23%	24%	
		Percentage of the total number of supervisors who are women	92	8%	7%	11%	11%	15%	
	Profitable management of energy resources	Percentage of the total number of managers who are women	92	0%	38%	38%	38%	38%	
		Total investments (renewable infrastructure, goods and services, acquisitions of investments and interests in associates)							
		Group total capex since 2021 (CHF million)	60-68-98	-	126.6	305.5	505.6	669	
		Group total EBIT (CHF million)	-	-	53.1	98	198	211.9	
	Contribution to developing the local economy	Price-to-book ratio	-	0.61	0.75	0.60	0.68	0.58	
		Electricity generated from renewable sources in Switzerland by Romande Energie's infrastructure, GWh (excluding cogeneration)	86	-	-	427	527	592	
		Renewable electricity generated in France, GWh	86	-	-	136	157	159	
		Electricity distributed, GWh	86	-	-	-	1 677	1 587	
		Thermal energy generated, GWh	86	-	-	-	105	126	
		Customer NPS on a scale from -100 to +100	70	22	22	18	3	-2*	
		Supplier NPS on a scale from -100 to +100	70-85	50	46	55	48	57	
		Contribution to the "Social and environmental percent" (up to 1% of EBIT from operations reported by the Group in the previous year), CHF million	88	-	-	0.444	0.885	-	

* Adjusted following a change in methodology
The “-” represent values that are not available.

The 2024 values have been audited by EY and are identified by their logo 
Romande Energie's sustainable development agenda

A champion of decarbonisation and the energy transition



Our core purpose

Our core purpose and values, fashioned by our employees through a co-construction approach, strengthen our ability to address environmental, social and economic challenges in a perpetually changing world. They guide all our activities and our interactions with our stakeholders on a daily basis, endowing what we do with a sense of meaning and worth.

Our core purpose – “REsourcing our region for a sustainable future” – serves as a beacon guiding our strategic decisions, the development of our products and services, and building even stronger trust with our customers and partners. It reflects our commitment to make a positive contribution to a sustainable world.

Our values

The values shown opposite are fused into our DNA and help underpin who we are and what we stand for. They are the foundations that underpin our interactions, the way we think, act, collaborate within Romande Energie and with our external stakeholders.

The Pathfinders, an internal work group of 21 people representing all areas of our organisation, supports our efforts to embed our core purpose and values in everything we do every day. To do so, it focuses on our corporate culture, our conduct and our processes. The Pathfinders facilitated 25 workshops during 2024 to help make the leap from a “core purpose” to a “reason for acting”. Based on an approach harnessing the collective intelligence of our various business units, these events cover topics such as practical ways of bringing these values to life, translating values into behaviours and aligning the core purpose with objectives.

The Pathfinders implemented various plans in 2024 to help entrench the core purpose in our corporate culture. These included organising a strategy-based game for our 1,493 employees and staging an event during the Easter period to bring everyone together. The workshop has helped participants to understand more clearly what motivates them and which values they hold most dear. The goal was to pinpoint aspects of their activities with Romande Energie that resonate with these beliefs in order to galvanise and energise them.



Audacity
We have the willpower to break habits. We learn from experience and remain responsive so that innovative ideas can come to fruition.



Collaboration
We achieve common goals by working together in a spirit of mutual respect, openness and dialogue.



Authenticity
We prefer open, honest discussions to foster a lasting climate of trust, enabling everyone to be themselves.



Simplicity
We work hard daily to be effective and accessible.



Reliability
We keep our promises by harnessing our skill sets and a professional approach that our customers can rely on.

Activities, value chain and other business relationships

Romande Energie, originally formed from regional electricity companies, has evolved into an energy company by expanding its generating activities and energy services. Today we are championing the region’s decarbonisation drive and support our stakeholders with building a sustainable future.

An electricity supplier

Romande Energie generates, distributes and sells electricity. We have 250 hydro, solar, wind and biomass power facilities generating 100% renewable energy.

Alongside our own generating plants, we have contracts with Swiss renewable energy providers and make purchases in power markets. We sell this energy to approximately 270,000 end customers.

Our teams develop, maintain and operate high-, medium- and low-voltage grids to distribute this energy to the areas we serve across the Vaud and Valais cantons.

An energy provider

We are a major player in heat generation and distribution. We have designed, financed and operate close to 45 district heating and cooling networks fuelled largely by biomass. The Enerbois power plant produces 22,000 tonnes per year of pellets using a nearby sawmill’s waste. In addition, we have introduced novel approaches to produce decarbonised hydrogen from green electricity or biomass.

A champion of decarbonisation

We market an extensive range of sustainable solutions to all our customers – consumers, businesses, property owners and municipalities – helping them to cut their greenhouse gas emissions. We are a multi-technical energy partner and provide support from design through to maintenance. We can install solar panels, heat pumps, charging stations for electric vehicles, energy advice and efficiency solutions (not for consumers), different types of electrical (multimedia, home automation, lighting, etc.), heating, cooling, ventilation and sanitary installations.

We support property owners in particular through every stage of their project, helping them to cut their direct and indirect carbon emissions to the maximum extent possible.

Other business relationships

Romande Energie explores and accelerates the development of ground-breaking initiatives by lending its backing to cleantech and proptech start-ups in Switzerland and across Europe. We test and develop innovative energy solutions through various public and private partnerships with municipalities, local non-profits and academia.

We make co-investments in building solar and wind power plants, district heating plants and develop hydrogen production facilities in partnership with other industry players.

In conjunction with the authorities and industry federations, we actively participate in discussions concerning energy and climate policies at both regional and national level. We engage with industry federations and non-governmental bodies via a number of industry initiatives (see the Membership organisations section on the next page). **GRI 2.6**

REsourcing our region for a sustainable future

- Taking effective action with our stakeholders right across our value chain.
- Generating renewable energy and optimising management of our assets.
- Optimising our energy generation in real time and developing storage solutions and systems providing additional flexibility.
- Optimising and developing our power and heat distribution grids and networks.
- Marketing energy and helping our customers along the path to decarbonisation.
- Renovating and transforming buildings

100%
renewable electricity.

CHF83 million
investment in the electricity grid in 2024.

Make Western Switzerland the first net-zero region in the country

45
district heating networks already in place.

Approach to stakeholder engagement

We keep stakeholders looped into our internal business processes and procedures and list them in the ARIS (Architecture of Integrated Information System) tool. Stakeholders’ needs and expectations are analysed on a regular basis to help bring about a steady improvement in how we address them.

We recognise the critical importance of dialogue with our stakeholders and have established a strategic approach to sustainability. Built on constructive conversations, this ongoing trust-based relationship represents a decisive advantage for us. It enhances our understanding of stakeholder expectations and makes it easier to identify future strategic issues and innovation opportunities. Philippe Durr, Head of Partnerships, has been tasked with embedding and entrenching our positions in Western Switzerland and developing our strategic partnerships. Our various representatives on the boards of our shareholdings are working towards the same decarbonisation goal by developing an ecosystem of like-minded partners.

We have made four commitments to our internal and external stakeholders:

- **Inform:** reports, brochures, corporate website, press releases and events, Investor Relations section
- **Listen:** evaluations, media, online surveys, conversations, correspondence, customer area
- **Involve:** meetings, workshops, forums, intranet, social media
- **Work collaboratively:** partnerships, idea sharing platform

GRI 2-29

Customer relationships

Our Customer Service division has 57 employees. It was previously run by Enersuisse AG, but we brought the contact centre, invoicing and disputes activities back in house in 2024.

Our Grids business unit agreed a new contract with a third-party distribution grid manager under which 21 new employees joined us.

Membership organisations

We support Swiss membership organisations through our annual financial contribution to around 50 professional associations. We actively participate at events focusing on regulatory trends, decarbonisation and the energy sector at large.

While we pay special attention to every organisation to which we belong, we have forged especially close ties to the following organisations:

AES – Swiss Electricity Companies Association; CIFER – Industry training centre in Western Switzerland; CREM – Urban energy R&D centre; The Valais Chamber of Commerce and Industry; The Geneva Chamber of Commerce, Industry and Services; The Vaud Chamber of Commerce and Industry; Electrosuisse; Géothermie-Suisse; VSGS – The Swiss smart grid association; GREE – Wind power federation in Western Switzerland; The Nomads Foundation; RegioGrid; Suisse Eole; Swisscleantech; Swissolar GRI 2-28

To sustain and cultivate dialogue...

We have organised webinars on the challenges facing municipalities’ energy transition or photovoltaic installations. We have launched a series of short educational videos. They explain concepts related to our activities, some of them fairly complex such as guarantees of origin.

We held “Impro Watts” events to give customers a chance to learn while having fun. These social gatherings feature an improvised, light-hearted show focused on energy and sustainability issues.



Watch a video clip of these events by clicking on the link below.

<https://www.linkedin.com/feed/update/urn:li:activity:7303339938798841857>

Material topics

Process to determine material topics

We plan to update our materiality matrix, introduced in 2021 then reviewed in 2022, again in 2025, making it a double materiality matrix that includes impact materiality.

The sample of key stakeholders who completed the questionnaire included the members of the Management Committee and the Board of Directors, employees, customers, municipalities, suppliers, academia, specialised rating agencies and certification bodies, investors and shareholders.

List of material topics

Material topics represent the areas in which our business has the greatest impact on the economy, the environment and on people, including on human rights. Based on an analysis of the materiality matrix, the relevant topics (i.e. regarded as “very important” for Romande Energie and/or our stakeholders) in order of priority are as follows: the SDG and sustainability pillar to which they correspond is shown in relation to our business strategy set out below. Our initiatives to address these material topics are still consistent with the objectives set out in Vaud Canton’s Agenda 2030.

GRI 2-14, GRI 3-1, GRI 3-2

Romande Energie Group’s 2022–2024 consolidated materiality matrix

● Environmental initiatives (e.g. carbon sinks)	● Workplace health and safety ● Equal pay policy ● Investments in renewable energies ● Impact on biodiversity ● Carbon footprint reductions ● Environmental compliance ● Waste management and recycling ● Transparency concerning the greenhouse gas footprint
● Responsible procurement management ● Investments in innovation and digitalisation ● Stakeholder dialogue ● Recruitment and employee turnover ● Employee benefits ● Diversity and social inclusion ● Freedom of association ● Impact of operations on local communities ● Evaluation of suppliers’ and customers’ social impacts ● Evaluation of suppliers’ and customers’ environmental impacts	● Contribution to developing the local economy ● Profitable management of energy resources ● Data protection and security ● Compliance with labour law ● Employee training

- Important

Very important for Romande Energie
- Environmental pillar

● Economic pillar

● Social pillar

List of relevant topics and alignment with the UN Sustainable Development Goals

Our business model is underpinned by the three pillars of sustainable development, and we have demonstrated our resolve to play a leading role in Western Switzerland’s clean energy transition and social cohesion. To bed in this approach and align ourselves consistently with the United Nations’ 2030 Agenda, we embarked in 2020 on the process of complying with the 17 Sustainable Development Goals (SDGs).* Of these, 12 are firmly anchored in our business strategy. **GRI 2-14, GRI 3-1, GRI 3-2, GRI 3-3 ***

Management of material topics

SDG	Priority material topics for Romande Energie and its stakeholders		2024 contribution
	Good health and well-being	Workplace health and safety	- Total number of work-related injuries: 32 in 2024 - No work-related ill health reported in 2024 - Stress in the workplace poll conducted in 2024 with a view to roll-out of an action plan in 2025 - Further implementation of our ISO 45001-compliant occupational health and safety management system (OHSMS)
	Quality education	Employee training	90% of employees were trained in climate issues 200 employees attended sustainable purchasing workshops 57 apprentices received training within the Group
	Gender equality	Equal pay policy	- L&M-Aba-R® certification valid until 2031 - Overall percentage of women: 23% in 2024 - Percentage of supervisors who are women: 20% in 2024 - Percentage of the Group's managers who are women: 38% in 2024
	Affordable and clean energy	Investment in renewable energies	- Capital expenditure and investment strategy out to 2030 - CHF 150 million in green financing raised from a Swiss bank 100% of the Green Bond (2022) allocated to our renewable assets
		Profitable management of energy resources	- Increase in electrical and thermal power in 2024 - Increasing use of the flexibility of our generating plants
	Decent work and economic growth	Contribution to developing the local economy	- Continued implementation of the Social and Environmental Percent scheme (up to 1% of EBIT from operations allocated to non-profits) - Donations, plus internal and external patronage - Academia, a programme fostering exchanges with higher education institutions - Employer branding - RE Ventures (support for start-ups based at the Swiss Federal Institute of Technology Lausanne (EPFL))
	Responsible consumption and production	Waste management and recycling	Quantity of waste recycled at Thévenaz Leduc: 89% (e.g. legacy electricity meters)
		Transparency concerning the greenhouse gas footprint	- Transparent reporting of the GHG footprint for five years - Scope 3 emissions added in 2024, with a special focus on emissions related to financial investments
	Climate action	Carbon footprint reductions	- GHG emissions reported since 2020 - Reporting of CO2e savings at our customers as a result of district heating - Calculation of emissions related to grid losses 100% renewable energy generation and additional electricity distributed with origin certificates - Directive on improving the sustainability of purchases and CSR assessment by our suppliers - Sustainable purchasing charter drawn up in 2024 - Switch to an increasingly electric-powered vehicle fleet - Reduction in our customers' emissions: ID GO, Commune Renove, charging stations for electric vehicles, smart meters, customer audits, calculation of CO2 savings achieved by district heating networks and pellets
	Life below water	Environmental compliance	- Hydropower: programme to renature watercourses in progress in line with the requirements of the federal government's hydropower remediation plan - New Le Glarey small-scale hydro plant incorporating a fish pass
	Life on land	Biodiversity impact	- District heating: all wood of Swiss origin – 60% from the Zahnd (PEFC-certified) sawmill and Swiss forests maintained by regional forestry corporations - Around half of purchases FSC-certified - Wind: environmental monitoring of the Sainte-Croix wind farm during operational phase - MV electricity pylon upgrade programme to protect birds
		Environmental initiatives (e.g. carbon sinks)	- Investment in H2 Bois SA, a Swiss company at the vanguard of the production of renewable hydrogen from wood, using an innovative thermolysis process to convert wood into hydrogen and biochar and generating electricity flexibly - Reforestation agreements sealed since June 2021 with On a Mission and ArboRise
		Data protection and security	- Information systems governance directive - Mandatory training for all employees - No complaints for data confidentiality breaches received in 2024
	Peace, justice and strong institutions	Compliance with labour law regulations (see previous)	No labour law breaches in 2024

* <https://www.un.org/sustainabledevelopment/en/>

Executing our 2030 Strategy

A transformational, value-creating strategy

We aim to take advantage of the significant opportunities presented by the electrification of society and regulatory changes, and to meet the energy industry’s challenges. We have thus decided to review and revise our strategy for leading change and unlocking value.

This strategy, still underpinned by the three pillars of sustainability, iterates on our 2021-2026 strategy and sets new targets for 2030. It also maintains the current pace of investments out to 2030. It will include major initiatives to unlock value through a focus on flexibility and storage. It reaffirms our aspiration to play a central role in decarbonising buildings in our region and the goal of developing state-of-the-art digital expertise in order to increase customer satisfaction. By pursuing this strategy, we will be able to create sustainable value for our customers, our employees and society as a whole.

Statement on sustainable development strategy

Our sustainability action plan comes at a critical juncture for Romande Energie. We have overhauled our strategy to improve our operational execution in keeping with our financial, environmental and social targets.

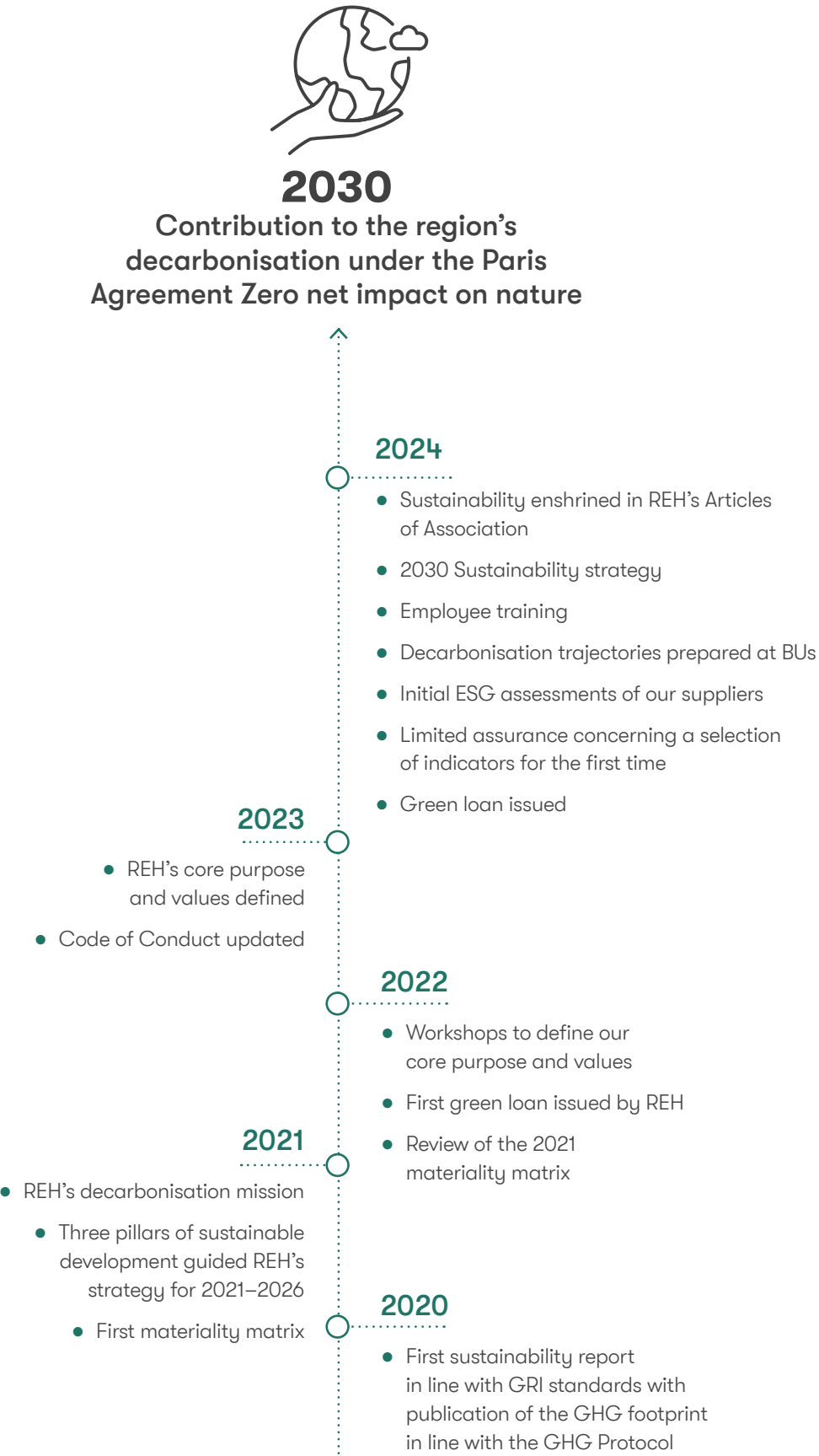
The priorities of our sustainability action plan are focused on governance, the social pillar and our commitment to achieving ambitious environmental trajectories. To fulfil these goals, we are embarking on a transformation initiative aligned with our responsible environmental stewardship. The top priorities are baking sustainability into the very heart of our business and steering our environmental roadmap. This transformation drive has been supported by our acquisition of a sustainability steering management system that tracks and efficiently manages our non-financial KPIs. **GRI 2-22**

Each business unit has appointed a sustainability ambassador devoting between 10% and 20% of their time to these matters. These employees back up the cross-divisional sustainability team consisting of the Group Head of Sustainability, the sustainable finance specialist and the buyer specialised in sustainability.

	Romande Energie's core pillars	Objectives of the 2030 strategy (No change vs. 2021-2026 strategy)	2030 Strategy's Transformation Initiatives	Related sustainable development objectives
	Social pillar	Increase buy-in from stakeholders	Standardise and simplify the customer experience	3-4-5-7-16
	Environmental pillar	Reduce greenhouse gas emissions	Anchor environmental knowledge and practices in our business activities	6-13-14-15
	Economic pillar	Create lasting value from several sources	Reap maximum benefit from our resources through our culture of responsibility and performance monitoring	8, 9 and 12

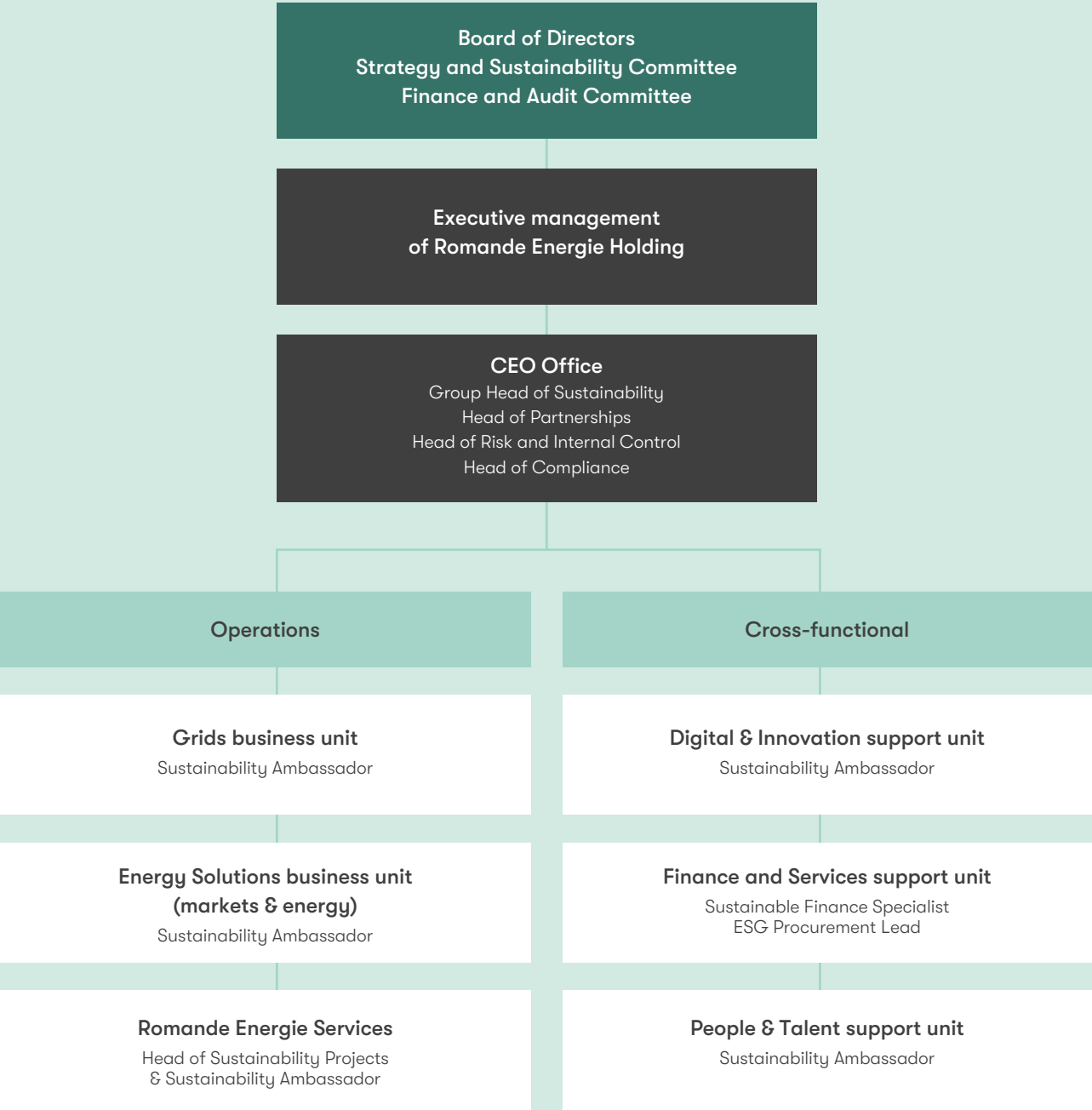
Romande Energie Holding (REH)

On course for greater sustainability since 2020



Structure of the sustainability programme

As at 31 December 2024



Each unit has appointed a Sustainability Ambassador who devotes 10-20% of their time to these issues. These employees complement the cross-functional sustainability team, which comprises the Group's Head of Sustainability, the Sustainable Finance Specialist and the ESG Procurement Lead.

Leading with vision and integrity

Nomination and selection of the highest governance body

The Board of Directors is the highest governance body. The election, diversity of its members and the length of their appointment are set out in section 3.4 of the Governance chapter, on page 22 of the Annual Report.

GRI 2-10

Chair of the highest governance body

Guy Mustaki is the Chair of our Board of Directors, the Group's highest governance body. He does not have any executive responsibilities within the organisation.

GRI 2-11

Role of the highest governance body

The Board of Directors plays a central role in our sustainable governance framework. It approves the strategy, sets the sustainability-related priorities and oversees their implementation. The Board of Directors embeds the ESG indicators in its strategic decision-making and regularly reviews sustainability performance with regard to the climate in line with its climate commitments and stakeholders' expectations. The Management Committee and the Board of Directors review and approve the sustainability report prior to its publication.

The sustainability approach is supported both by the Board of Directors and by all the stakeholders and helps to safeguard our long-term future. To achieve this, shareholders approved a resolution at the 2024 Annual General Meeting enshrining sustainability in our Articles of Association to reaffirm our mission over the long term. In 2024, the Annual General Meeting voted to approve the sustainability report, and shareholders will be asked to approve this latest report in a binding vote in 2025. GRI 2-14

Collective knowledge of the highest governance body

In 2024, the Board of Directors spent part of its annual seminar considering our environmental goals and challenges, with a presentation by the Head of Sustainability and an external expert. Some of its members possess widely respected experience in this area. The Board makes certain that the issue is given attention in the matters it discusses and in our strategy.

GRI 2-17

Evaluation of the performance of the highest governance body

Every year the Board of Directors reviews its own performance on the basis of an evaluation organised by the Appointments and Remuneration Committee and its committees. This evaluation is supported by a third-party evaluation at regular intervals (most recently in 2024). GRI 2-18

Remuneration policies

The remuneration policies of members of the Board of Directors and the Management Committee are presented on page 36 of the Annual Report.

Pursuant to the law, no termination pay is granted or planned for outgoing members of the Management Committee. GRI 2-19

Process to determine remuneration

Social aspects heavily influence the level of remuneration and related trends. Annual increases reflect where the individual employee stands within their pay category and all employees' fixed pay. This tends to lead to higher increases for those on lower salaries in their category and on the lowest salaries overall. The aim is to iron out salary gaps within the business as a whole. GRI 2-20

Annual total remuneration ratio

The ratio of the annual total remuneration for the organisation's highest-paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual) is 7.66.

The ratio of the percentage increase in annual total remuneration for the organisation's highest-paid individual to the median percentage increase in annual total remuneration for all employees (excluding the highest-paid individual) is not relevant this year because the members of our Management Committee did not receive a pay increase. GRI 2-21

Code of Business Conduct

The Code of Conduct¹ states our Core Purpose and values. The revised Code of Conduct is shaped by the principles and convictions that guide our activities and those of our employees, and encapsulates our ongoing transformation. It explains to the various external stakeholders how it intends to operate and the values that must be upheld if they are to collaborate with us.

GRI 2-23, GRI 2-24

Anti-corruption directives

We do not tolerate any form of bribery or corruption. Our policy is to conduct all our business in an ethical manner and to comply with the applicable national and international laws and regulations relating to the fight against bribery and corruption. The principles for combating bribery or corruption are stated in the Code of Conduct and formulated in the Directives applicable to our employees and partners. The Directives were introduced in 2017 and updated in February 2024.

GRI 2-24

Conflicts of interest

Potential conflicts of interest are handled in accordance with Article 13.4 of the Organisational Regulations, as stated in the Corporate Governance section of our Annual Report (page 12) and in Article 6.1 of the Code of Conduct. GRI 2-15

Compliance with laws and regulations

No breaches of the legislation and regulations were evidenced by a formal decision by a competent authority during the reference period. GRI 2-27

Embedding policy commitments

Pursuant to our Code of Conduct, we may not support any party or political candidate. Any public position taken on draft legislation must be subject to the relevant internal process being undertaken in advance. We hold regular meetings with the Vaud cantonal government. We collaborate with the authorities whenever required and were involved in the working parties set up to address energy shortages. We also aim to be there to support and guide them as they undertake their energy transition. GRI 2-24

Processes to remediate negative impacts

Our plants, construction projects and operations undergo environmental inspections during planned or spot visits by the regulatory authorities (canton or federal administration), certification bodies and internal bodies to assess their conformity with the regulatory requirements in force. Where an inspection detects a breach, we work closely with inspectors to resolve the problem as swiftly as possible, immediately implement remedial actions and schedule the related preventative measures.

In addition, we have set up a unit capable of managing crisis situations according to the areas of concern deemed relevant. This crisis unit is able to deploy employees in the event of environmental accidents or harm to society and take emergency measures to remediate the incident. GRI 2-25

Mechanisms for seeking advice and raising concerns, and communication of critical concerns

Employees may report any presumed breaches of the Code of Conduct, critical situations, violations within the organisation or behaviour deemed misconduct internally and at different levels: to the line manager, the People & Talent support unit, the Head of Compliance or externally to an independent law firm. The Head of Compliance has a functional reporting line directly to the Finance and Audit Committee, and the independent law firm reports directly to the Finance and Audit Committee or to the Appointments and Remuneration Committee depending on the concerns raised.

Every concern raised is handled confidentially by the firm. The Board of Directors is always approachable and ready to listen to any concerns expressed by our various stakeholders.

New employees are informed about this mechanism through mandatory training, and information about the whistleblowing system is available to everyone via the intranet, which explains how it works and the people to contact. The number and type of critical situations reported is confidential information not released externally. [GRI 2-16](#), [GRI 2-26](#)

Collective bargaining agreements

We keep our RPRE (employee representative body) regularly updated on business trends and engage with them as much as possible about the decisions impacting them. The RPRE serves as the executive's point of contact for employee-related measures, especially for the HR policy or working conditions. [GRI 2-30](#)

2024 highlights

To make employees' daily life easier, we updated or introduced several rules in 2024. The **Anti-Corruption Directive** is an example of this. We clarified certain points and adapted others to specific activities.

In addition, **rules for the use of information systems** became effective on 1 February 2024 to ensure the smooth, secure and effective development of the information systems. These rules set out the rights and duties of our internal and external personnel.

Mandatory training was **introduced in 2024, in tandem with the update to the Code of Conduct (2023)**. The goal is to enable everyone to embrace our action framework, as well as the principles, values and tools available.

We intend to embed and entrench best governance practices right across the organisation.

Managing climate risks and opportunities

Task Force on Climate-related Financial Disclosures (TCFD)

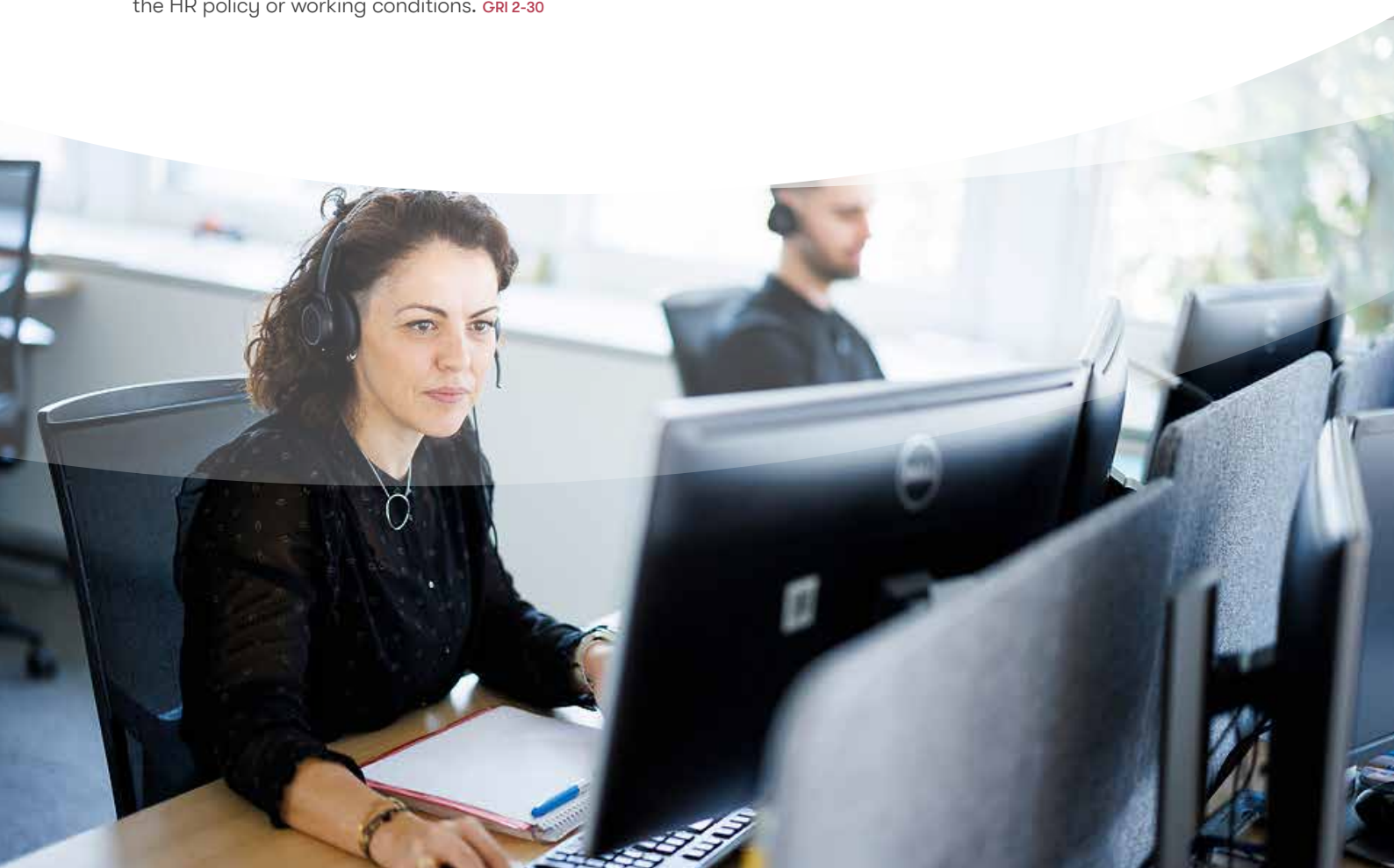
Introduction

These provisions (Code of Obligations, Chapter VI, Art. 964a) to c)) cover environmental issues, including carbon emission targets as well as social, labour, human rights and anti-corruption issues. The Ordinance on Climate Disclosures, which came into force in 2024, obliges affected undertakings to report on climate issues in line with the TCFD's (Task Force on Climate-related Financial Disclosures) recommendations.

The now disbanded TCFD's role was to enhance the financial transparency of businesses in the climate arena. The TCFD's recommendations are built around four core elements: governance, strategy, risk management, and metrics and targets. This section of the Sustainability Report addresses those four core elements. It is the first time we as a Group have published details about them.

The TCFD's four core elements

Climate issues encompass the impact of climate change on organisations, and the impact of organisations' businesses on climate change – both of which are crucial for us. Climate change is a source of risk and opportunity.



Climate-related governance

The Board of Directors approves the strategy to decarbonise Western Switzerland proposed by the Management Committee. We incorporate that goal into our activities, which, depending on their size, are scrutinised by the relevant bodies. The greenhouse gas inventory of large-scale projects is a matter given express consideration.

This ensures in particular that our investments are focused on advancing our customers’ energy transition and decarbonisation.

Governance of climate-related issues

GRI 2-9

Board of Directors	- Advises and oversees the Management Committee’s sustainability approach. - Makes decisions on the various items on which the Board committees have issued prior opinions and recommendations. Approves the Sustainability Report, which includes our GHG inventory. - Makes decisions concerning very large-scale projects (with capital expenditure ≥ CHF 5 million presented together with GHG inventory)	Strategy and Sustainability Committee (SSC)	Issues prior opinions and recommendations on sustainability and strategy issues affecting the Group
		Appointments and Remuneration Committee (ARC)	- Establishes the appointments and remuneration policy. - Proposes the composition of the variable portion of remuneration linked to achievement of sustainable targets supporting our climate policy.
		Finance and Audit Committee (FAC)	- Monitors agencies’ ESG ratings and certifications in the Annual Report - Maintains oversight of the organisation’s risks, including climate risks.
Management Committee	Proposes and oversees implementation of the business strategy, with a focus on sustainability strategy, which includes a climate action plan. Is kept informed of the review of the organisation’s risks and takes part in the process. Approves any matters for submission to the Board of Directors.		
Supervisors	Participate in the process of reviewing our risks and execution of our sustainability strategy. The Head of Sustainability establishes the strategy, implements the action plan and tracks performance.		
TCFD working party	Prepares the publication based on TCFD recommendations and on information compiled internally and submits it to the Management Committee and Board for approval.		
Employees	Take action, apply the new processes (projects with capital expenditure ≥ CHF 5 million with GHG inventories) and adjust their working habits to execute our sustainability strategy.		

The Board of Directors oversees climate-related issues through various processes, reports and decisions. As specialist bodies, the Board committees issue prior opinions and recommendations on various matters within the Board of Directors’ purview. **The Board of Directors is responsible for establishing our climate strategy and its related targets.**

GRI 2-14

Board of Directors’ competencies

The Board of Directors possesses wide-ranging sustainability-related knowledge. Several members boast highly renowned experience in this area.

Risks considered in relation to our investments

When investment projects are considered for approval, in line with the risk management policy adopted by the Management Committee, risks are analysed on an ad hoc basis jointly by the project sponsors and the risk and internal control unit, and presented to the relevant bodies (Management Committee, Board of Directors) in the documents they present. The analysis identifies the risks, presents mitigations and classifies the project’s overall risk level. Elements covered include climate-related issues and the potential impacts on the project.

GRI 203-1

Annual risk review process

Furthermore, an organisational risk map is updated every year and sent to the various decision-making bodies (Management Committee, Board of Directors). This mapping process spans climate-related risks, which are identified through various axes of severity adopted by the Group, as presented in the risk management section of this report. Risk factors are rated according to their materiality and reported to the various bodies (business or support unit management teams, Management Committee, Board of Directors). The Finance and Audit Committee also issues a prior opinion on the report sent to the Board of Directors.

Responsibilities of the various Board committees

The committees are tasked with studying and considering in advance matters requiring the attention of the Board of Directors. A full description of their activities is available in point 3 of the Corporate Governance section on page 19.

Their responsibilities in relation to climate issues are set out below:

- Strategy and Sustainability Committee (SSC): The Strategy and Corporate Development Committee was renamed the Strategy and Sustainability Committee in November 2024. It provides a prior opinion on the strategy proposed by the executive, in particular the sustainability-related action plans, and on investment projects. It also issues a prior opinion on the GHG inventory and related targets.
- Appointments and Remuneration Committee (ARC): The ARC is responsible for approving the organisation’s objectives for the social and environmental pillars proposed by the executive. It provides a prior opinion on the Code of Conduct and business ethics, and monitors the effective corporate governance rules. It also sets the executive’s remuneration in relation to corporate objectives (see below).
- Finance and Audit Committee (FAC): The FAC oversees the management of business risks, which include climate-related issues. It provides a prior opinion on these topics to the Board of Directors. In addition, it conducts an annual review of the agencies’ ESG ratings, certifications and sustainability-related quality audits.
- All the decisions we make are considered from the perspective of the three pillars (economic, social, environmental), and the impacts must be presented when the relevant bodies are considering decisions. The Board of Directors must be informed by the executive of any significant incident potentially arising from climate change. **GRI 2-13**

Corporate objectives

For each financial year, the Board of Directors sets corporate targets for executives and all employees to meet:

- Workplace safety: number of occupational accidents, accidents involving electricity;
- Customer satisfaction and supplier relationships: a target Net Promoter Score (NPS) calculated based on surveys of these stakeholder groups;
- Environment: a 2024 attendance rate of 80% for a training course on climate change and our decarbonisation-related activities. A participation rate of 80% at workshops on sustainable purchasing among employees engaged in activities with a major impact in relation to greenhouse gases (GHG).

The Board of Directors assesses these objectives once every year.

In addition, it considers our GHG inventory, studies trends and sets reduction targets on an annual basis. These targets are presented on page 79.

Management’s remuneration

The variable portion of the executive’s remuneration is linked to performance against financial targets and against the corporate objectives, one of which is the achievement of an environmental objective set by the Board of Directors. Two-thirds of the executive’s variable salary is linked to achievement of objectives for the year and one-third to average results over the past three years (including the most recently ended year). Details of how variable salary is calculated are presented in detail in the Remuneration Report. **GRI 2-19**

Management’s role

The Management Committee has responsibility for implementing and recommending our climate strategy to the Board of Directors. It also acts as the guardian of the three pillars of sustainable development, which also include climate-related aspects.

The Head of Sustainability reports directly to the Chief Executive Officer. Future issues related to sustainability are reported to the Strategy and Sustainability Committee.

To help reduce our GHG emissions, all employees completed climate change and sustainability training during 2024. To validate the training, each participant made an individual commitment to take action within their professional setting. Their line manager will track whether they fulfil this commitment.

Since June 2024, where the Management Committee so decides, a specific GHG inventory analysis must be carried out on all investment projects entailing a financial commitment of CHF 5 million or more and identify potential sources of improvement.

In a similar manner to the Board of Directors, the Management Committee is kept informed of climate-related risks through annual reporting of the compiled risks based on the risk mapping, which is updated once every year.

Risks related to our energy portfolios are reported to an energy risk committee made up of executives (CEO, CFO, Energy Solutions (ENS) department) on a monthly basis, as well as through an annual report for the attention of the Board of Directors. The financial effects of periods of drought, facility outages, or changes in the consumption patterns of our customers are reported and analysed in order to adapt production and consumption forecasts to take account of climate trends and modal changes. **GRI 2-12**

Analysis of the climate-related risks and opportunities

The Group invests in infrastructure projects with a service life that exposes them to climate-related risks and opportunities. The risk and opportunity analysis conducted below is focused on our three operating segments: Energy Solutions, Grids and Romande Energie Services, as well as the various support units grouped under the “corporate” heading. The risk analysis takes into account certain issues identified in the materiality matrix under “health and safety” and “carbon footprint reductions”.

In the evaluations conducted, we apply short-, medium- and long-term timeframes. The medium-term timeframe reflects the period of time covered by our current strategy. The Group long-term timeframe covers a period of 15 years or more. This relates to the service life of our generating assets. Please refer to the Financial Statements section of this report for depreciation periods. **GRI 3-3**

Short term	Medium term	Long term
< 5 years	2030	2040+

2040 also corresponds to the long-term Power sector objective adopted by the Science Based Target Initiative (SBTi).

As things stand, only risks related to our hydro generation in Switzerland have been quantified (impact on generating volumes) based on “CH 2018” Swiss climate scenarios underpinned by an RCP 4.5 scenario. In the future, we intend to extend these analyses to other types of assets on the basis of three representative concentration pathway scenarios (RCP 2.6, RCP 4.5 and RCP 8.5) published in the IPCC’s 2013 report.

The main climate-related risks and opportunities we have identified in these various business areas now chiefly relate to acute or chronic physical risks and transition risks, in particular changes in the market environment and regulatory and technological developments. The longer the timeframe, the greater the degree of uncertainty.

Were various risk factors linked to our monopoly business activities (generating, marketing and distributing power) to materialise, this could have an adverse impact on the pricing of these services in the future or directly on us depending on how the regulatory framework evolves. This represents a major source of uncertainty, which may impact our long-term profitability.

The tables on the following pages present the risks and opportunities that we have identified over the various timeframes that are considered for all the companies consolidated. Transition and physical risks are analysed separately:

We invest in infrastructure projects with a service life that exposes them to climate-related risks and opportunities.

Risks for the Group

Timeframe	Transition risks	Physical risks
Short term	• Reduction in end customers' consumption (electricity) caused by an increase in decentralised generation and, to a lesser extent, efficiency gains negatively affecting revenue from power sales • Power grid instability risks triggered by the surge in decentralised generating facilities requiring grid improvements • Higher cost of flexibility and balancing power caused by higher levels of intermittent generating	• Higher frequency and larger scale of extreme climate phenomena, landslides or mudflows affecting the availability and operating costs of generating facilities or distribution grids, posing a threat to the security of supply or negatively affecting trends in our selling prices. These phenomena may increase over the medium and long term, triggering higher insurance costs • Increased prevalence of heatwaves and storms reducing employees' productivity, higher occupational health and safety standards
Medium term	• Lower demand for end power consumption, intra-year shift in demand patterns (electrification) and greater energy efficiency • Higher operating costs as a result of carbon pricing • Availability and higher cost of key raw materials for the energy transition (such as copper, zinc, nickel and rare earth metals) • Price cannibalisation for assets with an intermittent and correlated generating profile as a result of the increase in installed capacity	• Reduced demand for heating owing to climate change (decrease in the number of degree-days) affecting heating operations (district heating, pellet production) • Higher operating costs at power plants owing to higher constraints (wear-and-tear from sedimentation, high-water events, flooding, mudflows) • Increased variability and greater intensity of precipitation patterns (more intense precipitation, drought), affecting generating levels at power plants
Long term	• Decrease in revenue from electricity sales and heating sales owing to increased energy efficiency (reduction in consumption of electricity, energy renovations for buildings that cut demand for heating) and greater decentralised generation of electricity • Water-related conflicts (run-of-river power plants and storage power plants), additional regulatory requirements related to management of water resources	• Lower revenue from power sales and heating sales owing to global warming and increased decentralised power generation • Uncertainties concerning the long-term effects and changes in the climate on: • wind patterns • precipitation patterns • evaporation and transpiration • solar radiation • These changes may cause a shift in the intra-year generating profiles of power plants • Timber sourcing for district heating plants (wood mortality caused by hydric stress, variability of timber-cutting volumes, lack of forest renewal)

Opportunities for the Group

Timeframe	Transition opportunities	Physical opportunities
Short term	• Increased demand for energy overhauls (regulatory environment, subsidies) and energy consulting to support our customers with reductions in their carbon footprint as part of the energy transition • Regulatory changes incentivising the generation of renewable power (local electricity communities, groupings for virtual clean consumption) • Greater need for flexibility and storage linked to the increase in the intermittent generation of renewables. Technological enhancements in storage • Increasing electrification of society (mobility, heating), driving up total energy consumption, leading to grid costs being absorbed across higher volumes. Greater power grid investment requirements to support this transition.	
Medium term	• Increased demand for generating and storing renewables and for flexible solutions • Greater demand for heating or cooling solutions powered by renewable sources • Development of new energy and storage sources (decarbonised/green H2), deep geothermal sources • Development of transportation in electric vehicles and growing demand for smart charging infrastructure (flexibility) • Tighter regulatory requirements concerning building energy performance and incentive programmes boosting demand for property portfolio energy renovations	• Increased hydro generation by our facilities in winter as a result of global warming • Increase in revenue from the sale of cooling services as a result of higher temperatures
Long term	• Development of new hydro asset projects, adjustments to existing infrastructure (dam raising) • Development of new energy storage technologies	

Group strategy for addressing climate change

Our strategy is predicated on harnessing the opportunities arising from climate change in line with our goal to make Western Switzerland the first net-zero region in the country, in particular by prioritising investments in renewable energies and supplying energy services and solutions for renovating collective housing. Under the thermal energy plan, we aim to transition away from the use of high carbon-intensity energy sources to greener solutions. This plan targets a significant increase in the number of district heating networks, while reducing the proportion of non-renewable energy sources. Lastly, the electrification of society and increased decentralised generation require substantial investments in our grids.

We are looking to reduce our environmental impact under our **Transformation Initiative for responsible environmental stewardship**, part of our 2030 strategy. The Head of Sustainability, supported by the Chief Executive Officer, leads on this initiative. It has two main priorities:

1 Embed responsible environmental stewardship firmly into all the businesses to maximise value creation

We have demonstrated on several projects that the environmental dimension is an element of the value proposition that makes a real difference for all the stakeholders. Our working processes and our value chain factor in environmental issues to an increasing extent.

Not only does training raise awareness of climate risks and the environmental-related challenges, but it also provides a common pillar and helps to upgrade all our employees' skills.

Communication and ongoing dialogue with our shareholders unlock synergies and help to engage our whole ecosystem in the necessary transformation of our activities.

2 Steer our environmental trajectory and deploy monitoring metrics with ambitious and pragmatic priority objectives for our carbon emissions and the environment at large. This trajectory and these objectives help to make our organisation more resilient, while respecting the planet's limitations and regenerating nature – so crucial for our activities and our employees' well-being.

2024 was a turning point that put us at the vanguard of greenhouse gas accounting as we set targets for our decarbonisation trajectories.

We acquired sustainability management software, which focuses in particular on GHG emissions, to track progress towards our objectives and remedy any deviations from our trajectory. Trajectories reducing SBTi-validated GHG emissions are being formulated for each unit, harnessing expert assistance and the energy sector's recommendations. Each of our units has its own indicators based on intensity or absolute terms, depending on its activities. **GRI 2-22**

We are stepping up our sustainability commitment right across the value chain. We generate 40% of our business volume from suppliers with ESG-based programmes.

We introduced new purchasing rules, applicable as of 1 January 2025, which significantly tighten up on the ESG requirements for our invitations to tender.

GRI 414-1

Transition plans

During 2025, we intend to focus on devising transition plans for the main GHG-emitting activities together with our business experts. These workshops will consolidate our decarbonisation trajectories, before we make an official commitment to the international bodies and adjust the metrics and targets.

Our strategy seizes the opportunities created by climate change, which we identified as part of our transition to a low-carbon economy. From a **financial planning** perspective, as part of our Strategy 3.0 for the period to 2030, we plan to invest in developing and strengthening our grids to ensure they can handle and support strong growth in renewable energies in the area we serve and guarantee continuity of supply for our customers. Our strategy provides for further investments in district heating to achieve a generating target of over 340 GWh in heating and cooling by 2030. Concurrently, we will wind right down the proportion of fossil fuel energy we use to the point where it merely provides redundancy and back-up during periods of peak demand. Over the same period, investments are planned to strengthen the generating asset portfolio and to develop and enhance flexibility, with storage systems set to play a key part.

Social measures to mitigate impacts on employees

A heatwave plan is activated during periods of very high temperatures. Employees are informed about how they should change their behaviour and steps they can take to reduce risks.

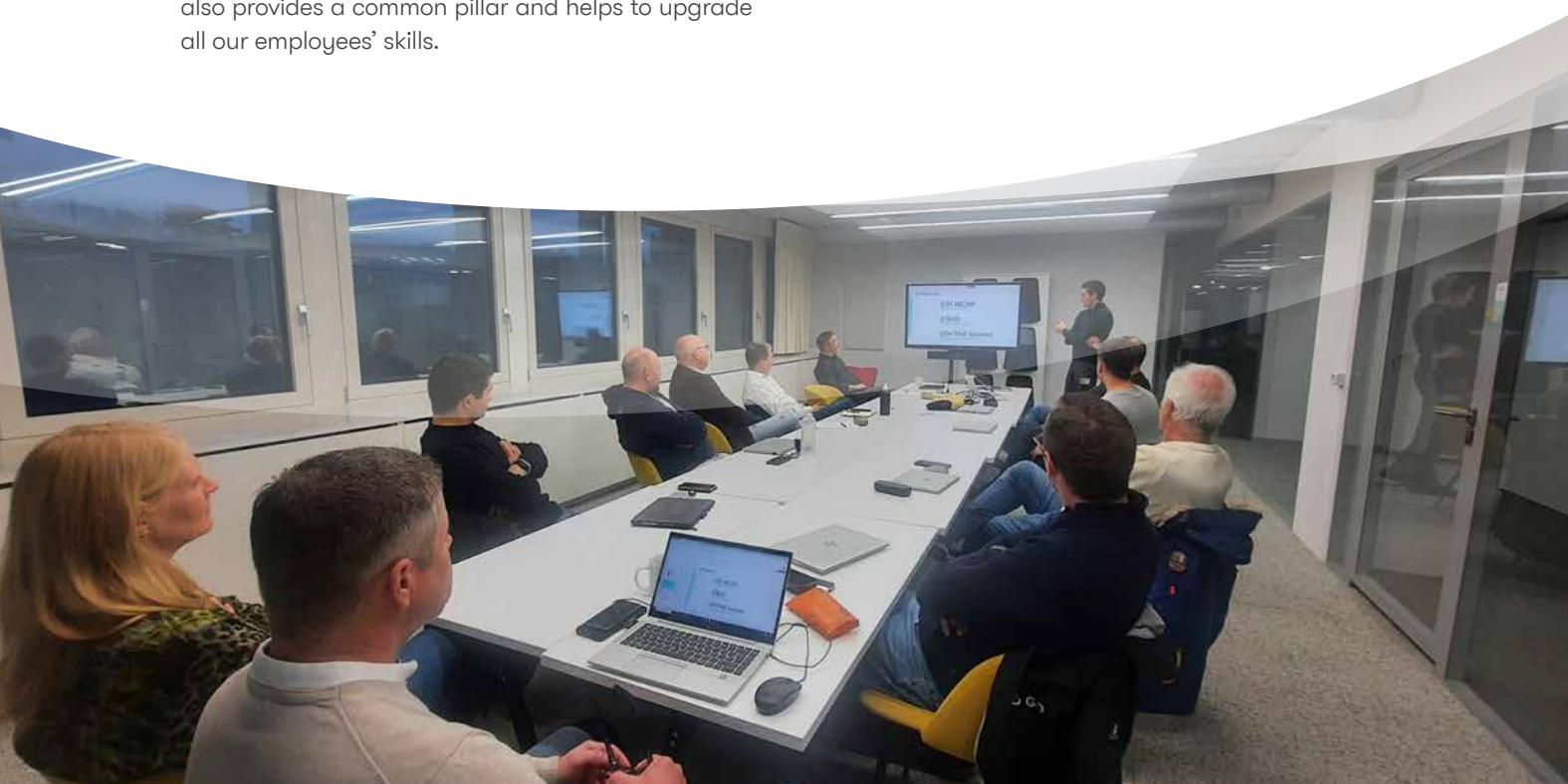
Risk management

We undertake an annual review of all business activities as part of our risk management process. During this review, our supervisors are tasked with identifying, assessing and/or reassessing their risks. Depending on how risks are addressed (accept, reduce, eliminate, transfer), relevant mitigation plans are drawn up jointly with the risk and internal control unit. The risk portfolio is aggregated by business and support unit and discussed at a meeting with all supervisors and relevant department head. Depending on the nature and materiality of the risks, separate reporting is presented to the Management Committee and the Board of Directors.

The risks are analysed from three perspectives: probability of occurrence, risk control and severity were the risk to occur. Severity is assessed using various categories, including direct financial impacts, operational impacts, impacts on the environment, employees' health and safety, impact on our image, on our strategy and legal risk. Climate change is taken into account using these various grids of analysis, especially transition risks and physical risks.

In addition, our large-scale projects are analysed on an ad hoc basis by the risk and internal control unit, together with the project leader. This analysis serves as a decision-making tool for the competent validation bodies under our Organisational Regulations. Depending on the classification of projects (and applicability), the risk analysis attempts to assess the extent to which the impacts of climate change are factored into the project's business plan. It also makes certain that all the climate-related risks have been properly identified and corresponding mitigations implemented, where possible.

During 2025, we intend to focus on devising transition plans for the main GHG-emitting activities together with our business experts.



Metrics and targets

The two main indicators we use to measure and monitor our exposure to climate risks and opportunities are the level of GHG emissions (Scopes 1, 2 and 3) and the carbon intensity of our revenues. In alignment with our goal of leading decarbonisation in Western Switzerland, we also monitor two key indicators: renewable energy generation and the CO₂e savings linked to our district heating networks and our production of pellets.

All these monitoring indicators and the targets are reported on page 55 of this Sustainability Report. Internally, we apply a carbon price of CHF 100 per tonne. With this carbon price, we are able to assess internally each unit's financial performance weighted by the cost of its greenhouse gas emissions.

Transparency concerning the greenhouse gas footprint

Climate change is a reality, as reflected by the numerous climate events that struck Switzerland in 2024. The IPCC (Intergovernmental Panel on Climate Change) experts clearly established the link between the increase in greenhouse gases owing to human activities and acceleration in climate change and global warming. The 2015 Paris Agreement set a framework for reducing GHG emissions to 50% of their 1990 level by 2030 and then for reaching net-zero carbon emissions by 2050. The ultimate goal is to curb the rise in temperature to a maximum of 1.5°C compared with pre-industrial times. Vaud canton adopted this net-zero carbon target by 2050 under the Vaud Climate Plan. The strategic measures include an improvement in buildings' energy efficiency and a significant increase in the generation of renewable energies.

	Reducing our emissions	Contribution to decarbonisation at our customers	Increase in carbon sinks
Impact	In our value chain	In our value chain	Outside our value chain
Monitoring indicator	Carbon intensity	Internal indicator	tCO ₂ e* emissions sequestered
Target	5% reduction p.a. in our carbon intensity (stated in gCO ₂ e per CHF of revenue)	Not disclosed, except for district heating and pellet production	Between 1,900 and 2,100 tCO ₂ e p.a.
Sample actions	• Romande Energie's vehicle fleet increasingly electric-powered • Calculation of emissions linked to our grid losses and the purchase of origin certificates from our own installations • Employee training validated by a personal commitment from each staff member • Sustainable purchasing charter drawn up in 2024 • Commissioning of new renewable energy generating infrastructure: first wind farm in Vaud canton, hydropower, district heating and solar facilities	• ID GO • Commune Rénové • Calculations of CO₂ savings linked to our district heating and pellet production • Electric charging stations • Smart meters • Customer audits	Two reforestation agreements reached in June 2021 with On a Mission and arboRise – These projects are not reflected in our GHG footprint.

* tCO₂e: tonne of CO₂-equivalent

As a responsible energy company, we recognise the major role we have to play in reducing greenhouse gas emissions and reaching net-zero in the region. Under the 2030 strategy, we have confirmed our ambitious goal of establishing ourselves as a champion of Western Switzerland's decarbonisation.

This role is predicated on the three priorities set out in the adjacent table. [GRI 305-5](#)

Our greenhouse gas inventory methodology

Our greenhouse gas inventory is calculated based on the Greenhouse Gas Protocol, the most widely used global standard.

The approach adopted for determining the scope of the Romande Energie Group's companies is financial control, in line with the scope adopted for the consolidated financial statements (see Note 27, page 138).

The greenhouse gas inventory measures the following gases: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFC), perfluorocarbons (PFCs) and sulphur hexafluoride (SF₆). Biogenic emissions linked to district heating are not among the emissions listed by the GHG Protocol.

The GHG Protocol groups emissions into three categories (scopes) that, for Romande Energie, comprise:

- **Scope 1:** Direct GHG emissions, originating from fixed or mobile installations controlled by the organisation: Building heating and worksite equipment (fossil fuels) District heating (fossil fuels, wood, pellets) Travel in RE-owned vehicles Fugitive emissions (air con./cooling/circuit breakers)
- **Scope 2:** Indirect emissions associated with generation of electricity, heat or steam imported for the organisation's activities: Indirect emissions for internal use Transmission and distribution losses
- **Scope 3:** Indirect emissions not included in Scopes 1 and 2 originating from our upstream and downstream activities right across our value chain: Indirect Scope 1 emissions Electricity sold to customers Business travel Employee commuting Capital expenditure (capex) Purchases of goods and services Inbound transport of goods and materials purchased Waste generated by operations Outbound transport of products and waste

Financial investments. Certain Scope 3 categories have been excluded for various reasons: upstream or downstream assets leased, the method of accounting for products sold and rent-free periods are not currently considered as relevant, and the use and end-of-life of products sold have not been included owing to data insufficiencies and a contribution to total emissions estimated to be small at present. To calculate the CO₂-equivalent emissions (CO₂e), we compile physical data (still known as primary data) for the various scopes, such as distances travelled in km, the weight of materials purchased, kWh consumed or generated, and supplier data. In the absence of such primary data, we use secondary data such as monetary amounts, estimates based on benchmarks, literature reviews or extrapolations from existing data.

Scope 1 emissions are calculated using data in physical units collected within our organisation. Scope 2 emissions are calculated based on electricity transmission. We gather the data used to calculate Scope 3 emissions from various external (waste management, vehicle fleet management) and internal (purchases of goods and services, purchases of guarantees of origin, sale of electricity) sources and apply estimates (for business travel by employees and for inbound transport of products purchased and outbound transport of waste).

These primary and secondary data are then multiplied by an emission factor obtained from nationally and internationally recognised databases:

In descending order of preference, we use the Swiss public databases (KBOB ecobau, mobitool), the Swiss emission factors from version 3.5 of the private Ecolnvent database and, lastly, international emission factors from public databases (carbon database of Ademe, the French ecological transition agency). We applied the same emission factors as in 2023.

The data we publish are the market-based values reflecting the origin certificates we purchase for the electricity consumed by our customers.

Starting from 2024, we will publish revised inventories in the event of changes (deriving from an error correction or a change in method) causing a variation of over 5% in one of the scopes. The sole exception to this rule is a review of the emissions from the electricity sold to customers and for internal purposes (linked to the final make-up of the origin certificates), which is published every year.

GHG inventory – the focus of continuous improvements

We pursue continuous improvement in our GHG inventory. Every year we make improvements to how we collect data to enhance their relevance, completeness, consistency, transparency and accuracy.

As a result of this data review process, we have made improvements to the following categories for 2024 and also restated the 2023 data using the same approach:

- **Scope 1 – District heating:** emissions recalculated based on the size of our interest in the companies that own these sites falling within the scope of our financial control
- **Scope 3 – Indirect Scope 1 emissions:** Indirect emissions from thermal assets (probes, treatment plant, lakewater and groundwater) not considered until 2023, but now taken into consideration in the evaluation of district heating emissions
- **Scope 3 – Capital goods:** We now account for emissions arising from capital goods purchases in connection with the construction of energy generating facilities under this heading. Previously, they were included under “Purchased goods and services”
- **Scope 3 – Goods and services:** We have included purchases of goods and services by Bosson et Pillet SA, Demierre Deschenaux SA, Frigo Service SA and J M Lambelet SA, as well as recurring expenses (rent, electricity, water, internet, mobile phones) that were not incorporated in previous years

- **Scope 3 – Business travel and employee commuting:** we took into account the findings of the Mobilitéée report on distances and employees’ modes of travel
- **Scope 3 – Financial investments:** emissions arising from our financial investment in Alpiq via its interest in EOS Holding have been included for the first time for transparency purposes and for the purpose of achieving alignment with the financial scope of consolidation. As well as factoring in Alpiq’s Scope 1 and 2 emissions, we have also accounted for Scope 3 emissions in proportion to the ownership level owing to its materiality, in line with the GHG Protocol’s recommendations. To date, we have only included Alpiq’s emissions under this heading. Alpiq accounts for the largest proportion of financial results from our financial investments. We estimate that Alpiq accounts for around 95% of the emissions from the portfolio of companies in which we have an interest of between 20% and 50%. The plan is to include the remainder of these emissions from 2025, as the data become available.

Our GHG inventory is the focus of continuous improvement. Every year we make improvements to how we collect data to enhance their relevance, completeness, consistency, transparency and accuracy.

2024 greenhouse gas emissions inventory

(GRI 305-1, 305-2, 305-3)

The 2024 GHG inventory compared with the restated 2023 inventory is as follows:

	2024 GHG inventory (tCO ₂ e)	Restated 2023 GHG inventory (tCO ₂ e)	2023 GHG inventory (tCO ₂ e)	Changes vs. restated 2023 (tCO ₂ e)	% change
Scope 1					
Direct GHG emissions	8 741	7 251	9 976	1 490	21%
Building heating and worksite equipment (fossil fuels)	114	74	74	40	54%
District heating (fossil fuels)	7 453	6 004	8 729	1 449	24%
Travel in RE-owned vehicles	1 108	1 052	1 052	56	5%
Fugitive emissions (air con./cooling/circuit breakers)	66	121	121	-55	-45%
Scope 2					
GHG emissions attributable to distribution grid losses	2 043	1 754	1 754	289	16%
Transmission and distribution losses	2 043	1 754	1 754	289	16%
Scope 3					
Emissions upstream and downstream of Romande Energie	764 320	810 442	113 210	-46 122	-6%
Cat. 3.1 – Purchased goods and services	21 785	19 952	91 812	1 833	9%
Cat. 3.2 – Capital goods (capex)	64 632	75 209	0	-10 577	-14%
Cat. 3.3 – Electricity sold to customers and for internal use	17 877	15 783	15 439	2 094	13%
Cat. 3.3 – Indirect Scope 1 emissions	4 014	3 530	1 949	484	14%
Cat. 3.4 – Inbound transport of goods and materials purchased	1 331	1 437	1 301	-106	-7%
Cat. 3.5 – Waste generated by operations	654	504	351	150	30%
Cat. 3.6 – Business travel by employees	879	638	813	241	38%
Cat. 3.7 – Employee commuting	905	797	1 487	108	14%
Cat. 3.9 – Downstream transport of products and waste	78	58	58	20	34%
Cat 3.15 - Financial investments	652 165	692 534	0	-40 369	-6%
Total	775 104	819 447	124 940	-44 343	-5.41%
Total excluding financial investments	122 939	126 913	124 940	-3 974	-5.13%
Separate inventory of biogenic emissions linked to the combustion of wood, district heating and the Enerbois biomass plant	97 424	91 735	97 539	5 689	6.20%

The 2024 GHG inventory stands at 775,104 tCO₂e all scopes combined, a 5.41% reduction versus 2023.

Scope 3 emissions account for the vast majority (98.6% of total emissions, including financial investments, or 91.2% excluding financial investments).

Excluding financial investments, purchases of capital goods used in the construction or maintenance of facilities for generating or distributing renewable energy (and thereby advancing the decarbonisation of Western Switzerland) accounted for 52.6% of emissions. Purchases of goods and services were the second-largest contributor, accounting for 18% of total emissions. We have introduced a sustainable purchasing programme to reduce these emissions. The main changes are attributable to:

District heating: increase of 1,449 tCO₂e, or 24%: use of heating oil to cover outages in 2024

Capital goods: reduction of 10,577 tCO₂e or 14%: two-thirds of the reduction in emissions reflects the fall in equipment purchases (CHF 24 million), with the remainder arising from a more favourable purchase mix from an emission intensity perspective

Purchased goods and services: increase of 1,833 tCO₂e linked to an unfavourable mix of goods and services purchases from an emission intensity perspective, with purchasing volumes remaining constant

Indirect Scope 1 emissions: 484 tCO₂e increase as a result of the decision made in 2024 to capture all solar origin certificates (photovoltaic generation, third-party photovoltaic installations and feed-in obligation) in the category

Financial investments: reduction of 40,369 tCO₂e or 6%, related entirely to emissions from our holding in Alpiq. The latter’s emissions arising from electricity and gas sold to end customers (Scope 3) declined by 10.2% and 9.8% respectively.

Biogenic CO₂ emissions resulting from biomass combustion for district heating plants have been calculated separately for the 2024 GHG inventory in keeping with the principles of the GHG Protocol. They amounted to 97,424 tCO₂e compared with 91,735 tCO₂e in 2023. The wood burnt is sourced locally from sustainably managed forests in Switzerland.

Advancing the decarbonisation drive

We provide a range of solutions to help Western Switzerland move closer to net zero.

Over the past two years, we have decided to communicate about this aspect with total transparency. The reason is simple: the vast majority of our GHG inventory is accounted for by investments made to decarbonise our home region for the future.

In 2024, on our estimates, we helped to decarbonise Western Switzerland by achieving a reduction of **7,217 tonnes of CO₂e** through the connection of existing buildings to district heating networks and the sale of pellets, generating only **464 tonnes of CO₂e** in the process. That figure is 97% less than would have been generated by an average heating system in residential buildings in Vaud canton in 2023 (based on a life-cycle approach). These savings were made possible through collaboration between stakeholders other than just Romande Energie, which ultimately made it possible to replace gas-fired, heating oil-fired and electric heating systems.

Reduction (tCO ₂ e)	2021	2022	2023	2024
District heating	8 655	6 271	6 913	7 217

Note that we estimated the tCO₂e amount of savings for district heating based on the actual replacement of heating systems installed.

Since pellets are manufactured from the adjacent sawmill’s waste, they count as carbon-neutral.

It is also worth noting that these savings solely consider the CO₂e emissions from fossil fuel energies and not emissions from biogenic carbon. In this regard, we have aligned ourselves with the federal government’s recommendations.

GRI 3-3, GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 302-2

Emissions of ozone-depleting substances (ODS)

We have no longer used refrigerants that contain chlorine (CFCs and HFCFs) since 2015, when the Swiss Chemical Risk Reduction Ordinance (ORRChem) banned refills. We have made the switch over to alternative refrigerants that merely have a greenhouse effect, or natural solutions with a limited greenhouse gas effect. GRI 305-6

Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant air emissions

Vehicle emissions are compliant with existing standards, and we regularly monitor legislative developments to make sure we comply at all times. Our vehicle fleet is gradually switching over to electricity based on usage patterns, except for our emergency vehicles and our large construction project vehicles for security, cost, responsiveness and power reasons. In all, 39% of Romande Energie SA’s (compared with 38% in 2023 after the restatement) and 27% of Romande Energie Services SA’s cars run on electricity. GRI 305-7

Energy consumption within the organisation	2023 MWh	2024 MWh
GRI 302-1		
Non-renewable fuel source		
Gas	7 586	10 693
Heating oil	14 334	16 794
Diesel and SP95	4 374	6 900
Renewable fuel source		
Biomass (wood)	178 127	189 173
Electricity consumption	13 554	15 581
Heating consumption	0	0
Cooling consumption	0	0
Steam consumption	0	0
Electricity sold	1 676 700	1 589 300
Heating sold	103 253	123 663
Cooling sold	2 081	1 995
Steam sold	0	0
Total	2 000 009	1 954 099



Protecting other natural resources

Profitable management of energy resources

Reduction in our customers' energy consumption and in the energy requirements of our products and services

In 2024, as part of a pilot project, we offered our personal customers 30-minute phone meetings to provide them with personalised, objective advice on energy savings and renovation options.

In total, around 50 consumers benefited from this support and guidance. A switchover of 3,000 public lighting fixtures to LEDs reduced the relevant municipalities' consumption by 634 MWh. Meanwhile, the replacement of boilers, pumps, engines and energy-efficient improvements in businesses helped save 15 MWh. Lastly, the replacement of electric water heaters and wet-rotor circulators in consumers' homes cut consumption by 52 MWh. [GRI 302-4](#) and [GRI 302-5](#)

Environmental compliance

Non-compliance with legislation and environmental regulations

An incident was reported at the Le Day dam in August 2024. The closing of the Les Clées plant's safety valves, triggered by a violent storm, did not harm the river's fish population or flora. [GRI 2-27](#)

Impact on biodiversity

Environmental management system in place

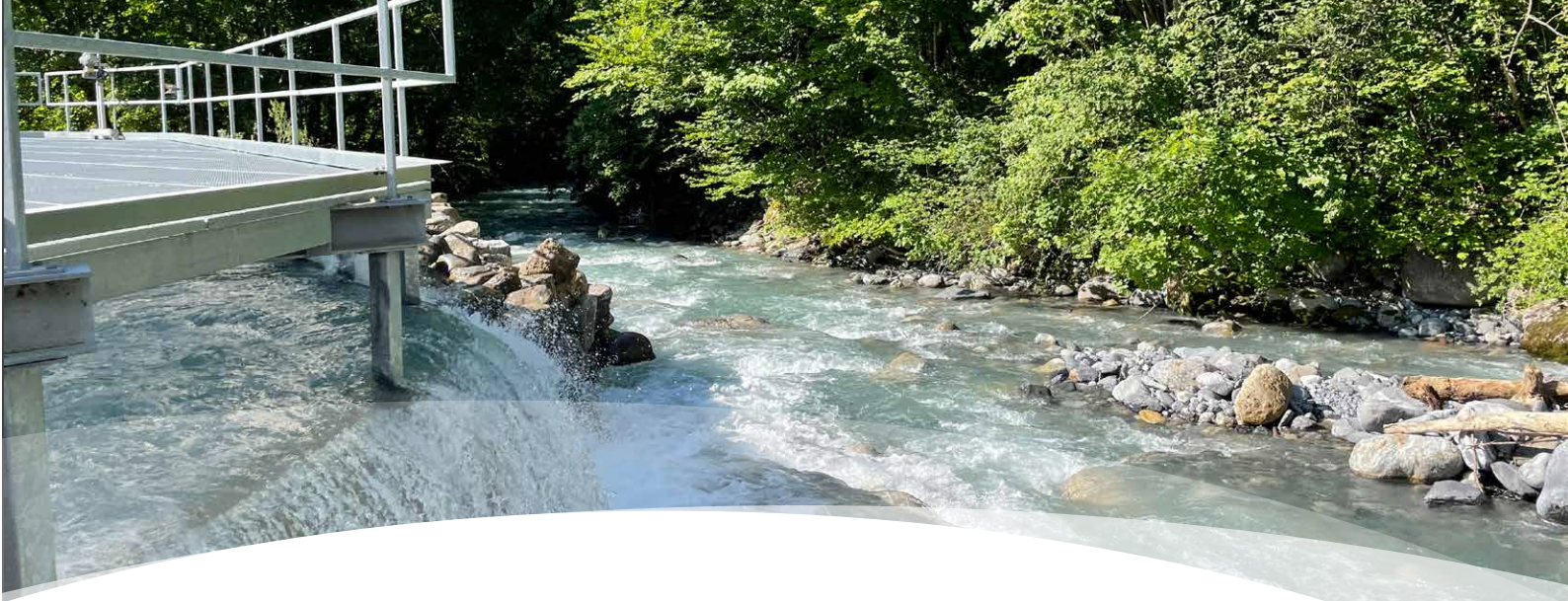
Our environmental management system is ISO 14001-compliant, for which we have secured certification. The system's four objectives are to safeguard compliance with the law, prevent risks, take steps to curb our environmental impact and respond to emergencies. It provides a framework of roles and responsibilities and follows a process-based approach.

Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas

In 2025, we will begin the process of accurately cataloguing sites that have a material impact on biodiversity. [GRI 304-1](#)

Electricity pylon compliance programme

Our Grids business unit is actively pushing ahead with its campaign to install protective devices on the medium-voltage (MV) overhead powerlines to protect medium and large bird species, working closely with Vaud Canton's Biodiversity and Countryside Division and also with the Swiss Ornithological Station in the Lower Valais region. During preventive maintenance operations, every powerline configuration is analysed to ensure there is adequate protection for bird species. We have undertaken to protect any dangerous items of equipment within a 500m radius of the incident whenever an electrical accident is reported. To date, more than 347 units have been protected. [GRI 304-2](#)



Performance upgrades at our hydro facilities

Since 2019, the Vaud Canton Youth, Environment and Safety Department has issued orders requiring several hydroelectric facilities to make improvements in terms of fish migration, bedload balance and storage water. These obligations stem from the canton's strategic planning process, following the 2011 amendment to the federal Waters Protection Act on water renaturing.

Studies in progress range from an analysis of options to a provisional project stage. Progress meetings are attended by canton authorities, environmental associations and NGOs and by the relevant operators. The most advanced remediation project involves downstream fish migration at the water intake in La Sarraz, but a decision from the canton of Vaud is still pending. [GRI 304-3](#)

IUCN Red List species and national conservation list species with habitats in areas affected by operations

Some fish species affected by the hydropower-related remediation project are on Switzerland's Red List of threatened fish species, which is based on the IUCN Red List.

Examples of this include the lake trout and grayling, which are considered as "endangered", and the river trout, bullhead and barbel, which are classified as "potentially threatened". The fish migration improvement project currently on the drawing board will restore the continuity of the watercourse by removing obstructions, which is crucial for the fish species to complete their life cycle. [GRI 304-4](#)

Waste management and recycling

We are committed to sorting our office and industrial waste

- **Offices:** we collect paper separately from other waste (glass, PET, batteries, etc.) and have removed single-use cups from coffee machines.
- **Transformer oil:** we are required to abide by our ESTI permit, which checks compliance with the standards in force.
- **Disposal of project waste:** central services are responsible for disposing of all waste under a partnership with Spontis SA (40%-owned by the Group). Collection and sorting containers for project waste have been set up at our generating/operating sites.
- **Special waste:** this is managed in accordance with the legal requirements (identity of organisation transferring the waste, monitoring slip, transfer solely to officially licensed waste disposal companies, etc.).
- **Analogue and electronic meter recycling:** the gradual phasing-out of meters across our grid has generated a large volume of waste, and we recover the iron and metal content (both bakelite analogue and electronic meters). [GRI 301-1](#), [GRI 301-3](#)

Waste generation and significant waste-related impacts

We continue to outsource a large proportion of our waste management.

In 2024, Thévenaz Le Duc, our service provider, handled 1,440 tonnes of waste. Of this, 1,282 tonnes, or 89% of the total, was recovered, a stable percentage compared with 2023.

[GRI 306-1](#), [GRI 306-2](#), [GRI 306-3](#), [GRI 306-4](#), [GRI 306-5](#)

2024 highlights

Several of our initiatives helped to reduce our carbon footprint, including the commissioning of the Sainte-Croix wind farm and the new L'Etivaz and Bex hydroelectric installations. Environmental support measures have been put in place for all our generating projects. We have rehabilitated surfaces for rare amphibian species at Bex, commissioned bird-radar systems and replanted topsoil after construction at Sainte-Croix.

We have also pursued collaboration with other businesses in order to support them in their own decarbonisation drives. Among these initiatives, a **solar energy contracting** agreement was entered into with Holcim and a **power purchase agreement with Denner** to generate a new agrivoltaic installation in Conthey. That follows on from the pilot project we launched together with Insolight and Agroscope in 2021. This facility protects the berry crops while generating around 600 MWh electricity per year, equivalent to the consumption of 240 households. Under the power purchase agreement, Denner has secured 100% renewable power at a stable tariff for several years, contributing to the energy transition.



Find out more about our collaboration with Holcim.
<https://youtu.be/-WBUPm6Of6E>



Solar power plant at Holcim's Marin site

Lastly, we worked together with SolydEra and Zwahlen & Mayr on **producing renewable hydrogen at Aigle**. Commissioning is currently scheduled for 2025. The aim of the project is to reduce greenhouse gas emissions by producing hydrogen locally through water electrolysis powered by a photovoltaic facility, which will be self-consumed on-site. With the support of the SFOE and Vaud Canton's Business and Innovation Unit, the project targets annual output of 20 tonnes of hydrogen for 15 years, with benefits for the circular economy and industrial ecology.

At the same time, we pushed ahead with our rewooding commitments under two partnerships: On a Mission and arboRise.

On a Mission

In 2024, we planted 41,000 trees in Nepal, raising the total planted since the partnership with On a Mission began to 164,000. These efforts have restored damaged ecosystems, reduced soil erosion, enhanced the protection against landslides and tapped into new sources of income for local communities.

At the beginning of 2024, On a Mission broke through the '2 million trees planted since 2019' mark thanks to the collective endeavours of its Climate Partners, of which we are one.

arboRise

For the fourth year in a row, the arboRise Foundation has rewooded 50 hectares in Guinea, adopting a participatory and sustainable approach made possible with our support. More than 500 local families from 26 villages played a part in restoring the soil, from harvesting forest grains (40 local species) through to regularly tending to the cultivated land. Satellite analysis found evidence of a reduction in bush fires within the project area. A study conducted with the Swiss Federal Institute of Technology Lausanne (EPFL) is trialling use of mycorrhizae to boost tree growth. The Gold Standard certification audit by arboRise began in 2024.

Investing in the energy and digital transition

Customer focus

Customer focus is a centrepiece of our Strategy 3.0.

Three aspects of the customer experience lie at the heart of our aspirations: simplifying journeys, standardising customer relationships and developing employees' customer consciousness.

Since our strategic objective is to satisfy our customers, we have carried out a survey of all our customers every year since 2015. Our goal is to measure overall satisfaction, the recommendation rate and perception of Romande Energie's image. We then use these indicators to make improvements to our programmes and services.

Changes to our methodology, sampling techniques and questionnaire in 2024 preclude direct comparisons with the results for previous years. In particular, we replaced the interviews with digital questionnaires.

As in 2023, we experienced the negative impact of higher electricity charges, as well as of the lack of knowledge of our non-monopoly activities in the private sector. The year's **Net Promoter Score was -2**. It is important to note that customers who came into contact with our employees reported a high satisfaction level.

We drew up an action plan based on transparent communication in 2024, and will continue the process.

The Management Committee regularly invites a customer service representative to present a customer complaint and how it was resolved. **GRI 2-25**

Supplier satisfaction

Every year since 2022 we have also conducted a survey of our suppliers. Our goal in conducting the study was the same as for the customer survey. We made the same methodological changes here, too, rendering direct comparisons impossible. Our Net Promoter Score among suppliers was +57, a very high level that was ahead of our targets.

During 2024, we added new sustainability requirements to our purchasing policy. New rules on purchases of goods, services and construction work came into force on 1 January 2025. This initiative aims to set a framework for responsible purchasing. It emphasises supplier evaluation and the adoption of CSR (corporate social responsibility) criteria to buying processes with a minimum weighting of 20%. This criterion is valid for invitations to tender for public procurement contracts and for an invitation to tender for contracts worth CHF 500,000 or more.

Three aspects of the customer experience lie at the heart of our aspirations: simplifying journeys, standardising customer relationships and developing employees' customer consciousness.

Investments in renewable energies

Total investments in 2024

Over the period from 2020 to 2024, we made investments totalling CHF 163 million. The primary purpose of these investments was:

- Generating more fully renewable electricity (hydro, wind and photovoltaic) and renewable thermal energy (district heating harnessing renewable energy, such as biomass or lakewater)
- Introducing new energy efficiency and money-saving solutions for our customers (insulation, building renovations) and decentralised generation of renewable energies (heat pumps, solar generation)
- Developing smart grids and metering (177,650 smart meters installed as of year-end 2024, or 62% of metering spots in our service area) to help advance the electrification of society and optimise energy flows across our grid and third-party grids (integrated microgrid solution).

This investment plan is aligned with our vision of long-term earnings growth. It aims to provide a diversified business portfolio resilient to market fluctuations that will help secure our future and deliver the returns expected by investors over the long term. Recurring investments are covered by our cash flow. Our growth plan is supported by fundraising in capital markets – from banks, financing platforms and co-investments.

GRI 203-1

Green financing

In July 2024, Romande Energie Holding SA entered into an agreement with another financial partner. The deal secured a 15-year, CHF 150 million green loan. This financing will support our ambitious strategy of investing in the development of renewable energies.

The new loan facility fits perfectly with our sustainable finance policy as it increases the diversification of funding sources and ensures a smooth maturity profile.

Lastly, all the proceeds from the issue of the 2022 green bond were allotted in late 2023, in accordance with the Green Finance Framework, demonstrating our commitment to invest massively in 100% renewable source infrastructure. A breakdown of allocations by project type is available in the 2024 Green Finance Impact Report (available only in English). [GRI 203-1](#)

100% renewable installed capacity and electricity generation

(based on the financial scope of consolidation)

	2023		2024	
	MW	GWh	MW	GWh
Hydro	165	500	168	548
Switzerland	148	445	151	474
France	17	55	17	74
Solar	109	100	123	106
Switzerland	61	46	75	55
France	48	54	48	51
Wind	37	91	51	100
Switzerland	0	0	14	20
France	37	91	37	80
Biomass				
Switzerland	8	29	8	29
Facilities owned by Romande Energie	318	719	349	782

Romande Energie France holds a majority interest in and manages a portfolio of 13 hydro, wind and solar assets in France. In total, they represented 204 GWh in generating capacity in 2024 (based on the financial scope of consolidation).

Hydro

Several small-scale hydro plants were commissioned in 2024.

The power plant generating power using the waters of the Grande Eau in Le Glarey, which is owned by Energie Renouvelable de l’Avançon SA (51% owned by Romande Energie, 49% by FMA), was commissioned with generation estimated at 74 GWh per year.

Between 2023 and 2024, we finalised the commissioning of the turbine power plant for the Pays-d’Enhaut’s drinking water network, with generation totalling 3.1 GWh per year.

Other projects are currently being developed to boost our local and renewable generation.

In 2024, we rose to several challenges, such as managing natural hazards triggering the temporary shutdown of certain installations.

Wind

After 25 years of administrative processes and two years of construction, we commissioned the six wind turbines at the Balcon du Jura site in January 2024. Alongside the Environmental monitoring committee (EMC), including Vaud canton, BirdLife and Pro Natura, the Sainte-Croix and Baulmes municipalities, the Ecoscan office, we oversaw the effectiveness of the environmental offset measures. These measures were finalised in 2024 and include the landscape integration of the wind turbine erection platforms, the rehabilitation of the tracks created for the construction project and the remodelling and restoration of the erection platforms to their original condition. Civil engineering work was also undertaken in partnership with the Sainte-Croix municipality to complete the wastewater system and bury the electricity and telephone cables connected with the La Gittaz hamlet. We covered most of the costs arising from these operations. Despite teething problems during the run-in phase, the six wind turbines generated an impressive 20.1 GWh during the year.

In France, our portfolio of wind farms under development consisted of five projects with construction permits as at 31 December 2024, pending the availability of connection capacity. They represent 116 MW in installed capacity.

Solar

In 2024, we brought new photovoltaic generating assets into service, adding 14.4 MWp in new capacity and 14.4 GWh p.a. to our installed base. We also launched two new agrivoltaic projects in 2024 – the Les Serres des Marais project in Veyrier (26 kWp) and the Conthey project in partnership with Valais Canton (265 kWp).

Heat

In 2024, the major investments by our thermal generation division culminated in the following projects being finalised:

- The Bois de la Lonay (La Tuilière area) thermal power plant was brought into service during the final quarter of 2024. Ultimately, this installation will generate close to 7 GWh/year in renewable heat for our customers.
- The Jowa cogeneration plant at Ecublens took delivery of its turbine in July 2024. The 700 kW-rated unit will eventually generate 4.5 GWh per year in renewable electricity. The installation is scheduled to enter service during the second half of 2025.

- In late 2024, we commissioned the Château-d’Oex thermal power plant, which runs on woodchips. With the main construction work now complete, the installation has close to 2 MW in thermal capacity supplying close to 4 GWh in renewable thermal capacity per year.

The majority of our projects run on renewable fuels. Backup from fossil fuel may sometimes be required, during spikes in consumption or outages, for example.

Thermal energy sold

(based on the financial scope of consolidation)

GWh	2023	2024
Heating	106	124
Cooling	2	2
Total	108	126

Support for the energy transition in buildings

In 2024, the Romande Energie Services business unit set up ID GO to help accelerate the energy transition in Western Switzerland’s property portfolio. The new company aims to be a full-service sustainable player, providing its customers with holistic support for their renovation projects under general contracting agreements.

ID GO won two major environmental projects in 2024:

- Improvements to the Morges ice rink, for which sustainability criteria counted for up to 50% of its final rating.
- Development of a lower-impact, SIA:390/1 standard-compliant alternative of our new building in Echallens (based on an initial internal environmental impact analysis).

In 2024, ID GO strengthened its environmental impact analysis capabilities by developing tools based on KBOB (Swiss sustainable construction authority) recommendations applied to certain business segments such as district heating. At the same time, the company continued to develop its innovative Building Relationship Manager (BRM) solution. The goal is to add new components linked to the environmental impact analysis.

Contribution to developing the local economy and employment

GRI 203-2

Significant indirect economic impacts

The Social and Environmental Percent is our patronage programme. It aims to help combat deprivation, foster diversity and inclusion, and support the energy transition in Western Switzerland.

Through the Social and Environmental Percent, we help to facilitate the development of a not-for-profit, decarbonised, social and community-focused economy in our home region.

It helps to fund projects selected by our employees, with a budget of up to 1% of the EBIT from operations in the previous year.

In 2024, the programme supported seven partners, namely La Fête de la Nature, Suspend'us, Pro Juventute, Caritas Vaud, Vaud CSP, La Maison de la Rivière and Le Repuis.

In 2024, 85 volunteers from Romande Energie took part in social and environmental initiatives, including workshops on green tips and tricks, a campaign to plant 400 trees and assistance with the Samedi du partage (collections for food bank).

Donations and external patronage

In 2024, we received more than 300 requests from a whole spectrum of horizons and categories. Some were selected as a result of their local associations, their sustainability or their positive impact on society, such as respectively L'Espérance in Étoy, Pattes Tendues, an organisation that trains volunteers and their dogs on how to make hospital visits and Réunis sous la canopée - OneAction, which creates public-private partnerships to increase urban greenspace.

Internal sponsorship

We have established an internal sponsorship plan to support our employees and create positive momentum. Under the programme, employees can access support for projects close to their own heart. Applications are reviewed by a committee, which selects beneficiaries through a collective decision-making process. The support provided may be either financial or time, but not both. Eligible projects must be in the sports or arts fields, or have a positive social

or environmental impact. In 2024, four applications were accepted, and they received a total of CHF 5,000 in funds and 120 hours of support.

Academia

Académia, the programme to maximise the value of our relationships with academia, launched its first "Dies Energetica" seminar during the year. The event was attended by a large number of representatives from Western Switzerland's academic circles. During the discussions, participants were able to share their views and expectations concerning our three academic priorities: energy restraint and adaptability, flexibility and storage, open data and digital.

A project involving students from the E4S academic programme (EPFL, HEC Lausanne, International Institute for Management Development), of which we are a partner, identified several ways to speed up the decarbonisation of building renovations. These recommendations focused on embedding a culture of sustainability and sustainable purchases in property developments.

RE Ventures supports start-ups and innovation

RE Ventures follows through on our commitment to a sustainable energy transition with support for start-ups and innovations shaping the future, helping to fulfil our mission to decarbonise Western Switzerland. It is located on the EPFL campus and supports innovation in energy, climate and the energy transition via its three areas of interest:

- **Corporate Venture Capital (CVC):** Investments in cleantech and proptech start-ups in Switzerland and Europe
- **Corporate Venture Building:** Development of innovative products/services in conjunction with start-ups and the Group
- **Innovation strategy:** Analysis of trends, new sectors and emerging business models.

Projects completed by RE Ventures in 2024

In 2024, the Corporate Venture Building unit, RE Ventures' incubation and acceleration entity, was involved in developing streamlined consumption, collective self-consumption and power grid flexibility solutions.

It also played a part in acceleration programmes such as EPFL Innovation Park's Tech4Regeneration and the European Kickstart Innovation platform.

In 2024, the Corporate Venture Capital unit made strategic investments in the following start-ups:

- **Proxipel:** mobile pellet plant that turns biomass waste into pellets.
- **Yord:** smart heating using a connected device that can reduce a building's energy consumption by up to 40%.
- **Popety.io:** A mapping tools facilitating prospecting and property analysis through an all-in-one platform for building-based energy renovations.

Data protection and security

Corporate digital responsibility and digitalisation

Digital responsibility, which is part of our governance framework, supports the three pillars of sustainability. Since 2020, the Digital & Innovation support unit has harnessed technologies in support of the energy transition. In line with our strategy, it aims to make Romande Energie the leading digital player in the field in Western Switzerland.

At Romande Energie, we have put ethics and the environment at the heart of our digital transformation. Responsible management of data and solutions reduces CO₂ emissions.

We have reaffirmed our commitment to ethical and sustainable digital technology that advances the energy transition.

In 2024, we pushed ahead with our digitalisation drive in support of the energy transition. Agile portfolio management made it possible to give priority to digital projects generating significant added value, while the cloud-first IT strategy favours software-as-a-service solutions to unlock grey energy and operational savings.

The migration of our on-premise SAP environment to the SAP private cloud enhanced our security and resilience and elevated our employee experience. Deployment of our Digital RE portal helped steer value creation and to link up the information system components. We also

modernised the Romande Energie corporate website to provide an intuitive and accessible interface in synch with our digital ambitions.

To support these advances, we have made greater use of artificial intelligence. We use it to help grid planning, model the financial impact of new pricing charges and improve energy purchase forecasts. Our exploration of generative AI solutions has opened up new possibilities for raising internal efficiency, automating certain tasks and enriching customer interactions, while maintaining a robust level of cybersecurity.

Data protection and security

IT and industrial security is high up on our list of priorities amid the proliferation of cyberattacks. To guard against them, we have formulated a cybersecurity strategy predicated on three areas: strategy, operations and people. Our information system security policy reflects management's strategy vision translated into technical and organisational measures adapted to our requirements.

Our **information systems governance** directive aligns technologies with our strategic objectives, fosters value creation, manages risks and optimises resources. This directive also guides the digital transformation towards greater security, agility and innovation – crucial characteristics to support the energy transition.

To fend off increasingly sophisticated attacks, we use advanced technologies based on artificial intelligence. They are monitored round the clock by a security operations centre. We also pay special attention to securing smart metering, which underpins the confidentiality and reliability of the data we collect. To keep the supply chain safe and secure, we have introduced a process to assess suppliers' degree of maturity, backed up by technical audits depending on how mission-critical the solutions acquired are.

Cognisant of the importance of the human factor, we have developed a programme raising employee awareness about cybersecurity. We conduct simulated attacks on a regular basis to enhance vigilance and our skills. The efficacy of measures we take is assessed every year through independent audits by cybersecurity experts.

Compliance with data protection rules

We undertake to protect the personal data we process. In response to the changes to the new Data Protection Act (DPA), we have tightened up our compliance framework with organisational and technical measures aligned with the new statutory requirements.

Mandatory training on the new law gave our employees an understanding of the legal framework, the principles of data protection, related risks and compliance measures. Case studies were used to help them take these concepts on board and apply them properly in their everyday activities.

Our strategy is based on data protection by design and guarantees security by default at every stage in the processing chain. The subcontractor verification process also reviews their compliance with the statutory requirements, continuously managing the risks across the entire subcontracting chain.

In 2024, we did not receive any complaints about breaches of data confidentiality. Nor did any thefts, leaks or losses of data occur. **GRI 418-1**

2024 highlights

SAP migration

We began our migration to S/4HANA, a new higher-performance and more flexible version of SAP's ERP based on HANA technology, to improve our business processes and capitalise on the latest technological innovations.

Our digital teams rallied to the cause, and the switchover aims to enhance performance, tighten up security, increase resilience and improve employee experience. Our environmental impact has also decreased as a result, since SAP's data centres are 100%-powered by renewable energies.

Voltage change

In 2024, we completed a project originally set in motion back in 2006 to alter the voltage in Aigle, Ollon and on the Leysin back-up line. The colossal task required an overhaul of 55 transformer stations and 22 medium-voltage links. The plan, which necessitated an investment of over CHF 4 million, has strengthened our grid and advanced the electrification drive.

H2 Bois

We acquired a minority shareholding in H2 Bois SA, a Swiss company at the vanguard of the production of renewable hydrogen from wood. With its innovative thermolysis process, H2 Bois SA plans to convert wood into hydrogen and biochar while generating electricity in a flexible manner. The process has a negative carbon footprint, and so it will help to decarbonise its customers' activities. The ultimate goal is to create a hydrogen ecosystem in the Jura, which can leverage a network of conduits. This will also support local and sustainable generation and use in a micro-regional activity zone.

500th Click&Charge car park kitted out

In 2024, we fitted out our 500th car park with a Romande Energie Click&Charge solution, enabling owners to install EV charging stations without any upfront investment.

Delivering a fair transition

Maintaining employee satisfaction

Our annual Reussir satisfaction survey, which was conducted by Geneva-based Qualintra, generated almost 1,000 responses, beating all previous participation scores (82%). The engagement rate remained stable compared with previous years (7.6). Conversely, the Net Promoter Score (NPS) moved 12 points lower, slipping from 39 to 27. Nonetheless, this score was still positive since the Swiss benchmark is 13 points.

Number of temporary employees

In 2024, we worked with 251 temporarily assigned employees, chiefly in technical professions. Of these, 13 were subsequently signed to permanent contracts with us. **GRI 2-8**

We are committed to diversity and inclusion, not only to help meet the current challenges facing society but also to raise our overall performance.

We have made significant progress in this arena over recent years. And we are relentlessly seeking to become more inclusive, more inspirational and more responsible.

Gender balance is a priority for our Executive Board, which is implementing an action plan with three priorities – communication, HR processes and internal training.

Gender balance within the organisation and comparison with the Swiss sector at large

The gender balance varies from one business unit and one support unit to another. It also fluctuates across different business segments (technical or administrative). Our analysis revealed that women do not reach management and supervisory levels as easily as men, even though three women joined the executive in 2021 and four female supervisors were appointed in 2024 (one external recruitment and three internal promotions). Our executive has far better gender balance than the Swiss average. It is very slightly below the average for less senior managers.

Achievements in 2024

- Our business units restated their five-year gender balance targets.
- We met the Swiss federal requirements on equal pay (based on Logib analysis).
- We trained our managers on how to avoid unconscious bias during recruitment and team/employee management.

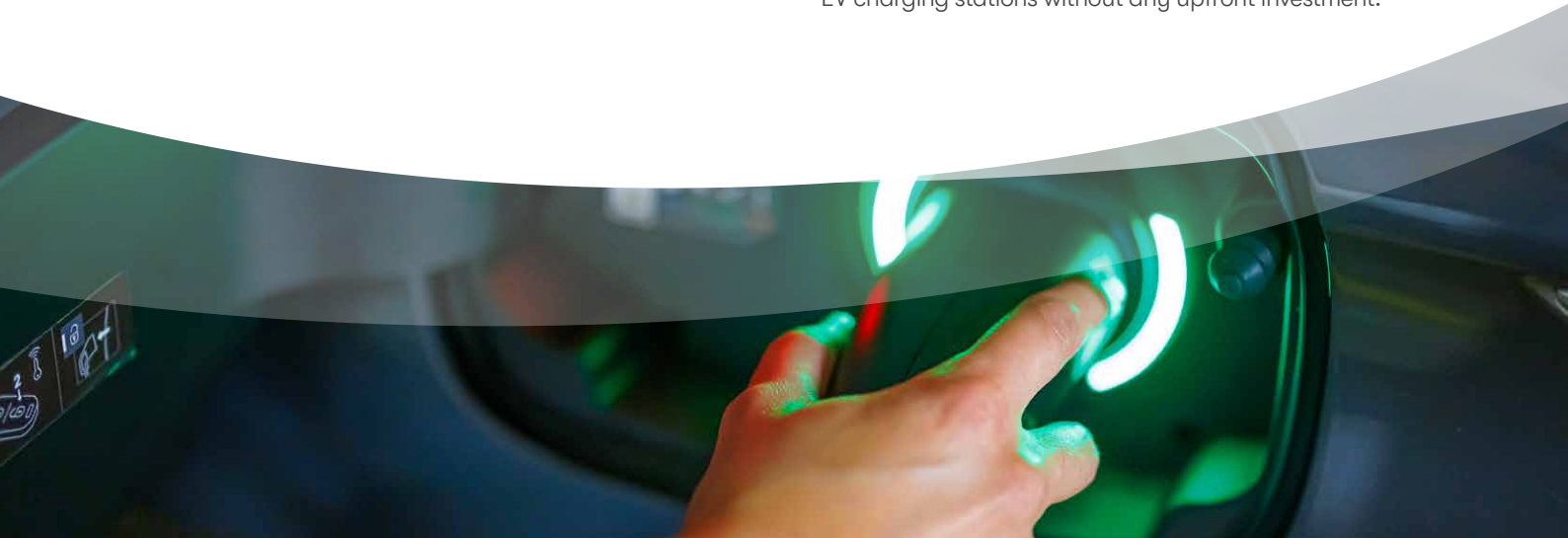
Our commitments

Since 2018, we have raised awareness concerning unconscious bias and stereotyping among HR teams and executives, and then among senior managers and supervisors in 2024.

Practical measures to support parenting and to provide employees with greater flexibility help to make our teams more diverse.

- Since 2020, the number of our part-time staff has increased (up 73% for men, and up 47% for women). They accounted for 14% of our male and 61% of our female workforce in 2024.
- Support for those on maternity and paternity leave before, during and after the leave
- 4-week paternity leave
- Childcare support (daycare) and trial project underway enabling children aged 4 and over to spend their day at the workplace during school holidays.
- Flexibility: calculation of working hours on an annual basis, access for all to part-time working and, where the nature of the job permits, working from home, flexible hours for most employees
- Access to unpaid leave.

Management is driving change to forge a more inclusive culture at every level of our organisation.



Romande Energie’s and Romande Energie Services’ employees

GRI 2-7

Number of employees analysed by gender and canton



	Employees (male)	Employees (female)	Total
Vaud	898	316	1 214
Geneva	110	13	123
Valais	72	11	83
Neuchâtel	43	4	47
Fribourg	19	4	23
France	3		3
Total	1 145	348	1 493

Number of full-time and part-time employees analysed by gender and canton



	Employees (male)	Employees (female)	Total
Full-time	980	136	1 116
Vaud	749	123	872
Geneva	108	8	116
Fribourg	67	3	70
Valais	37	2	39
Neuchâtel	17		17
France	2		2
Part-time	165	212	377
Vaud	149	193	342
Geneva	2	5	7
Fribourg	5	8	13
Valais	6	2	8
Neuchâtel	2	4	6
France	1		1
Total	1 145	348	1 493

Ratio of basic salary and remuneration of women to men

Equal pay for men and women is what we strive to achieve. The amended Federal Act on Gender Equality aims to implement the constitutional right to equal pay for a job of the same value. Romande Energie SA and Romande Energie Services SA have been awarded L&M-Aba-R gender pay equity certification. Both companies conducted an in-depth pay analysis with Logib in 2024, which demonstrated compliance with the principles of pay equity. [GRI 405-2](#)

Number of employees on hourly contracts analysed by gender and canton



	Male	Female	Total
Vaud	25	30	55
Fribourg	1	1	2
Total	26	31	57

Net turnover

	2021	2022	2023	2024
Net turnover	7.9%	6.8%	9.0%	8.2%

% of women at:

	2021	2022	2023	2024
Executive level	38%	38%	38%	38%
Supervisor level	10%	14%	13%	20%
Management level	5%	10%	9%	12%
Employees	24%	23%	23%	24%
Overall percentage of women	22%	22%	22%	23%

GRI 2-7, GRI 405-1

Occupational health and safety

Occupational health and safety management system

Focus on safety issues

We continue to implement our ISO 45001-compliant occupational health and safety management system (OHSMS). The system monitored by a specialised team aims to prevent occupational accidents and illnesses. More new members have been recruited to strengthen the team in 2025.

Site monitoring and audits will include tighter controls to keep a grip on their environmental impact.

Our ISO 45001 compliance audit is still ongoing. Several hundred audits have been completed across all areas of our organisation’s activities. [GRI 403-1](#), [GRI 403-3](#)

Hazard identification, risk assessment and incident investigation

We identify and analyse hazards across all our sectors and activities. We will continue to monitor risk analysis in 2025. [GRI 403-2](#)

Worker participation, consultation, and communication on occupational health and safety

Our Occupational Health and Safety Committee represents employees. Employees’ active participation is encouraged so we can detect needs, devise solutions and develop a genuinely safety-conscious culture. [GRI 403-4](#)

Worker training on occupational health and safety

When they are hired, every employee is asked to complete the mandatory training on regulatory compliance and best health and safety practices. Training programmes tailored to each business are arranged regularly under the statutory framework and the ISO 45001 standard. [GRI 403-5](#)

Promotion of worker health

Quality of life at work

As part of our quality of life at work initiatives, we promote activities fostering the mental and physical well-being of our employees. The Sports & Leisure Committee’s remit is to make progress in this area, so everyone feels part of the organisation and can fulfil their potential. It runs various non-professional initiatives to make the work environment more inclusive, collaborative and dynamic.

As a result, groups such as the ski, football and shooting clubs, and AvenuRE, organise regular events and outings.

Encouraging sports activities and well-being

To help our employees stay in better health, we provide reduced-rate sports equipment and appropriate infrastructure (showers, changing rooms). Flexible working times also help to make participating in physical activity easier.

Non-occupational accidents

The number of non-occupational accidents remains a concern (14.2% in 2024). In 2025, we will pay special attention to non-occupational accidents, taking targeted measures to raise awareness and support employees in their activities outside work. We have adapted our action plan accordingly. [GRI 403-6](#)

Prevention and mitigation of occupational health and safety impacts directly linked to business relationships.

Our ISO 45001 accreditation helps us stand out and manage our activity-related risks effectively, preventing accidents and occupational conditions. It also facilitates continuous improvements in our occupational health and safety performance.



External service providers

Occupational health and safety aspects are a key point of focus for us in our dealings with our service providers. We provide them with the additional safety rules by which we expect them to abide in addition to the laws in force. **GRI 403-7**

Work-related injuries

Workplace health and safety KPIs

Note that only employees of Romande Energie SA and Romande Energie Services SA are included in the statistics presented below.

- Number of work-related injuries per million hours worked: 15.01
- Total number of work-related injuries: 32

These indicators are published in the Sustainability Report to guarantee transparency. They have been audited by E&Y this year and the methodology used to calculate them has changed (results stated in millions of hours worked and on a full-time equivalent basis).

403.9a iii

Work-related ill health

To date, no work-related ill health cases have been reported for 2024. **GRI 403-10**

A total of 57 apprentices have enrolled on a Romande Energie Group course covering a variety of aspects such as administration, geomatics, electricity and building technology.

Employee training

We are a learning organisation committed to the well-being and personal development of our employees. We are breaking new ground and implementing new training solutions to help embed our corporate culture predicated on mutual respect, sympathetic listening and collective intelligence.

The People & Talents support unit is helping to drive forward our cultural realignment through an ambitious training policy. It encourages our employees to play an active role in our organisation and to prepare themselves for the challenges ahead.

What's more, 57 apprentices have enrolled on a Romande Energie Group course covering a variety of aspects such as administration, geomatics, electricity and building technology. We are training them in 16 professions and aim to strengthen the support organisation in place for them, while gradually increasing the number of apprentices and/or training areas.

Average hours of training per year per employee

In 2024, the average amount of training per employee was two days per year.

GRI 404-1

Programmes for upgrading employee skills and transition assistance programmes

Several training courses are available:

- Onboarding
- Manage your teams
- Workplace health and safety
- Basic training programme for electricians to facilitate retraining and return to work

We also encourage employees to gain sustainability-related qualifications. **GRI 402**

Percentage of employees given regular performance and career development reviews

We give every employee with a permanent contract at the very least a "Partage" annual career development review with their manager. We measure performance collectively based on three targets, each one linked to one of the three pillars. An identical annual bonus is paid out to everyone. **GRI 404-3**

To support our internal and external stakeholders with understanding and learning about our sustainability priorities, we developed a number of learning and information tools during 2024.

Over 90% of employees completed a course on the challenges posed by climate change and our sustainability strategy. They were also given the possibility of pledging to carry out a specific initiative in their own professional area.

As a responsible employer, Romande Energie launched several initiatives during 2024 to improve employees' occupational health and safety.

These included a campaign raising awareness of the dangers of non-occupational accidents during leisure activities or journeys, as well as training on psychosocial risks.

In addition, we carried out a poll on stress in the workplace, and will use the results to draw up an action plan for implementation in 2025.

At the same time, we rolled out advice and tips on the best practices for building customer relationships within the organisation throughout 2024 in order to better meet expectations.

Lastly, Romande Energie Services launched a sustainable outreach initiative in Cameroon, which is expected to take shape in 2025. In partnership with the national committee for the development of technologies, the plan is to build a solar power plant in a village in Cameroon and to train local engineers in how to install the photovoltaic panels.

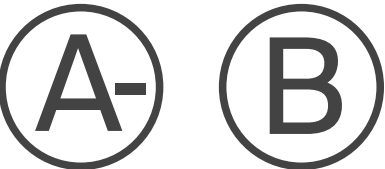
Quality – Certifications

ESG ratings

The details provided by the organisations shown every year provide input for our sustainability strategy and governance. Our sustainable finance specialist meticulously examines these reports. Areas for improvement identified are then circulated internally to define the actions to be taken. Every year, we commit to make these improvements in our Annual Report. Aspects that may need to be strengthened are discussed by the Management Committee and subsequently presented to the Board of Directors so potential remedial measures can be decided upon. For example, the completeness of our greenhouse gas inventory was improved during the year.

GRI 2-12, GRI 2-13, GRI 2-17

Ethos/Inrate ratings



Ethos Services' ESG rating Inrate's ESG rating

Continuous improvement and certification

We have maintained our trajectory towards operational excellence. We retained ISO 9001, 14001, 45001 and EcoCompany certification in 2024 for our Romande Energie Services, Energy Solutions and Grids business units. ID GO Management SA, our subsidiary, joined the scope of the certification in May 2024. The Grids business unit was also reawarded ISO 55001 certification for its management of the HV, MV and LV grid distribution assets.

The stricter assessment criteria applied account for the ratings, despite our continuous improvements in sustainability.

An additional 20 employees were trained in lean management in 2024. Added to that, in May 2024 we were awarded Great Place to Work certification, officially recognising Romande Energie as one of the companies paying greatest attention to quality of life at work.



Outlook for 2025

In 2025, we will initially seek to stabilise our GHG emissions. Subsequently, the transition workshops, which are to be organised with the businesses with the largest impacts, will scrutinise the decarbonisation trajectories with input from experts. We will continue to develop renewable energies, energy flexibility and storage, electric and thermal infrastructure and to invest in innovation and in high-potential businesses in the sector.

Our sustainability strategy will be enhanced by the addition of a new double-materiality matrix, providing better understanding and management of our environmental, social and governance impacts and identifying the risks and opportunities related to these challenges. This approach will enable us to fine-tune the use of our resources even more effectively and cut the relevant costs.

The environmental and social challenges we face may be very large indeed, but they also represent unique opportunities to innovate and build a more sustainable future.

Our decarbonisation and lifelong training programmes and our efforts to share best practices with our employees and stakeholders put us in a stronger position to contend with current and future challenges.

We are looking to the future with firm resolve, knowing that every step we take today brings us closer to a more sustainable and prosperous world for everyone.

Acknowledgements

We wish to express our sincere gratitude to everyone who has provided their insights and expertise and helped to produce this report. Their contribution to its quality and breadth of views has been invaluable.

Definition of specific indicators in 2024

Limited assurance provided by EY

GHG emissions gCO₂e per CHF of revenue

Total emissions included in the greenhouse gas (GHG) inventory according to the GHG Protocol, excluding financial investments, divided by Romande Energie Group revenues, both of which are published in the Annual Report.

The reference year for comparisons is 2020, and the indicator is recalculated if a greenhouse gas inventory is restated after its initial publication.

Contribution to decarbonisation

Since there is no internationally recognised standard, we have opted for an ad hoc approach, which takes into consideration two types of contribution to the decarbonisation of Western Switzerland: district heating and the sale of pellets for heating purposes.

The organisational scope we apply for this purpose and the data sources we have used are the same as for the GHG inventory. Contributions are assessed against the situation during the reporting year (rather than at its end). However, the emission factors we use are not the same as for the GHG inventory because they are based on a standardised life-cycle-type approach (direct and indirect emissions linked to power generation and infrastructure are considered, with indirect emissions smoothed over the product's lifespan).

District heating

The reductions we take into account are emissions that would have been generated without a district heating connection less emissions actually generated by Romande Energie for the district heating. We only consider the replacement of existing heating systems (rather than heating systems installed in new builds). We have used the Swiss federal database (KBOB) for emission factors (final energy for district heating and effective heat for the heating systems replaced) except for electricity, which is based on the emission factor for the electricity we distribute (approach based on guarantees of origin certificates). Biogenic emissions are not taken into consideration. We do not take into account cooling and electricity sales: all district heating emissions are thus allocated to the heating sold.

Pellet sales

Our contribution to Western Switzerland's decarbonisation drive through pellet sales stems from the manufacture of pellets in our Enerbois biomass plant from the waste originating from the Zahnd sawmill located at the same site in Rueyres. We only consider the portion of pellets sold to external customers (not those used internally for district heating purposes). On our estimates, each kilo of pellets contains 4.8 kWh of energy (source: EN14961-2 European standard) and the yield on pellet-based boilers is 90%. The emission factor for replaced heat is the 2023 average emission factor for heating systems in residential buildings in Vaud canton (source: FSO - Population Survey, Buildings and Dwellings Statistics), since the end users of the pellets are not known following the sale to an intermediary. The pellets emission factor comes from the Ecoinvent database, with a major correction (>80%) to take into account the fact that the wood used is sawmill waste and that its emissions are considered to be zero (under the cut-off approach). Pellets' biogenic emissions are not considered. However, we do take biogenic emissions linked to pellet manufacturing into account in the biogenic emissions published in the GHG inventory.

Work-related injuries

Occupational accidents according to the legal definition that led to an absence of over one day, as logged and accepted by our insurer (SUVA). Minor cases, as defined by SUVA, are omitted. All employees of Romande Energie SA and Romande Energie Services SA have been included. We have calculated them based on the number of accidents per million hours worked on average for 2024.

Note that in-progress cases, in particular for accidents that occurred towards the end of the year, have been included in the reporting scope, and may be redesignated.

Total number of employees (full-time equivalent - FTE)

All the employees under permanent contract within the scope of consolidation (fixed-term and permanent contracts), including apprentices and interns as at 31 December 2024. Members of the Board of Directors are not counted.

Number of apprentices being trained

Number of apprentices on training courses and under contract to Romande Energie SA or Romande Energie Services SA as at 31 December 2024. This number includes CFC apprentices (3- or 4-year vocational training certificate) and AFP apprentices (2-year vocation training programme).

Total capex

Sum of investments and acquisitions of interests in associates reported in the Annual Report from 1 January 2021 up to the date of the current annual close.

Other definitions

Total EBIT

Sum of EBIT reported in the Annual Report from 1 January 2021 up to the date of the current annual close.

Price-to-book ratio

The price-to-book ratio is calculated by dividing the market value of REHN shares by shareholders' equity per share (in CHF) reported in the financial results section of the Annual Report.

List of material topics

The identification process for GRI 3 disclosures aims to draw up a list stating "how it has identified actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights, across its activities and business relationships".

Customer Net Promoter Score

This indicator measures the satisfaction of our various customer segments within the regions we serve: Consumers, Businesses, Local and Municipal Authorities, Specifiers.

Supplier Net Promoter Score

This indicator measures the satisfaction of our various suppliers.

Employee Net Promoter Score

Employees on permanent contracts at Romande Energie SA, Romande Energie Services SA and Eiffitec SA at the launch date of the annual campaign in September 2023. This indicator measures the degree to which employees would recommend working for the Group.



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To the Board of Directors of
Romande Energie Holding SA, Morges

Lausanne, 4 April 2025

Independent Assurance Report on a selection of indicators of the Sustainability Report 2024 of Romande Energie Holding

We have been engaged to perform assurance procedures to provide limited assurance on selected non-financial matters indicators included in Romande Energie Holding SA and its consolidated subsidiaries' (the Group's) Sustainability Report 2024 (the Report), marked with the check mark  on the pages 55, 92, 98 for the reporting period from 1 January 2024 to 31 December 2024.

We did not perform assurance procedures on other information included in the Report, other than as described in the preceding paragraph, and accordingly, we do not express a conclusion on that information.

Applicable criteria

The Group defined as applicable criteria (the Applicable Criteria):

- ▶ Romande Energie Group Methodology (page 98)
- ▶ Global Reporting Initiative Sustainability Reporting Standards (GRI Standards)

A summary of the standards is presented on the GRI homepage. We believe that these criteria are a suitable basis for our limited assurance engagement.

Inherent limitations

The accuracy and completeness of selected indicators (including GHG emissions) are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. In addition, the quantification of the non-financial matters indicators is subject to inherent uncertainty because of incomplete scientific knowledge used to determine factors related to the emissions factors and the values needed to combine e.g. emissions of different gases. Our assurance report should therefore be read in connection with the Group's Methodology (page 98), its definitions and procedures on non-financial matters reporting therein.

Responsibility of the Board of Directors

The Board of Directors is responsible for the selection of the Applicable Criteria and for the preparation and presentation, in all material respects, of the selected indicators (including GHG emissions) in accordance with the Applicable Criteria. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation of the selected indicators that are free from material misstatement, whether due to fraud or error.



Independence and quality control

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

Our firm 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.



Our responsibility

Our responsibility is to express a conclusion on the selected indicators (including GHG emissions) based on the evidence we have obtained.

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the selected indicators (including GHG emissions) are free from material misstatement, whether due to fraud or error.

Summary of work performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

Our limited assurance procedures included, amongst others, the following work:

- ▶ Assessment of the suitability of the underlying criteria and their consistent application
- ▶ Interviews with relevant personnel to understand the business and reporting process, including the sustainability strategy, principles and management
- ▶ Interviews with Romande Energie Group's key personnel to understand the sustainability reporting system during the reporting period, including the process for collecting, collating and reporting the KPIs
- ▶ Checking that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the applicable criteria
- ▶ Analytical review procedures to support the reasonableness of the data
- ▶ Identifying and testing assumptions supporting calculations
- ▶ Testing, on a sample basis, underlying source information to check the accuracy of the data

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



Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the indicators presented in the Sustainability Report 2024 of the Group for the reporting from 1 January 2024 to 31 December 2024 and marked with the check mark  have not been prepared, in all material respects, in accordance with the Applicable Criteria.

Ernst & Young Ltd



Laurent Bludzien
(Qualified Signature)

Licensed audit expert
(Auditor in charge)



Miriel Steudler
(Qualified Signature)

GRI and TCFD content index

We have disclosed the information listed in this GRI standard content index for the period from 1 January 2024 until 31 December 2024.

GRI standard: 2021	Disclosures	Reasons for omission	Page number
GRI 1	Foundation (2021)		
GRI 2	General disclosures (2021)		
2-1	Organisational details		14-52
2-2	Entities included in the organisation's sustainability reporting		54
2-3	Reporting period, frequency and contact point		54
2-4	Restatements of information		54
2-5	External assurance		54
2-6	Activities, value chain and other business relationships		57
2-7	Employees		55-92
2-8	Workers who are not employees		91
2-9	Governance structure and composition		19-68
2-10	Nomination and selection of the highest governance body		22-64
2-11	Chair of the highest governance body		19-64
2-12	Role of the highest governance body in overseeing the management of impacts		70-96
2-13	Delegation of responsibility for managing impacts		69-96
2-14	Role of the highest governance body in sustainability reporting		59-60-64-68
2-15	Conflicts of interest		22-65
2-16	Communication of critical concerns		24-66
2-17	Collective knowledge of the highest governance body		64-96
2-18	Evaluation of the performance of the highest governance body		25-64
2-19	Remuneration policies		40-64-70
2-20	Process to determine remuneration		41-64
2-21	Annual total remuneration ratio		40-41-65
2-22	Statement of sustainable development strategy		61-74
2-23	Policy commitments		65
2-24	Embedding policy commitments		65
2-25	Processes to remediate negative impacts		26-65-85
2-26	Mechanisms for seeking advice and raising concerns		66
2-27	Compliance with laws and regulations		65-82
2-28	Membership organisations		58
2-29	Approach to stakeholder engagement		58
2-30	Collective bargaining agreements		66
GRI 3	Material topics (2021)		59
3-1	Process to determine material topics		59-60
3-2	List of material topics		59-60
3-3	Management of material topics		60-71-80
Material topic	Investments in renewable energies		
203-1	Infrastructure investments and services supported		69-86
Material topic	Contribution to developing the local economy		
203-2	Significant indirect economic impacts		88
Material topic	Environmental compliance		
2-27	Non-compliance with legislation and environmental regulations		65-82
Material topic	Compliance with labour law		
2-27	Breaches of the legislation and social and economic regulations		65-82
Material topic	Profitable management of energy resources		
Material topic	Impact on biodiversity		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Information not available	82
304-2	Significant impacts of activities, products and services on biodiversity		82
304-3	Habitats protected or restored		83
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		83
Material topic	Carbon footprint reductions		
201-2	Financial implications and other risks and opportunities due to climate change		
302-1	Energy consumption within the organisation		80
302-2	Energy consumption outside of the organisation		80
302-3	Energy intensity		

GRI standard: 2021	Disclosures	Reasons for omission	Page number
302-4	Reduction of energy consumption		82
302-5	Reductions in energy requirements of products and services		82
305-1	Direct (Scope 1) GHG emissions		55-79-80
305-2	Indirect (Scope 2) GHG emissions		55-79-80
305-3	Other indirect (Scope 3) GHG emissions		55-79-80
305-4	GHG emissions intensity		55-80
305-5	Reduction of GHG emissions		77
305-6	Emissions of ozone-depleting substances (ODS)		80
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant air emissions		80
Material topic	Transparency concerning the greenhouse gas footprint		
305-1	Direct (Scope 1) GHG emissions		55-79-80
305-2	Indirect (Scope 2) GHG emissions		55-79-80
305-3	Other indirect (Scope 3) GHG emissions		55-79-80
Material topic	Environmental initiatives (e.g. carbon sinks)		
305-5	Reduction of GHG emissions		77
Material topic	Waste management and recycling		
301-1	Materials used by weight or volume		83
301-2	Recycled input materials used	Information not available	83
301-3	Reclaimed products and their packaging materials		83
306-1	Waste generation and significant waste-related impacts		83
306-2	Management of significant waste-related impacts		83
306-3	Waste generated		83
306-4	Waste diverted from disposal		83
306-5	Waste directed to disposal		83
Material topic	Occupational health and safety		
403-1	Occupational health and safety management system		93
403-2	Hazard identification, risk assessment and incident investigation		93
403-3	Occupational health services		93
403-4	Worker participation, consultation, and communication on occupational health and safety		93
403-5	Worker training on occupational health and safety		93
403-6	Promotion of worker health		93
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		94
403-8	Workers covered by an occupational health and safety management system		
403-9	Work-related injuries	Partial information	55-94
403-10	Work-related ill health		94
Material topic	Employee training		95
404-1	Average hours of training per year per employee		95
404-2	Programmes for upgrading employee skills and transition assistance programmes		95
404-3	Percentage of employees given regular performance and career development reviews		95
Material topic	Equal pay policy		
405-1	Diversity of governance bodies and employees		92
405-2	Ratio of basic salary and remuneration of women to men		92
Material topic	Supplier social assessment		
414-1	Supplier social assessment		74
Material topic	Data protection and security		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		90
TCFD:	Disclosures		67
	Governance		68
	Strategy		74
	Risk management		75
	Metrics and targets		76

Financial statements



Financial overview

Romande Energie Group

Key consolidated figures

as at 31 December 2024

	2024			2023		
	Adjusted results	Non-operating effects	Results under Swiss GAAP RPC	Adjusted results restated	Non-operating effects	Results under Swiss GAAP RPC restated
INCOME STATEMENT						
Net revenues	829 965	2 337	832 302	917 890	10 323	928 213
Gross profit	367 737	2 337	370 074	426 359	10 323	436 682
% of net revenues	44%		44%	46%		47%
Personnel expenses	(180 617)		(180 617)	(161 942)		(161 942)
Other operating expenses	(65 952)		(65 952)	(74 143)		(74 143)
EBITDA*	121 168	2 337	123 505	190 274	10 323	200 597
% of net revenues	15%		15%	21%		22%
Depreciation and impairment	(98 362)	(11 462)	(109 824)	(100 915)		(100 915)
EBIT**	22 806	(9 125)	13 681	89 359	10 323	99 682
% of net revenues	3%		2%	10%		11%
Share of profit from associates			15 296			76 738
Net profit for the year			26 050			150 446
% of net revenues			3%			16%

CASH FLOW STATEMENT

Net cash flow from operating activities	146 672	136 034
Net cash flow used in investing activities	(167 930)	(109 594)
Net cash flow from/used in financing activities	111 952	(53 848)

OTHER INFORMATION

Total dividend (proposed for 2024) per share (in CHF)	1.44	1.44
Earnings per share (in CHF)	0.95	5.76
Equity attributable to Romande Energie Holding SA shareholders	2 096 180	2 109 501
% of total assets	74%	79%
Shareholders' equity per share (in CHF)	74	74
Romande Energie Holding SA year-end share price (in CHF)	43.00	55.00
Market capitalisation	1 103 289	1 411 183
Employees	1 493	1 338

* EBITDA: Earnings before interest, taxes, depreciation and amortisation

** EBIT: Earnings before interest and taxes

Restatements for 2023 are detailed in Note 2.

Management Report

- Adjusted EBIT totalled CHF 23 million in 2024 as the regulatory pressure on the energy supply margin peaked. Revenues were CHF 832 million, in line with forecasts.
- Impairment against two district heating assets using innovative technology detracted from reported EBIT, which came to CHF 14 million.
- Net profit was CHF 26 million in 2024. The usual strong results from Alpiq were this time cancelled out by the repayment of a CHF 650 million hybrid public loan and the conversion of IFRS figures to Swiss GAAP FER.
- Strong cash flow from operations combined with the green loan arranged last year underpinned investment, which totalled CHF 163 million.

Adjusted EBIT in line with estimates

The Romande Energie Group ended 2024 with an adjusted EBIT of CHF 23 million, in line with estimates but affected negatively by CHF 9 million in non-operating items. Reported EBIT under Swiss GAAP FER was CHF 14 million.

Following a highly successful 2023, helped by substantial tariff clawbacks, adjusted EBIT at Energy Solutions was significantly impacted by negative regulatory effects. The Group’s energy supply margin was reduced by CHF 33 million due to surplus sales of solar-generated energy, which had to be offloaded on the market at highly unfavourable terms, plus the effects of the average price method mechanism. Current regulations do not allow customer tariffs to be adjusted upwards to cover such losses. Romande Energie’s earlier decision to reduce the price of the energy component in its tariffs for 2024, combined with a reduction in the authorised remuneration, had a further detrimental impact on the energy supply margin.

In 2024, margins generated by the FMHL installation (Forces Motrices Hongrin-Léman) were lower because of the non-recurrence of supplementary income from the provision of a winter storage lake. Adjusted EBIT at Energy Solutions was in the red at CHF -16 million. Including non-operating items, specifically the impairment charges recognised on district heating assets using innovative technology, reported 2024 EBIT for the business unit showed a loss of CHF 27 million, versus a substantial profit of CHF 47 million in 2023.

As in previous years, Romande Energie Services was solid, reporting an EBIT of CHF 6 million (versus CHF 5 million in 2023), including a positive non-operating item arising from the sale of a subsidiary. As usual, the Grids business unit provided stability, achieving an EBIT of CHF 48 million after grid losses relating to the average price method. Romande Energie’s EBIT margin was 3% versus 10% in 2023 (2% versus 11% if non-operating items are included).

Revenues down 10%

The income statement for 2024 showed the second-highest revenues ever, following a record year in 2023. Adjusted full-year revenue was CHF 830 million, versus CHF 918 million, which was 10% lower (identical percentage change including non-operating items).

As anticipated, revenues at Energy Solutions declined automatically by over CHF 100 million as a matter of course, primarily due to the sale of energy positions at low prices on the market. This was further compounded by lower kWh sold to eligible customers and a deliberately generous pricing policy for regulated customers.

Revenues at Grids and Romande Energie Services can be regarded as stable relative to the prior period if the transfer of the street lighting business between these two business units, announced in mid-2023, is taken into consideration.

1,500 employees at end-2024

In 2024, Romande Energie reincorporated customer service operations (contact centre, billing and disputes) into its Energy Solutions business unit together with the 54 employees. This activity was formerly managed by enersuisse, a partnership between various energy companies. The Grids business unit added 21 new hires after taking over the business of a third-party distribution system operator (DSO) under the terms of an agency agreement.

Romande Energie had 1,493 employees as at 31 December versus 1,338 one year earlier. Personnel expenses rose by 12% to CHF 181 million, versus CHF 162 million in the prior year. Half of this additional cost was covered by a reduction in other operating expenses of CHF 8 million resulting from the re-internalisation of customer services mentioned above. Other operating expenses declined by 11% to CHF 66 million, in line with forecasts.

Alpiq and EOSH interest restated according to Swiss GAAP FER

Line items relating to the investment in EOSH (including Alpiq) have been restated to comply with the revised Swiss GAAP FER 30 Consolidated financial statements, in force since 1 January 2024.

In 2024, Alpiq had another strong year, reporting an IFRS net profit of CHF 943 million. After adjusting for the partial reversing entry in regard to the earlier accounting mismatch on energy derivatives, Alpiq’s restated net profit under Swiss GAAP FER was CHF 726 million. However, these results were offset by Alpiq’s decision to repay a CHF 650 million hybrid public loan that was treated as equity. As a consequence, Alpiq’s net contribution to the Group’s profit was immaterial, amounting to only CHF 3 million under Swiss GAAP FER (adjusted 2023 sum was CHF 65 million).

Business results increased at EOS NER SA, leading to a contribution of CHF 10 million (versus CHF 8 million in 2023). Alpiq and EOS added a combined CHF 13 million to the Group’s net profit (versus an adjusted CHF 76 million in 2023). Romande Energie holds a 29.71% interest in EOS Holding SA, which in turn owns 33.33% of Alpiq and 100% of EOS NER SA.

The Group’s net profit in 2024 was CHF 26 million compared with an adjusted CHF 150 million in 2023.

Energy Solutions

The **Energy Solutions** business unit spans the entire kWh chain, operating through two divisions: 1) generating power, heating and cooling, and managing the supply process for this energy; and 2) markets.

<i>In CHF thousands</i>	2024	2023	% Change
Net revenues	434 196	539 696	-20%
Gross profit	93 212	163 177	-43%
% of net revenues	21%	30%	
EBITDA	17 502	81 398	-78%
% of net revenues	4%	15%	
EBIT adjusted	(15 976)	47 422	-134%
EBIT	(27 439)	47 422	-158%
% of net revenues	-6%	9%	
Employees	171	125	

Reported 2024 revenues for the Energy Solutions business unit were CHF 434 million (versus CHF 540 million in 2023). Lower revenues were in line with forecasts.

Romande Energie’s 2024 tariffs for regulated customers included a lower rate for the energy component aimed at offsetting higher grid costs and duties. As a result of this decision to put customers’ interests first, revenues in this business unit were CHF 24 million lower than in 2023, which was boosted by a substantial clawback.

Revenues from eligible customers were down CHF 28 million, reflecting a 28% decrease in GWh marketed combined with a decline of around 12% in the average selling price. The downtrend in energy market prices also impacted sales of energy positions, revenues from which fell by CHF 58 million relative to 2023 as a matter of course. At the same time, higher revenues from the sale of thermal energy and from solar, hydro and wind power sales (totalling CHF 8 million) were more than offset by other revenue shortfalls, especially from the FMHL and plant and facilities in France.

In terms of actual demand, energy volumes from regulated customers in the areas served by Romande Energie advanced by 2%. In line with expectations, volumes used by large companies contracted by 28% (102 GWh).

Just as 2024 was one of the top-five years in terms of average temperature in Western Switzerland, the high levels of rainfall in the spring and in September kept Romande Energie’s hydropower stations busy. Their output was up 6% relative to 2023. Stoppage of the Forces Motrices du Grand-St-Bernard plant since mid-August 2024 (the Group’s third main generation facility) therefore had no impact on 2024. Including generation from third-party plants subject to feed-in obligations or direct sales, the tranche of generation allocated to regulated customers was 736 GWh (versus 688 GWh in 2023). However, these higher-than-expected volumes led to a surplus that then had to be offloaded on the market.

With reported EBIT at CHF 27 million in the red, 2024 marks a critical juncture for the Energy Solutions business unit. The pricing policy set for 2024 reduced the margin expected by around CHF 12 million. However, regulatory impacts dragged down the energy supply margin by CHF 45 million relative to the comparator year.

In 2020, the regulator began reducing the regulated gross margin allowed on energy sales, lowering it from CHF 95 to 75, resulting in a negative impact of approximately CHF 6 million. A decision was then made to reduce it further to CHF 60 from 1 January 2024. This led to a further CHF 4 million decrease in the Group’s energy supply margin, from CHF 20 million to CHF 16 million. This represents the first regulatory effect. As a reminder, the CHF 60 authorised covers administrative overheads and the cost of DSO sales in Switzerland to supply the public service. What is left represents a reasonable profit. Another regulatory effect with a negative impact on the energy supply margin was the application of the average price method. This impact was an estimated CHF 15 million in 2024, on a par with 2023. There is no way to pass on these costs to end customers’ future tariffs. This impact will not apply from 2026 onwards. Then there is a third effect, which stems from the significant increase in balancing power costs of CHF 8 million, only a very small amount of which was offset by the positive resolution of consumption and generation contingencies.

All in all, however, the largest regulatory effect arose from the infelicitous combination between a supply portfolio arranged several years in advance and the consequences of domestic solar power generation, which has increased extremely rapidly. Romande Energie therefore has to deal with a flow of surplus energy that is impossible to predict because everything hinges on the weather. These electrons have to be offloaded on the market at far lower prices than the feed-in tariffs paid to customers. As the legislation stands, there is no scope for passing on the loss sustained (which exceeded CHF 30 million) to end-customers’ future tariffs.

The operating profit earned by FMHL dropped by CHF 4 million to CHF 9 million, mainly because of the non-recurrence of income for providing a winter storage facility (which was CHF 3 million in 2023) and the continued narrowing in the spread between peak and base energy prices.

In 2024, capital expenditure on electricity generation were remunerated at a WACC of 5.23%, up from 4.98% in 2023. The additional contribution was non-material. In contrast, based on a similar output to the previous year for renewable assets (hydro, solar and wind), operating profit in France increased by CHF 1 million relative to 2023 and by CHF 2 million relative to 2021 (power prices were extraordinarily high in 2022) to stand at CHF 3 million in 2024.

Solar power generation advanced by 20% relative to 2023 but was again below forecasts due to annual solar radiation lower than the norm. The contribution margin of operational and under-development solar installations reached breakeven, delivering CHF 1 million more than in 2023.

Output from district heating assets continued to rise, with over 90,000 thermal kWh sold in 2024 (+20%) generating revenues of CHF 24 million (versus CHF 20 million in 2023). Cumulative gross profit for assets under development or in an operational phase increased over the year. Over the full year, this business line was just below breakeven within the Energy Solutions business unit. At Group level, however, it generated a profit of CHF 3 million based on the contribution from the Romande Energie Services business unit, which oversees the planning and construction of district heating assets. Non-operating items arising from the recognition of impairment charges totalling CHF 11 million reduced the reported EBIT of this business line. The use of an innovative gasification-based cogeneration technology in two operational plants failed to meet the projected performance standard.

Minus these impairment charges, adjusted EBIT at this business unit was CHF -16 million.

After taking into account the efficiency measures in 2024, the increase in the workforce can be attributed to the reincorporation of customer services staff, with 54 employees joining the Energy Solutions business unit with effect from 1 January 2024. This staff reintegration resulted in lower total operating expenses, with a net gain of CHF 2 million for this activity.

Grids

The Grids business unit is responsible for building, operating, maintaining and managing the Group’s high-, medium- and low-voltage distribution infrastructure, the radio-wave network and the fibre optic network. Most of its business is regulated.

<i>In CHF thousands</i>	2024	2023	% Change
Net revenues	325 905	311 939	4%
Gross profit	223 540	215 614	4%
% of net revenues	69%	69%	
EBITDA	103 103	106 101	-3%
% of net revenues	32%	34%	
EBIT	47 767	49 212	-3%
% of net revenues	15%	16%	
Employees	478	436	

The business expanded in 2024 with the addition of 21 new employees following the takeover of the operations of a third-party distribution system operator (DSO) with effect from 1 January 2024. This decision is strategic as in the short term it will enable Romande Energie to strengthen its DSO business, providing a firmer foundation for growth in non-monopoly activities.

Over 54,000 smart meters were installed the area served by Romande Energie, lifting the replacement rate to 62% at end-2024. We therefore remain on track to replace 80% of legacy meters with the smart variety by the end of 2025, i.e. two years ahead of the regulator’s deadline. The campaign will continue in the years ahead towards the target of 100%.

In distribution, a core part of the grid business, the volume of kWh supplied increased by 1%. Rising grid costs and the higher return on capital invested in power grids (raised to 4.13% in 2024 versus 3.83% in 2023) gave scope for Romande Energie to announce an increase in the grid usage component in 2024 within tariffs, which boosted operating profit by close to CHF 3 million. This was in addition to an increase of more than CHF 1 million in profit from merchant activities, mainly connected with third-party electricity services and fibre optics.

However, performance was down slightly in 2024, reflecting the CHF 3 million charge from application of the average price method, which governs the treatment of grid losses, as well as higher depreciation and a provision for doubtful accounts. The Grids business unit ended the year with EBIT of CHF 48 million (versus CHF 49 million in 2023). Grid activities still account for a dominant proportion of the Group’s operating performance, with an operating margin of 15%.

Romande Energie Services

Romande Energie Services brings together all the services that help homeowners, businesses and municipalities make the energy transition.

In CHF thousands	2024	2023	% Change
Net revenues	161 024	163 786	-2%
Gross profit	85 290	81 980	4%
% of net revenues	53%	50%	
EBITDA	7 059	6 174	14%
% of net revenues	4%	4%	
EBIT adjusted	3 584	5 182	-31%
EBIT	5 921	5 182	14%
% of net revenues	4%	3%	
Employees	584	547	

Revenues came to CHF 161 million (versus CHF 164 million in 2023). Revenues dipped 2%, chiefly due to the transfer of the street lighting business with effect from 30 June 2023.

At the end of 2024, Effitec SA, a subsidiary, was sold to a third party, representing a non-operating gain of CHF 2 million. Effitec works to prevent accidents in the electricity business, especially by running inspections of electrical installations.

ID GO Management SA achieved a profit in its first year of operation. This company is spearheading the Group’s decarbonisation efforts in the buildings sector, offering property owners expertise in energy renovation with the aim of reducing both direct and indirect carbon emissions.

Romande Energie Services reported EBIT of CHF 6 million, versus CHF 5 million in 2023. This continued growth stemmed from increased demand for HVAC in the canton of Vaud and for building automation solutions in Geneva canton.

Operating margin was 4%. EBIT adjusted for non-operating items was CHF 4 million.

Extremely positive cash flow and CHF 150 million in funding secured

As at 31 December 2024, Romande Energie had cash and cash equivalents of CHF 204 million versus CHF 113 million as at 1 January 2024.

CASH FLOW STATEMENT	2024	2023 restated
Cash flow before changes in WCR	122 601	184 992
Net change in the WCR	24 071	(48 958)
Operating activities	146 672	136 034
Net investments in capital assets and equity interests	(163 304)	(200 068)
Net divestments of capital assets and equity interests	8 036	30 836
Net change in term deposits and other financial assets	(12 662)	59 638
Investing activities	(167 930)	(109 594)
Issuance of debt	156 250	1 000
Repayment of borrowings	(6 934)	(14 388)
Dividends paid	(37 592)	(42 404)
Other	228	1 944
Financing activities	111 952	(53 848)

Reflecting solid operating results in Grids and Energy Services, cash flow from operating activities before consideration of the working capital requirement (WCR) was CHF 123 million (versus CHF 185 million), owing to the negative impact on the energy supply margin. In contrast, the net change in the working capital requirement boosted cash flow from operating activities to CHF 147 million from CHF 136 million in 2023, marking a return to historical levels.

Investing activities totalled CHF 163 million, half of which benefited distribution networks (mainly the MV and LV grids). The volume of new renewable energy projects completed fell short of the annual forecast, creating a deferral in the investment strategy in Switzerland and France. The drop in spending was mainly seen in solar and small-scale hydro investments in Switzerland. In addition, 2023 was the year in which the Sainte-Croix wind farm was completed. Development of wind-power projects in France continues to experience delays, pending connection of the wind farms to the Enerdis grid (DSO cooperative).

Another financing instalment was arranged in 2024, in the form of the CHF 150 million bilateral green loan, due in 2039, with a Swiss cantonal bank. As a consequence, the Group’s long-term debt rose above the CHF 300 million mark to CHF 345 million as at 31 December 2024 versus CHF 195 million as at 31 December 2023. Equity attributable to the shareholders of Romande Energie Holding SA represented 74% of total assets.

Dividend unchanged

Equity attributable to shareholders of Romande Energie Holding SA was stable at CHF 2 billion as at 31 December 2024.

Encouraged by the strong balance sheet, the Board of Directors will seek approval at the Annual General Meeting to continue its policy of providing stable returns to shareholders, resulting in an unchanged ordinary dividend of CHF 1.44 per share. Based on the recommended dividend, this represents a yield of 3.3% relative to the closing price of the Romande Energie share of CHF 43 on 31 December 2024. If this recommendation is adopted, the total cash outlay will be CHF 37 million in 2025, taking into account the number of shares held by Romande Energie in treasury.

Non-GAAP metrics

When measuring and presenting operating results, Romande Energie draws a distinction between its adjusted operating profit and its operating profit reported under Swiss GAAP FER, which takes non-operating items into account.

This performance measure is not standardised within the meaning of Swiss GAAP FER, and a presentation compliant with those accounting standards is still required. While this may restrict comparability with other companies, it helps investors track the Group’s actual operating results over a period of time.

In 2024, the sale of a subsidiary generated a gain of CHF 2 million, recorded under Total other income. Impairment charges totalling CHF 11 million were recognised through a specific line on the income statement, following lower-than-expected performances from two assets operating with innovative technology.

In 2023, the sale of a land asset generated a gain of CHF 10 million, recorded under Total other income.

A summary of these effects is presented under Key consolidated figures.

Outlook

Looking to 2025, the Romande Energie Group again expects market conditions to be impacted by inauspicious Swiss regulations and delays in unlocking returns from investments. We forecast adjusted profit in line with 2024, i.e. excluding non-operating items and exceptional events.

This assumes that regulations will continue to reduce the energy supply margin in 2025. On the legislative front, the planned scrapping of the average price method from 2026 onwards, following the approval of the single amending electricity act (“Mantelerlass”), and the nationwide reduction in the solar feed-in tariff, will provide tighter control over the energy supply margin. It should also be stated that the impossibility of passing on gains but especially losses from market sales of surplus energy is a major risk for distribution system operators. In summary, the impact of these three regulatory constraints will continue to be felt in 2025.

Following the publication in early 2025 of the second set of implementing ordinances for the Electricity Act, we are currently analysing and awaiting clarification on certain points from the regulatory authorities. Therefore, the Group’s earnings may be positively or negatively impacted, contingent on the content of the ordinances as and when they are enacted from 2026 onwards.

The return authorised on the grid (WACC) will be 3.43% for the 2026 tariff year, based on the Federal Council’s early-2025 decision to change the calculation method. In 2025, it will be 3.98%, closer to past standards (4.13% in 2024). Returns on power generation assets, taken into account to determine 2025 tariffs, will be 5.11%. The rate for 2026 has not yet been announced.

Given these rates of return and the longer-than-expected timeframe for investments to generate the anticipated returns, the Group has adjusted its investment budget. For 2025 and the following years, the budget will remain below CHF 200 million. However, this may change if multiple wind farms in France and district heating plants in Switzerland are constructed simultaneously.

In merchant activities, the positive results generated by services in recent years provide a foundation for Romande Energie’s continued efforts to reduce the carbon intensity of the building stock through energy renovations. Rising profits are therefore expected in the coming years.

Consolidated financial statements

Romande Energie Group

Consolidated income statement

as at 31 December 2024

<i>In CHF thousands, except per share amounts</i>	Notes	2024	2023 restated
Revenues	5	777 956	868 744
Other income	5	54 346	59 469
Net revenues		832 302	928 213
Purchases of energy, goods and services	6	(462 228)	(491 531)
Gross profit		370 074	436 682
Personnel expenses		(180 617)	(161 942)
Other operating expenses		(65 952)	(74 143)
EBITDA		123 505	200 597
Depreciation on property, plant and equipment	7	(87 250)	(82 959)
Impairment charge on tangible fixed assets	12	(11 462)	-
Amortisation of intangible assets	7	(10 610)	(12 880)
Impairment charge on other long-term financial assets		(502)	(5 076)
EBIT		13 681	99 682
Financial income	8	12 620	10 473
Financial expenses	8	(11 299)	(15 908)
Share of profit from associates	14	15 296	76 738
Non-operating expenses	9	(886)	(444)
Profit before income tax		29 412	170 541
Income tax	10	(3 362)	(20 095)
Net profit		26 050	150 446
Attributable to:			
Shareholders of Romande Energie Holding SA		24 250	147 871
Non-controlling interests		1 800	2 575
		26 050	150 446
Weighted average number of shares outstanding		25 657 875	25 657 875
Earnings per share in CHF		0.95	5.76
Dividend per share in CHF (proposed for 2024)		1.44	1.44

The accompanying notes form an integral part of the financial statements.
Restatements for 2023 are detailed in Note 2.

Consolidated balance sheet

as at 31 December 2024

<i>In CHF thousands</i>	Notes	31.12.2024	31.12.2023 revised
ASSETS			
Current assets			
Cash and cash equivalents		203 700	112 894
Securities and term deposits		10 051	81
Trade accounts receivable	11	168 957	165 076
Current taxes receivable		4 863	522
Other short-term financial assets		1 519	2 741
Prepaid expenses and accrued income		60 947	59 633
Other current assets		7 184	5 084
Total current assets		457 221	346 031
Non-current assets			
Property, plant and equipment	12	1 551 077	1 502 964
Intangible assets	13	90 989	89 405
Investments in associates	14	693 316	688 462
Other long-term financial assets	15	40 395	35 778
Deferred tax assets	10	1 181	-
Assets from employer contribution reserves	16	-	637
Total non-current assets		2 376 958	2 317 246
Total assets		2 834 179	2 663 277
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Trade accounts payable		102 039	60 787
Accrued expenses and deferred income		57 681	80 080
Other short-term liabilities		44 345	30 648
Short-term portion of long-term borrowings	17	7 269	5 864
Current taxes payable		1 203	2 666
Short-term provisions	18	3 606	921
Total current liabilities		216 143	180 966
Non-current liabilities			
Long-term borrowings	17	337 486	188 901
Deferred tax liabilities		131 593	129 764
Long-term provisions	18	3 980	6 734
Total non-current liabilities		473 059	325 399
Total liabilities		689 202	506 365
Equity attributable to Romande Energie Holding SA shareholders			
Share capital	19	28 500	28 500
Additional paid-in capital		13 111	13 111
Own shares		(99 563)	(99 563)
Goodwill recognised		(41 958)	(41 943)
Translation differences		(57 771)	(57 596)
Retained earnings		2 253 861	2 266 992
Total equity attributable to Romande Energie Holding SA shareholders		2 096 180	2 109 501
Non-controlling interests		48 797	47 411
Total shareholders' equity		2 144 977	2 156 912
Total liabilities and shareholders' equity		2 834 179	2 663 277

The accompanying notes form an integral part of the financial statements.
Restatements for 2023 are detailed in Note 2.

Consolidated cash flow statement

as at 31 December 2024

In CHF thousands	Notes	2024	2023 restated
Group net profit		26 050	150 446
Non-cash items			
- Income taxes and public interest donations	9, 10	4 247	20 539
- Depreciation on property, plant and equipment	7	87 250	82 959
- Impairment on property, plant and equipment	12	11 462	-
- Amortisation and impairment on intangible assets	7	10 610	12 880
- Write-off of impaired long-term financial assets		-	1 848
- Provisions	13	(145)	3 196
- Net profit from associates	14	(15 296)	(76 738)
- Net proceeds from disposal of non-current assets		(2 389)	(12 905)
- Change in pension liabilities	16	637	8 891
- Other financial income and expense		3 892	3 233
- Other non-cash items		860	3 626
Dividends received from associates		9 935	4 299
Interest received and other financial income		1 796	1 979
Interest paid and other financial expense		(7 122)	(5 222)
Payment of income taxes and public interest donations		(9 186)	(14 039)
Cash flow before change in working capital		122 601	184 992
Change in receivables		(3 828)	(57 432)
Change in payables		37 066	28 030
Change in other current assets, prepayments and accrued income		(3 606)	24 787
Change in other liabilities and accrued expenses		(5 561)	(44 343)
Net cash flow from (used in) operating activities		146 672	136 034
Purchase of property, plant and equipment, and intangible assets	12, 13	(163 277)	(193 129)
Disposal of property, plant and equipment		5 009	23 903
Disposal of subsidiaries, net of cash		2 664	6 933
Acquisition of shareholdings in associates		(27)	(6 939)
Disposal of shareholdings in associates		363	-
Acquisition and sale of investment securities and term deposits		(9 970)	59 970
Increase in other long-term financial assets		(4 587)	(5 319)
Decrease in other long-term financial assets		1 895	4 987
Net cash flow from (used in) investing activities		(167 930)	(109 594)
Income from change in subsidiaries' controlling interest		228	1 944
Repayment of borrowings		(6 934)	(14 388)
Issuance of debt		156 250	1 000
Dividends paid to non-controlling interests		(645)	(5 457)
Dividends paid to owners of the parent		(36 947)	(36 947)
Net cash flow from (used in) financing activities		111 952	(53 848)
Net effect of exchange difference on cash and cash equivalents		112	(724)
Net change in cash and cash equivalents		90 806	(28 132)
Cash and cash equivalents at beginning of year		112 894	141 026
Cash and cash equivalents at end of year		203 700	112 894
Change		90 806	(28 132)

The accompanying notes form an integral part of the financial statements.

Restatements for 2023 are detailed in Note 2.

Statement of changes in consolidated equity

as at 31 December 2024

In CHF thousands	Share capital	Additional paid-in capital	Own shares	Goodwill recognised	Translation differences	Retained earnings	Total	Non-controlling interests	Total equity
1 January 2023 (before restatement)	28 500	13 111	(99 563)	(42 043)	(57 695)	2 063 022	1 905 332	42 859	1 948 191
Effect of change in financial statement presentation (change in accounting policy)						93 938	93 938		93 938
1 January 2023 (after restatement)	28 500	13 111	(99 563)	(42 043)	(57 695)	2 156 960	1 999 270	42 859	2 042 129
Dividends						(36 947)	(36 947)	(5 457)	(42 404)
Exchange difference				100	99		199	(348)	(149)
Change in controlling interest						(892)	(892)	7 782	6 890
Net profit (restated)						147 871	147 871	2 575	150 446
31 December 2023	28 500	13 111	(99 563)	(41 943)	(57 596)	2 266 992	2 109 501	47 411	2 156 912
Dividends						(36 947)	(36 947)	(645)	(37 592)
Exchange difference				(15)	(175)		(190)	92	(98)
Change in controlling interest						(434)	(434)	139	(295)
Net profit						24 250	24 250	1 800	26 050
31 December 2024	28 500	13 111	(99 563)	(41 958)	(57 771)	2 253 861	2 096 180	48 797	2 144 977

The accompanying notes form an integral part of the financial statements.

Restatements for 2023 are detailed in Note 2.

NOTE 1

General information

Romande Energie Holding SA is a public limited holding company incorporated in Switzerland with its registered office in Morges. It is the direct or indirect owner of all the companies belonging to the Romande Energie Group (“the Group”). The Group generates, distributes and markets energy and provides energy services. These activities are organised into three business units (see Note 4).

NOTE 2

Summary of accounting policies

Key accounting policies used in the preparation of the consolidated financial statements are described below or included in the corresponding notes. Unless otherwise stated, these policies have been applied consistently to all the figures shown.

Basis of presentation

The consolidated financial statements are presented in CHF thousands and have been prepared under the historical cost convention, with the exception of some types of long-term financial assets and financial instruments, which are measured at fair value. They comply with the Accounting and Reporting Recommendations of Swiss GAAP FER in their entirety and the standards for presenting financial statements outlined below. The financial statements have been prepared to provide a true and fair view, in accordance with the core principles of Swiss GAAP FER.

Estimates and judgements

The preparation of financial statements under Swiss GAAP FER involves estimates and assumptions affecting the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date, and income and expense amounts for the period. Although estimates are based on the best knowledge available to management regarding the Group’s present position and future operations, actual results may differ from what has been anticipated.

Change in accounting policies

A new recommendation, Swiss GAAP FER 28 *Government Grants*, was adopted on 30 November 2021 and became effective from 1 January 2024. The Group applied this recommendation for the first time in respect of the 2024 financial statements.

The Group’s consolidated financial statements for 2024 were adopted by the Board of Directors of Romande Energie Holding SA on 4 April 2025. They will be submitted for shareholder approval at the Annual General Meeting on 14 May 2025.

A revised recommendation, Swiss GAAP FER 30 *Consolidated financial statements*, was adopted on 24 May 2022 and became effective from 1 January 2024. The Group applied this recommendation for the first time in respect of the 2024 financial statements, such that the line items of interests accounted for under the equity method (associates) must be converted to Swiss GAAP FER upon their consolidation.

As a result, material account balances connected with the investment in EOS Holding SA (including Alpiq) have been adjusted in respect of the comparator year (2023), as defined by the Group’s internal guidelines and in compliance with Swiss GAAP FER.

The following table summarises the impacts of restatements on the 2023 financial statements of Romande Energie:

In CHF thousands	2023	2023	Difference
	restated	reported	
Share of profit from associates	76 738	141 196	(64 458)
Profit before income tax	170 541	234 999	(64 458)
Net profit	150 446	214 904	(64 458)
Owners of the parent	147 871	212 329	(64 458)
Earnings per share in CHF	5.76	8.28	(2.52)
	31.12.2023	31.12.2023	Difference
	restated	reported	
Investments in associates	688 462	658 982	29 480
Total assets	2 663 277	2 633 797	29 480
Retained earnings	2 266 992	2 237 512	29 480
Total equity attributable to Romande Energie Holding SA shareholders	2 109 501	2 080 021	29 480
Total shareholders' equity	2 156 912	2 127 432	29 480
Total liabilities and shareholders' equity	2 663 277	2 633 797	29 480

Consolidation procedure

The closing date for individual financial statements every year is 31 December.

Subsidiaries

The consolidated financial statements comprise the operations of Romande Energie Holding SA and those of directly and indirectly owned subsidiaries through which the Group has a claim on the returns from its equity interest, and where the Group is able to influence such returns through its control. Outright control corresponds to the power, directly or indirectly, to govern the operating and financial policies of an entity so as to obtain benefits from its activities. Generally speaking, this is linked to the direct and indirect holding of voting rights in excess of 50%.

Subsidiaries are consolidated from the date on which control is transferred to the Group and are excluded from the scope of consolidation as soon as such control ceases.

All intercompany balances, transactions and profits are eliminated on consolidation.

Non-controlling interests in shareholders’ equity and net profit are shown separately.

Associates and joint ventures

An associate is an entity over which the investor has significant influence. A joint venture is an arrangement whereby the parties that have joint control of the arrangement have claims on its net assets.

Joint ventures are accounted for using the proportionate consolidation method. The balance sheet and income statement items of controlled entities are recognised in proportion to the Group’s ownership. No non-controlling interests are recorded in the balance sheet.

Associates over which the Group exerts significant influence (usually between 20% and 50% of voting rights) are accounted for using the equity method.

These holdings are carried on the balance sheet as investments in associates. They are initially recognised at cost and adjusted thereafter for the Group’s share of earnings (or losses) and dividends reported after the acquisition date, as well as for any impairment charges.

If the Group does not exert significant influence over a company despite holding more than 20% of its shares, the company is treated as a long-term financial asset.

Any impairment is recognised directly through the income statement. Losses incurred by an associate that exceed the Group’s equity in that company are not recognised.

Balances and material transactions with investees and jointly controlled entities accounted for using the equity method are shown separately as items relating to associates. Unrealised gains arising from transactions between Group companies and associates are eliminated in proportion to the Group’s stake in the associate. Unrealised losses are eliminated in the same way, unless the transaction involves a transfer of assets requiring an allowance for impairment.

The financial statements of associates are adjusted to ensure consistency with the Group’s chosen accounting policies.

Changes in scope

The scope of consolidation pertaining to Romande Energie Group underwent several changes in 2024. These are presented in Note 27.

Basis of recognition and measurement

Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and in postal accounts, as well as money-market deposits and investments with an initial term of 90 days or less.

Securities and term deposits

Investment securities consist of marketable equities and bonds and money-market investments with an initial term of more than 90 days. Investment securities are measured according to the daily price.

Earnings per share

Earnings per share are calculated by dividing net profit attributable to the owners of Romande Energie Holding SA by the weighted average number of parent company (Romande Energie Holding SA) shares outstanding. Any potential dilutive effects are stated.

Dividends

Dividends are recorded in the consolidated financial statements once they have been approved for payment by shareholders at the Annual General Meeting.

Foreign currency translation

Transactions in foreign currencies are translated into the functional currency at the exchange rate in effect at the time of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the year-end exchange rate. Exchange differences resulting from these operations are booked to the income statement.

The Group uses options and forward contracts to hedge the full impact of exchange rate risks and eliminate these differences.

The financial statements of foreign entities whose working currency is not the Swiss franc are translated into Swiss francs using the following procedure:

- The balance sheets of foreign companies are translated at the exchange rate prevailing at balance sheet date.
- The income statements of these companies are translated at the average exchange rate for the period.
- Cash flows from these same companies are translated using the average exchange rate for the period unless it has varied significantly during the year or the cash flows had a trivial impact on the consolidated financial statements.
- Any exchange differences resulting from the translation of foreign companies’ financial statements are taken to equity under Exchange differences.

Exchange rate at year-end	2024	2023
1EUR/CHF	0.9385	0.9297
Average monthly exchange rate		
1EUR/CHF	0.9338	0.9717

Government grants

Government grants are recognised once it has been ascertained that the conditions have been met and the Group will receive the funds. Grants related to assets are deducted from the acquisition or construction cost of these assets. This is recognised in the income statement via a reduction in depreciation over the useful life of the assets concerned. Income-generating grants are recognised through the income statement under Other income.

NOTE 3

Disposals, business combinations and other material transactions

The Group did not make any significant acquisitions or disposals either in 2024 or 2023.

NOTE 4

Segment reporting

Operating segments are presented in line with the internal reporting submitted to the relevant Group departments.

The Group’s activities are organised into three core business units: Grids, Energy Solutions and Romande Energie Services. These three business units are managed as separate entities even though they all engage in energy-related activities.

As the Group operates essentially in Switzerland, no geographical segmentation has been adopted. The Energy Solutions business unit oversees the generation of energy in France.

Transactions between business units are carried out at arm’s length, except for activities where transfer prices are determined by law. The same accounting principles are applied in all the business units. No single client accounts for more than 10% of the Group’s revenues. Reporting by segment is prepared on the basis of Swiss GAAP FER financial statements.

The **Grids** business unit distributes electricity sustainably and efficiently, in accordance with applicable rules and regulations. Operations include managing and developing distribution infrastructure for electricity and fibre optics. Most of this business unit’s operations are subject to regulation. Its revenues chiefly consist of the fees earned for making the grid available to end-customers and resellers. This remuneration is governed by the provisions of the Electricity Supply Act (ESA). Additional revenue derives from services to distribution system operators and industrial customers.

2024 <i>In CHF thousands</i>	Grids	Energy Solutions	Romande Energie Services	Corporate	Eliminations	Total
Net revenues of business units	325 905	434 196	161 024	60 673	(149 496)	832 302
Gross profit	223 540	93 212	85 290	60 673	(92 641)	370 074
% of net revenues	69%	21%	53%			44%
EBITDA	103 103	17 502	7 059	(4 159)	-	123 505
% of net revenues	32%	4%	4%			15%
EBIT	47 767	(27 439)	5 921	(12 568)	-	13 681
% of net revenues	15%	-6%	4%			2%

2023 - restated

<i>In CHF thousands</i>						
Net revenues of business units	311 939	539 696	163 786	68 275	(155 483)	928 213
Gross profit	215 614	163 177	81 980	67 931	(92 020)	436 682
% of net revenues	69%	30%	50%			47%
EBITDA	106 101	81 398	6 174	6 924	-	200 597
% of net revenues	34%	15%	4%			22%
EBIT	49 212	47 422	5 182	(2 134)	-	99 682
% of net revenues	16%	9%	3%			11%

Restatements for 2023 are detailed in Note 2.

NOTE 5

Net revenues

Net revenues include all income (excluding VAT) from the sale of electricity (electrical kWh and thermal energy, and grid usage fee), energy services after the deduction of rebates, discounts, other agreed deductions as well as provisions for doubtful accounts and bad debt expense. Revenues are recognised when goods are delivered or services are rendered. Customer meters are read periodically.

Many customers have their electricity meters read just once a year, accounting for 58% of the Group’s total kWh supplied. A significant share of energy revenues comes from residential customers, who receive annual invoices based on meter readings taken at varying times throughout the year.

The revenue received between the date of the last meter reading and 31 December is booked on the basis of the energy distributed, measured at an average price less the estimated grid losses. The figure obtained may differ from the actual values. Revenues include the estimated volume of energy consumed, but not yet billed, between the date of the last meter reading and the balance sheet date.

The connection charges billed to customers when they are connected to electricity or heating networks are recognised as income when the connection goes live. Taxes collected on behalf of public authorities re-invoiced to eligible end-customers are shown net of purchases of energy, goods and services.

In CHF thousands	2024	2023
Energy revenues	362 113	464 739
Grid usage revenues from own distribution grid	176 088	176 703
Services revenues	151 378	140 770
VHV grid usage revenues and off-grid revenues	67 766	66 235
Customer connection fees and third-party contributions	20 611	20 297
Total revenues	777 956	868 744
Other income	28 230	23 688
Internally generated asset additions	28 317	25 745
Net income from disposals of fixed assets and companies	2 389	8 732
Change in work in progress	233	1 582
Change in guarantees, losses on bad debts and provision for onerous contracts	(4 823)	(278)
Total other income	54 346	59 469
Total revenues	832 302	928 213

No income from the receipt of government grants was recognised by the Group either in 2024 or in 2023.

NOTE 6

Purchases of energy, goods and services

In CHF thousands	2024	2023
Energy purchases	315 211	349 435
HV & VHV grid usage costs and off-grid costs	70 088	73 203
Grid taxes, system services and Swissgrid	1 336	699
Concessions and fees	6 332	6 263
Purchases of goods, services and other	69 261	61 931
Total purchases of energy, goods and services	462 228	491 531

NOTE 7

Breakdown of depreciation and amortisation

Depreciation and amortisation as presented in the consolidated income statement comprises both the depreciation or amortisation of property, plant and equipment, intangible assets held at the balance sheet date (Notes 12 and 13), and the net residual value of divestments following their scrapping.

In CHF thousands	Notes	2024	2023
Depreciation of property, plant and equipment	12	(83 651)	(77 837)
Purchase costs relating to divestments		(31 426)	(12 999)
Accumulated depreciation relating to divestments		27 827	7 877
Net residual value of disposals of property, plant and equipment		(3 599)	(5 122)
Depreciation of property, plant and equipment as shown in the consolidated income statement		(87 250)	(82 959)
Amortisation of intangible assets	13	(10 077)	(12 216)
Purchase costs relating to divestments		(7 455)	(1 077)
Accumulated amortisation relating to divestments		6 922	413
Net residual value of disposals of intangible assets		(533)	(664)
Amortisation of intangible assets as shown in the consolidated income statement		(10 610)	(12 880)

NOTE 8

Net financial income (expense)

Dividends from investments are accounted for when the right to distribution is clearly documented.

In CHF thousands	2024	2023
Interest income	1 594	1 979
Exchange rate gains	9 835	7 467
Other financial income	1 191	1 027
Total financial income	12 620	10 473
Interest on borrowings, mortgages and bank borrowings	(6 203)	(4 675)
Exchange rate losses	(4 564)	(10 135)
Other financial expenses	(532)	(1 098)
Total financial expenses	(11 299)	(15 908)
Net financial income (expense)	1 321	(5 435)

NOTE 9

Non-operating expenses

The Group allocates up to 1% of its EBIT from operations (reported for the previous year) to supporting the work of charities and community initiatives in the region. This scheme, called the Romande Energie Social and Environmental Percent, reflects the Group’s commitment to society and nature.

Non-operating expenses comprise only the donations to charities in the period under review, internal volunteer hours and the overheads for running the scheme.

A total of CHF 885,000 was spent in 2024 versus CHF 444,000 in 2023.

NOTE 10

Income taxes and deferred taxes

Current taxes are determined on the basis of taxable income for the year and charged to the income statement. Income taxes are recorded in the same period as the revenues and expenses to which they relate.

Deferred taxes are calculated using the asset and liability method, i.e. based on the timing differences between the value of assets and liabilities recognised by the tax authorities and their book value recorded in the consolidated financial statements. The amount of the provision for deferred taxes is determined on the basis of known tax rates at the balance sheet date which are likely to be applied when the timing differences are eliminated. Deferred taxes under each line item of the balance sheet are recognised as gross amounts then offset to provide a net position for each company.

Loss carry-forwards deductible from future taxable income and other deferred tax assets are only recorded as assets if it is probable that they will be recovered subsequently.

The Group does business in Switzerland and France. Both countries adopted the Global Minimum Tax (GMT) framework, bringing in legislation effective from 1 January 2024 that applies a top-up tax. The Group expects to be subject to GMT from 2025. Consequently, no current tax impact has been recorded for the financial year ending 31 December 2024. Analysis is currently in progress to assess the impacts on the Group.

In accordance with the accounting policy applied, the additional tax is not recognised as deferred tax but as current tax in the year in which it becomes payable. From 2025, Switzerland will introduce the Income Inclusion Rule (IIR) as part of its commitment to implement in full the OECD’s Pillar Two Model Rules.

In CHF thousands	2024	2023 restated
Profit before income tax	29 412	170 541
Current income taxes	3 042	18 847
Deferred income taxes	320	1 248
Income taxes	3 362	20 095
Income taxes before use of loss carry-forwards	3 362	20 095
Tax loss for which no deferred tax asset was recognised	(287)	(288)
Tax effect for use of unrecognised loss carry-forwards	64	576
Income tax after use of loss carry-forwards	3 139	20 383
Weighted applicable tax rate	18.1%	15.3%
Deferred tax rate	14.4%	14.4%

Restatements for 2023 are detailed in Note 2.

NOTE 11

Trade accounts receivable

Trade accounts receivable are recorded at nominal value less an adjustment for doubtful accounts. A provision for doubtful accounts is set aside when there are objective signs that the Group will not be able to recover what it is owed. A debtor’s financial difficulties, default or overdue payment are considered as reliable indicators for reducing the value of the receivable.

The Group sets aside a lump-sum provision for accounts that are more than 180 days overdue in relation to energy and the grid usage fee. This provision, made on the basis of past loss data, represents 75% of receivables overdue by more than 180 days.

Trade receivables related to energy services are reviewed on a case-by-case basis. A provision is set aside for each customer deemed high risk, regardless of the time given to pay the claim.

Losses on this position are booked via the provision account. Losses on accounts receivable are recognised on the basis of certificates of unpaid debts as well as bankruptcy adjudications or any other document which can establish the debtor’s default.

In CHF thousands	2024	2023
Trade receivables	186 088	179 438
Downpayments	(10 895)	(11 742)
Total gross trade accounts receivable	175 193	167 696
Provision for doubtful trade receivables	(6 236)	(2 620)
Total net trade accounts receivable	168 957	165 076

Changes in the provision for doubtful trade receivables		
Balance as at 1 January	(2 620)	(3 327)
Allocation	(3 692)	
Charge-offs		(122)
Dissolution		829
Change in the scope of consolidation	76	
Balance as at 31 December	(6 236)	(2 620)

NOTE 12

Property, plant and equipment

Land, buildings, machinery and equipment are recorded at cost less accumulated depreciation. Leasehold improvements are depreciated over their estimated useful life or the remaining term of the lease, whichever is shorter. Repairs and maintenance are charged directly to the income statement, while major renovations and refurbishments are capitalised as property, plant and equipment and depreciated over their estimated useful life. The main components of a single item of property, plant and equipment are recognised and depreciated separately.

Depreciation is calculated using the straight-line method based on the remaining term of the concessions or the estimated useful life of the asset (presented below), whichever is shorter:

	Useful life in years
Group premises:	20-40
Investment property	20-40
Power plants	25-80
Power and thermal distribution networks	10-60
Machinery, equipment, installations and tools	6-15
Vehicles	3-8
IT hardware	3-5

Land is only depreciated in the event of a loss in value, or if it is handed back in connection with the expiry of a concession contract.

Projects in progress are treated as property, plant and equipment and depreciated from the month in which they are commissioned.

If the Group has to dismantle power plants or other non-current assets and rehabilitate the property owned by third parties on which these assets are located, the corresponding costs are added to the initial cost at the acquisition date and depreciated over the useful life of the assets. This principle does not apply to wind farms located in France, for which a provision is set aside (Note 18).

Assets held with a view to obtaining a return or increasing their capital value are classified as investment property. Investment property is recorded at cost less accumulated depreciation and is included under land and buildings.

At the end of each financial year, an impairment test is performed to identify any factors that may indicate that an asset could have lost value. A loss in value is immediately recognised if the carrying amount of an asset is higher than its estimated recoverable amount. The recoverable amount is defined as an asset’s net selling price or its value in use, whichever is higher.

Value in use is the present value of estimated future cash flows expected to be derived from this asset or the smallest identifiable group of assets to which it belongs, and whose continuing use generates cash inflows which are independent of those arising from other assets or groups of assets. Consequently, the Group must assess the overall economic conditions expected during the useful life of its assets. These estimates may deviate considerably from the actual values.

An impairment review is carried out annually or whenever there is reason to suspect a loss in value. These reviews are performed on the basis of estimated future cash flows resulting from the use of the assets, or market value if the assets are sold. However, actual cash flows may differ significantly from initial estimates.

The net value of investment property, classified under Land and buildings, amounted to CHF 1.2 million as at 31 December 2024 and CHF 1.3 million as at 31 December 2023.

No vacant land was owned as at 31 December 2024 or 31 December 2023.

2024 <i>In CHF thousands</i>	Land and buildings	Power generation plants	Power distribution installations	Other capital assets	Construction work in progress	Total
Acquisition costs						
1 January	145 047	685 123	1 929 202	82 658	231 063	3 073 093
Acquisitions and additions	2 360	17 019	64 605	6 046	62 803	152 833
Disposals and decreases	(1 504)	(1 456)	(27 292)	(5 868)		(36 120)
Transfers	6	107 823	66 939	2 447	(180 752)	(3 537)
Change in scope of consolidation				(270)		(270)
Exchange difference		1 675	3	6	30	1 714
31 December	145 909	810 184	2 033 457	85 019	113 144	3 187 713
Accumulated depreciation						
1 January	73 708	306 214	1 138 964	51 243	-	1 570 129
Depreciation*	2 846	24 127	49 103	7 575		83 651
Impairment		11 462				11 462
Disposals and decreases	(1 504)	(918)	(21 230)	(5 150)		(28 802)
Transfers	(2)	(810)	844	(94)		(62)
Change in scope of consolidation				(221)		(221)
Exchange difference		474	3	2		479
31 December	75 048	340 549	1 167 684	53 355	-	1 636 636
Net carrying value as at 31 December						
	70 861	469 635	865 773	31 664	113 144	1 551 077

2023 <i>In CHF thousands</i>						
Acquisition costs						
1 January	148 203	676 686	1 858 809	67 769	177 311	2 928 778
Acquisitions and additions		6 547	44 411	13 055	121 881	185 894
Disposals and decreases	(3 156)	(4 668)	(19 273)	(1 623)		(28 720)
Transfers		17 469	45 274	3 492	(67 951)	(1 716)
Exchange difference		(10 911)	(19)	(35)	(178)	(11 143)
31 December	145 047	685 123	1 929 202	82 658	231 063	3 073 093
Accumulated depreciation						
1 January	73 425	290 717	1 097 718	45 989	-	1 507 849
Depreciation*	2 914	19 799	48 480	6 644		77 837
Disposals and decreases	(2 631)	(687)	(7 216)	(1 376)		(11 910)
Exchange difference		(3 615)	(18)	(14)		(3 647)
31 December	73 708	306 214	1 138 964	51 243	-	1 570 129
Net carrying value as at 31 December						
	71 339	378 909	790 238	31 415	231 063	1 502 964

* The reconciliation of the annual amount of depreciation and amortisation on the income statement is shown in Note 7.

No government grants for property, plant and equipment were received by the Group either in 2024 or in 2023.

NOTE 13

Intangible assets and goodwill

Intangible assets are measured at cost and amortised using the straight-line method over their estimated useful life: Operating permits are capitalised if it is clear that they can generate future economic benefits and if the costs can be reliably measured. They are amortised over terms of 20 years. Software includes purchased licences and internally developed applications. It is amortised over 5 years. Other intangible assets include concessions and the customer base. They are amortised either over the term of the concession or over a maximum duration of 5 years. An impairment review is carried out where there are indications that the recoverable amount may be less than the carrying amount.

This analysis is conducted with respect to each balance sheet date. A loss in value is recognised if the carrying amount of an asset is higher than its value in use. Value in use is the discounted present value of future cash flows expected to be derived from this asset, or the smallest identifiable group of assets to which it belongs, and whose continuing use generates cash inflows which are independent of those arising from other assets or groups of assets. Consequently, the Group must assess the overall economic conditions expected during the useful life of its assets. These estimates may deviate considerably from the actual values.

2024 <i>In CHF thousands</i>	Operating permits	Software	Other intangible assets	Total
Acquisition costs				
1 January	80 818	80 670	9 164	170 652
Acquisitions and additions	225	9 097	1 122	10 444
Disposals and decreases		(7 340)	(115)	(7 455)
Transfers		296	485	781
Change in scope of consolidation			(272)	(272)
Exchange difference	1 155	(2)	(104)	1 049
31 December	82 198	82 721	10 280	175 199
Accumulated amortisation				
1 January	11 986	64 791	4 470	81 247
Amortisation*	4 016	4 807	1 254	10 077
Disposals and decreases		(6 894)	(28)	(6 922)
Transfers		(169)	(617)	(786)
Change in scope of consolidation			(268)	(268)
Exchange difference	567	(1)	296	862
31 December	16 569	62 534	5 107	84 210
Net carrying value as at 31 December	65 629	20 187	5 173	90 989

2023 <i>In CHF thousands</i>				
Acquisition costs				
1 January	85 929	70 070	8 662	164 661
Acquisitions and additions		6 496	739	7 235
Disposals and decreases			(1 077)	(1 077)
Transfers		4 112	664	4 776
Exchange difference	(5 111)	(8)	176	(4 943)
31 December	80 818	80 670	9 164	170 652
Accumulated amortisation				
1 January	8 591	57 653	3 873	70 117
Amortisation*	4 064	7 142	1 010	12 216
Disposals and decreases			(413)	(413)
Exchange difference	(669)	(4)		(673)
31 December	11 986	64 791	4 470	81 247
Net carrying value as at 31 December	68 832	15 879	4 694	89 405

* The reconciliation of the annual amount of depreciation and amortisation on the income statement is shown in Note 7.

Goodwill generated by business combinations or investments in associates represents the difference between the acquisition cost and the present value of the identifiable net assets of the acquired company at the acquisition date.

Goodwill is offset against equity at the acquisition date, as allowed under Swiss GAAP FER.

The theoretical capitalisation less amortisation of this goodwill over 5-20 years would have the following impact on shareholders' equity and net profit:

<i>In CHF thousands</i>	2024	2023 restated
Theoretical capitalisation of goodwill:		
Acquisition costs		
1 January	41 943	42 043
Exchange difference	15	(100)
31 December	41 958	41 943
Accumulated amortisation		
1 January	34 086	30 080
Theoretical additions	3 405	4 006
31 December	37 491	34 086
Theoretical net book value at year-end	4 467	7 857
Theoretical impact on equity:		
Equity as per balance sheet	2 144 977	2 156 912
Theoretical capitalisation of net book value of goodwill	4 467	7 857
Theoretical equity including net book value of goodwill	2 149 444	2 164 769
Theoretical impact on net profit:		
Net profit as per income statement (restated)	26 050	150 446
Theoretical amortisation of goodwill	(3 405)	(4 006)
Theoretical net profit	22 645	146 440

Restatements for 2023 are detailed in Note 2.

NOTE 14

Investments in associates

This item mainly consists of the interest in EOS Holding SA (29.71%), which in turn owns 100% of EOS NER SA and 33.33% of Alpiq. It is sensitive both to changes in the euro exchange rate and wholesale energy prices. EOS NER SA is developing and managing a portfolio of European renewable assets. Alpiq is most notably active in trading on cross-border power exchanges.

Financial statements of associates that are prepared in accordance with different accounting standards from those used by the Group are adjusted accordingly. The share of equity of EOS Holding SA shown below corresponds to the equity interest, adjusted according to Swiss GAAP FER rules.

The Group has significant interests in the following associates, accounted for using the equity method:

	EOS Holding SA		Other associates	
<i>In CHF thousands</i>	2024	2023 restated	2024	2023
Changes in carrying value				
1 January	612 328	539 389	76 134	70 478
Share of profit from associates	13 097	76 207	2 199	531
Dividends received	(7 426)	(3 268)	(1 674)	(830)
Increase in interests			10	
Disposals				(405)
Change in scope of consolidation			(1 352)	6 360
31 December	617 999	612 328	75 317	76 134

Condensed balance sheet of EOS Holding SA

	2024	2023 restated
Current assets	314 471	313 920
Non-current assets	1 989 412	2 019 047
Current liabilities	44 930	75 741
Non-current liabilities	178 505	201 172
Aggregate net assets	2 080 448	2 056 054
Share of equity in EOS Holding SA	617 999	612 328

Restatements for 2023 are detailed in Note 2.

NOTE 15

Other long-term financial assets

Investments in companies in which the Group holds less than 20% of voting rights, or over which it does not exert significant influence or have joint control, are recorded on the balance sheet at cost and subsequently carried at fair value.

Fair-value adjustments are recognised in the income statement. Loans issued are carried at cost less any impairment due to non-recoverable amounts.

<i>In CHF thousands</i>	2024	2023
Miscellaneous financial investments	15 315	13 199
Loans to associates	21 088	18 981
Loans to third parties	1 867	2 053
Other financial assets	2 125	1 545
Total other long-term financial assets	40 395	35 778

NOTE 16

Pension obligations

Basis and organisation of occupational pension provision

The Romande Energy pension fund (hereinafter the “Pension Fund”) is a legally independent occupational benefits institution which operates under the mandatory pension regime introduced by the Swiss Federal Act of 25 June 1982 on Occupational Pensions Act (hereinafter “OPA”). The employers affiliated with the Pension Fund are:

- Romande Energie SA
- Romande Energie Services SA
- Effitec SA (until 31 December 2024 – see Note 27)

Pension plans

The pension fund runs a separate pension scheme for each employer. Under Swiss legislation (OPA), all pension plans are defined-contribution plans, with funding based on predetermined contributions paid by active members and employers, calculated on the basis of pensionable income. Each company has a specific basic plan for covering fixed remuneration. A supplementary plan covers variable remuneration; it is identical for each company.

The Pension Fund itself manages coverage for risks relating to old age, death and disability. As at 31 December 2024, the funded status, which is pension assets relative to liabilities within the meaning of the OPA (which uses the static measurement), stood at 123.71%, relative to 114.8% at the end of 2023. If a plan becomes underfunded, several remedial measures are provided for under the terms of the OPA.

Management of investments

In line with its fiduciary duty, the Pension Fund invests in accordance with its purpose of providing retirement capital, taking into account criteria such as security, returns, diversification, risk, liquidity, structure and projected changes in the workforce.

As a responsible investor and in line with its founder’s commitments, the Pension Fund applies environmental, social and governance (ESG) criteria set out in a Responsible Investor Charter. The main ESG aims are to reconcile responsibility and performance, reduce portfolio exposure to fossil fuels and greenhouse-gas-intensive industries and exclude controversial sectors. This approach also includes investing in sustainable and responsible sectors, exercising voting rights and respecting the principle of full disclosure.

Employer contribution reserves	Nominal value	Waiver of use	Balance sheet	Balance sheet	Impact of the employer's contribution reserve on personal costs	
<i>In CHF thousands</i>	31.12.2024	2024	31.12.2024	31.12.2023	2024	2023
Pension plans				637	637	8 891
Total	-	-	-	637	637	8 891

Economic benefit/obligation and pension costs	Surplus / deficit	Group's economic share		Change from previous year	Contributions for the period	Pension costs in personnel expenses	
	2024	2024	2023			2024	2023
Pension plans	117 056	-	-	-	-	10 350	8 891
Patronage funds	-	-	-	-	-	3 123	2 967
Total	117 056	-	-	-	-	13 473	11 858

NOTE 17

Borrowings

Borrowings are recorded at their nominal value. The corresponding transaction costs are expensed in the income statement.

Borrowings or tranches of borrowings carrying an irrevocable right to defer repayment for longer than 12 months are classified under non-current liabilities; all others are shown under current liabilities.

Borrowings have fixed due dates with no early repayment clauses. Financial liabilities with banks are contracted at market terms.

The average interest rate paid on borrowings was 2.34% versus 2.31% in the 2023.

<i>In CHF thousands</i>	2024	2023
Due to banks and other financial institutions	92 137	91 651
Green loan	150 000	-
Green bond	100 000	100 000
Other long-term financial commitments	2 618	3 114
Total borrowings	344 755	194 765
Short-term portion of borrowings	(7 269)	(5 864)
Total long-term borrowings	337 486	188 901

The Group’s exposure to interest-rate and renewal risks at the balance sheet date was as follows:

<i>In CHF thousands</i>	2024	2023
Less than 1 year	7 269	5 864
Between 1 year and 5 years	10 352	7 923
Over 5 years	327 134	180 978
Total borrowings	344 755	194 765
Borrowings at floating rate	34 265	36 771
Borrowings at fixed rate	310 490	157 994
Total	344 755	194 765
Currency composition of borrowings:		
CHF	83%	68%
EUR	17%	32%
Total	100%	100%

NOTE 18

Provisions

A provision is a liability of uncertain timing or amount. They are recorded when the Group is under a legal or constructive obligation arising from a past event, when it is probable that an outflow of funds will be necessary to settle the obligation and when the amount of the obligation can be reliably estimated. The provision amount is estimated by the Executive Board at the balance sheet date on the basis of the best possible estimate of the expenditure required to settle the obligation. If an outflow of funds is unlikely or the amount cannot be reliably estimated, the obligation is shown not on the balance sheet but under contingent liabilities. If the impact is material, the cash flows expected in order to discharge the obligation are discounted. The provision is discounted at the current market rate, which is increased if necessary by a rate reflecting the risks inherent in the liability. The short-term portion comprises liabilities due in less than 12 months.

Development contracts

Several development contracts have been entered into with a service provider as part of the acquisition of wind-farm projects in France. A specific amount will become payable as project milestones are reached. The provision is calculated on the basis of estimated future cash flows under the contract, due at a later date. The discount rate used by the Group for this type of operation is 4.9%. The longest deadline is 2030.

Rehabilitation work

The conduit linking the water intake points on the Ivouette and on the fast-flowing Genin to the Peuffeyre plant (in the territory of Bex) has been damaged by a landslide. Water usually harnessed at the intake on the Ivouette instead flooded onto the surrounding area for several hours, resulting in material damage to third-party installations. This provision has been calculated based on an estimate of the cost to remediate the damaged property.

Decommissioning

The provision for decommissioning concerns wind farms owned by REF Eolien SAS, Eole de Piroy SAS. The provision for each wind farm has been recalculated on the basis of forecast decommissioning costs at the target dates determined under French legislation. The longest deadline is 2042. The discount rate used by the Group for this type of operation is 4.0%.

Warranty-related work

The provision for warranty-related work arises from contractual obligations relating to the energy services business. It is determined using a percentage of revenues for the current year, or based on past occurrences of warranty claims, or a combination of the two.

2024	Development contracts	Rehabilitation work	Dismantling	Warranty-related work	Total
<i>In CHF thousands</i>					
1 January	2 892	3 020	822	921	7 655
Allocations				361	361
Provision used				(40)	(40)
Reversals	(504)			(11)	(515)
Discounting effect	15		34		49
Exchange difference	69		7		76
31 December	2 472	3 020	863	1 231	7 586
Short-term portion	2 375			1 231	3 606
Long-term portion	97	3 020	863		3 980

2023					
<i>In CHF thousands</i>					
1 January	3 362	-	630	-	3 992
Allocations		3 020		201	3 221
Reversals				720	720
Discounting effect	(264)		239		(25)
Exchange difference	(206)		(47)		(253)
31 December	2 892	3 020	822	921	7 655
Short-term portion				921	921
Long-term portion	2 892	3 020	822		6 734

NOTE 19

Share capital and shares outstanding

As at 31 December 2024, the issued share capital amounted to CHF 28.5m, consisting of 28,500,000 fully paid-up registered shares with a nominal value of CHF 1 each. The amount planned for dividend distribution is based on the amount shown under Retained earnings carried forward, in the financial statements of the parent company, Romande Energie Holding SA. It is calculated in accordance with the provisions of the Swiss Code of Obligations. Consolidated equity includes statutory reserves of CHF 134m (versus CHF 134m in 2023), which are not available for distribution.

A shareholder pact exists between Vaud canton, various Vaud municipalities, SIE SA and Banque Cantonale Vaudoise.

%	2024	2023
Vaud Canton*	38.60%	38.60%
Romande Energie Holding SA, Morges	9.97%	9.97%
Groupe E SA, Fribourg	6.90%	6.90%
Credit Suisse Investment Foundation Ltd, Zurich	3.97%	3.97%
Lausanne City Council *	3.05%	3.05%
Banque Cantonale Vaudoise, Lausanne* / ***	3.05%	3.05%
Free float * / **	34.46%	34.46%

Shareholders holding 3% or more of the share capital of Romande Energie Holding SA are considered significant shareholders.

* Bound by the shareholders' agreement on reciprocal pre-emptive rights.

** Of which 4,578,900 shares (16.07%) held by the Vaud municipalities and SIE SA, which are bound by the shareholders' agreement on mutual pre-emptive rights.

*** Including 247,500 shares bound by the shareholders' agreement on mutual pre-emptive rights.

Issued outstanding shares	2024	2023
Issued shares	28 500 000	28 500 000
Own shares held by the Group	(2 842 125)	(2 842 125)
Outstanding shares	25 657 875	25 657 875

The Romande Energie Holding SA registered share is listed under the Valor number 126.367.632 (ISIN CH1263676327) and the new ticker REHN.

This pact lays down mutual pre-emptive rights in the event of the sale of shares held by any of these parties. Signatories of this agreement owned 55.4% of the share capital as at 31 December 2024.

In the case of purchases of own shares, the total amount paid and the costs directly related to the transaction (net of income tax) are deducted from the Group's equity until the cancellation or later sale of the securities. If own shares are sold, the proceeds from the sale, net of transaction costs (but including the tax effect of income tax), are taken to the Group's equity.

NOTE 20

Risk management

The Group manages risk on three levels:

- The Board of Directors sets out the risk management policy.
- The Executive Board is responsible for risk controls.
- The Risk Manager monitors, identifies and controls risks.

The Group's operations expose it to market risks, mainly related to energy prices, foreign exchange rates and interest rates, and to financial risks (credit and liquidity risks). It is also exposed to business-related risks (operational and strategic risks).

Financial risks, including those related to the energy portfolio, are managed using limits that the Executive Board reviews regularly. Specific risks associated with energy management are supervised by selected members of the Management Committee who meet monthly and who report annually to the Board of Directors and to the rest of the Management Committee. Whenever required, updates are provided to the Executive Board and the Finance and Audit Committee.

To lower exposure to market risk, the Group uses forwards in the form of standardised instruments bought over the counter to hedge the portion of supply not covered by its own generation arrangements in a broad sense. To cover financial risks, the Group will whenever required engage in hedging transactions, mainly in the form of interest rate swaps or forward currency contracts. These transactions are carried out purely for hedging purposes and concern only the underlying assets or liabilities held by the Group and events that have a high likelihood of occurrence.

Liquidity risk is the risk that the Group may be unable to honour its commitments as they fall due. The Group Financial Services Department is responsible for cash flow and financing procedures. Liquidity and financing risks are continually monitored by the Executive Board at Group level. The Group has sufficient cash resources to meet all commitments on their maturity dates.

Exposure to interest rate risk is essentially due to borrowings by the Group and short- and medium-term investments.

Business-related risks are monitored using a risk map updated annually or more regularly if required, depending on how risks evolve. Remedial action plans are determined to mitigate risks, in line with the risk management strategy. The risk review is led by the Risk Manager in collaboration with the Board of Directors, the Executive Board and senior managers. Findings are reported annually to the Executive Board and the Board of Directors.

Additionally, large-scale projects or new business models within the Group are screened for risks by the Risk Manager and the project sponsors. Analysis centres on financial, technical and legal criteria together with the Group's three sustainability pillars. Risk screening is an integral part of investment decision-making, from the team making the decision responsible all the way up to the Executive Board and Board of Directors.

NOTE 21

Derivative financial instruments

Derivative financial instruments held for hedging purposes are measured using the same principles as the hedged transaction. When a hedging operation has not yet impacted the balance sheet (i.e. only future cash flows are being hedged), the hedging instrument is not recognised. Instead, its fair value, and any gains or losses, are shown below.

Conversely, forward energy-purchasing contracts entered into for portfolio optimisation, or which are used for optimisation at a later date, and any other derivative financial instruments used for trading purposes are measured at fair value. They are recognised under assets or liabilities as soon as the Group becomes bound by contract to these instruments. Any remeasurement gains or losses are immediately recognised in income.

	Contract amounts		Positive fair value		Negative fair value		Value recognised on balance sheet	
<i>In CHF thousands</i>	2024	2023	2024	2023	2024	2023	2024	2023
Forward currency contracts:								
- Hedging instruments	73 961	146 843		4	4 930	13 441		
- Forward power purchase agreements for energy optimization								
Total derivative financial instruments	73 961	146 843	-	4	4 930	13 441	-	-

NOTE 22

Related parties

Entities with significant influence on the Group (Vaud Canton), the Romande Energie Pension Fund, members of the Board of Directors and the Executive Board and companies related to them, and associates are considered related parties. These parties are supplied with energy under terms set out in contracts. Vaud Canton collects fees for the use of hydropower.

Shareholders who own 20% or more of the share capital of Romande Energie Holding SA, the parent company, are considered entities with significant influence.

Associates are companies in which the Group owns more than 20% of the equity.

Other related parties are entities of which one or more member of the Board of Directors or the executive of such an entity holds a management position within the Group. This grouping also includes municipalities of which the council leader, mayor or a council member holds a management position within the Group.

Transactions with related parties are conducted under terms set out in contracts.

<i>In CHF thousands</i>		Sales to related parties	Purchases from related parties	Amounts due from related parties	Amounts owed to related parties
Related parties					
	Entities with significant influence on the Group	20242 308	30 909	591	8 210
		20233 913	31 776	957	142
Associates		202422 683	47 865	5 489	1 127
		202318 107	69 687	3 076	6 568
Other related entites		202431 939	5 819	6 981	334
		202336 096	6 611	9 639	599

NOTE 23

Remuneration, expenses and social insurance costs of the Executive Board and the Board of Directors

In 2024, the Executive Board had 6.6 members on a full-time-equivalent basis, identical to 2023.

The Board of Directors comprised nine members, as in 2023.

Contributions paid into the Pension Fund for members of the Executive Board amounted to CHF 0.325 million (CHF 0.322 million in 2023).

<i>In CHF thousands</i>	2024	2023
Basic salaries paid to Executive Board members during the year	1 987	2 065
Variable salaries paid to Executive Board	352	352
Allowances for entertainment expenses	115	122
Social insurance costs (state pension, unemployment, occupational pension, etc.)	533	538
Total remuneration, expenses and social insurance costs - Executive Board	2 987	3 077
Compensation paid to Board of Directors (including expenses)	699	658
Social insurance costs (state pension, unemployment, etc.)	59	60
Total remuneration, expenses and social insurance costs - Board of Directors	758	718

NOTE 24

Other future liabilities, contingent liabilities and contingent assets

<i>In CHF thousands</i>	2024	2023
Guarantee obligations in favour of third parties	5 018	25 585

The units of the subsidiaries Eole de Piroy SAS, Les Mâts d'Eole SAS and Groupement Solaire Cestas 2 SAS were used as collateral to secure their financial commitments. These represented a total amount of CHF 58m as at 31 December 2024 versus CHF 63 million in 2023.

NOTE 25

Energy adjustment account

The methodology used by DSOs (distribution system operators) to set regulated market tariffs is based on guidelines issued by the regulator and is subject to ex post monitoring. In 2024, the Federal Electricity Commission (ElCom) authorised a gross margin of CHF 60 per invoice recipient compared with CHF 75 in 2023, representing the weighted average cost of capital (WACC).

All the actual costs adjusted by the reference WACC (4.13% versus 3.83% in 2023) and the annual output from generation arrangements in a broad sense from the DSO are allocated to captive customers. The difference in the amount of energy required to cover the actual consumption of captive customers is charged on the basis of the average cost of the supply portfolio.

The tariffs for the following year are submitted to ElCom at the end of August each year. A mismatch arises automatically between the costs budgeted in the tariff pricing and the actual costs incurred. This may result in a claim on customers (under-recovered, i.e. a regulatory asset) or an obligation to repay customers (over-recovered, i.e. a regulatory liability).

The balance sheet of Romande Energie as at 31 December does not show the asset or liability amount related to the energy adjustment account. The energy adjustment account represents a running year-to-year total. Any surpluses in favour of customers must be rectified within three years.

<i>In CHF thousands</i>	Status as at 31.12.2024	Status as at 31.12.2023	Increase / decrease
Under-recovered (regulatory asset)	10 115	17 474	(7 359)
Total	10 115	17 474	(7 359)

NOTE 26

Post-balance sheet events

Romande Energie Services SA (subsidiary)

Under the share purchase agreement signed on 12 February 2025, Romande Energie Holding SA acquired an additional 20% of the share capital in Romande Energie Services SA from a related party, thereby becoming the sole owner of the company. This transaction has no effect on the consolidated financial statements in 2024.

Centrale Hydroélectrique de Bar SAS (subsidiary)

Under the share purchase agreement signed on 21 March 2025, Romande Energie France SAS acquired an additional 40% of the share capital in Centrale Hydroélectrique de Bar SAS from a third party, thereby becoming the sole owner of the company. This transaction has no effect on consolidated financial statements in 2024.

Approval of the consolidated financial statements

The consolidated financial statements of Romande Energie Group for 2024 were approved by the Board of Directors on 4 April 2025.

A dividend of CHF 1.44 per share will be submitted for approval by shareholders at the Annual General Meeting. If this recommendation is adopted, the total dividend payment will amount to CHF 37 million, taking into account shares held by the Group in treasury.

NOTE 27

Subsidiaries and associates

	Main business	Currency	Share capital '000	Ownership (%) *	
				2024	2023
Subsidiaries					
Romande Energie SA, Morges	E	CHF	36 150	100.0	100.0
Romande Energie Services SA, Prévèrenge	S	CHF	25 000	80.0	80.0
Bas-Valais Energie SA, Vouvry	E	CHF	19 898	72.0	72.0
Romande Energie Commerce SA, Morges	E	CHF	15 294	73.9	73.9
Eoliennes de Provence SA, Provence	E	CHF	6 000	60.0	60.0
MontCAD SA, Montreux 1) *	E	CHF	5 475	95.9	-
Energie Cité du Vin SA, Rolle	E	CHF	4 000	51.0	51.0
Vouvry CAD SA, Vouvry	E	CHF	3 200	85.0	85.0
Energie Renouvelable de l'Avançon SA, Bex	E	CHF	3 000	51.0	51.0
CEVM Compagnie Energétique du Vallon de Morgins SA, Troistorrens	E	CHF	1 500	83.8	83.8
Arnon Ernergie SA, Vuiteboeuf	E	CHF	1 000	60.0	60.0
ID GO Management SA, Morges ***	S	CHF	1 000	80.0	80.0
Demierre Deschenaux SA, Oron ***	S	CHF	240	80.0	80.0
Effitec SA, Morges 2)	N	CHF	200	-	80.0
Bosson et Pillet S.A., Petit-Lancy ***	S	CHF	150	80.0	80.0
FriGO Service SA, Corminboeuf ***	S	CHF	100	80.0	80.0
J.M. Lambelet S.A., Bevaix ***	S	CHF	100	80.0	80.0
Romande Energie France SAS, Paris	D	EUR	7 700	100.0	100.0
Centrale Hydroélectrique de Bar SAS, Paris	E	EUR	2 091	60.0	60.0
REF Eolien SAS, Paris	E	EUR	600	100.0	100.0
REF Hydro SAS, Paris	E	EUR	150	100.0	100.0
Groupement Solaire Cestas 2 SAS, Paris	D	EUR	8	60.6	60.6
Centrale Solaire Constantin 7 SAS, Paris	E	EUR	3	60.6	60.6
Centrale Solaire Constantin 8 SAS, Paris	E	EUR	3	60.6	60.6
Centrale Solaire Constantin 9 SAS, Paris	E	EUR	3	60.6	60.6
Centrale Solaire Constantin 10 SAS, Paris	E	EUR	3	60.6	60.6
REF Développement SAS, Paris	D	EUR	1	100.0	100.0
Eole de Piroy SAS, Paris	E	EUR	1	100.0	100.0
Eole de La Joux Sàrl, Vitry-la-Ville	E	EUR	1	100.0	100.0
Eole des Charmes Sàrl, Vitry-la-Ville	E	EUR	1	100.0	100.0
Eole des Muids Sàrl, Vitry-la-Ville	E	EUR	1	100.0	100.0
Eole des Pinceaux SAS, Vitry-la-Ville	E	EUR	1	100.0	100.0
Eole des Vignottes SAS, Vitry-la-Ville	E	EUR	1	100.0	100.0
Eole du Barrois SAS, Vitry-la-Ville	E	EUR	1	100.0	100.0
Le Souffle d'Espoir SAS, Vitry-la-Ville	E	EUR	1	100.0	100.0
Les Mâts d'Eole SAS, Vitry-la-Ville	E	EUR	1	80.0	80.0

	Main business	Currency	Share capital '000	Ownership (%) *	
				2024	2023
Joint ventures					
EcuCAD SA, Ecublens	E	CHF	8 000	50.0	50.0
Moudon Energies SA, Moudon 3)	E	CHF	8 000	50.1	50.1
VO RE-Nouvelable SA, Orbe	E	CHF	4 000	50.0	50.0
ThermorésÖ Nyon SA, Nyon	E	CHF	200	50.0	50.0
Eole du Châtelier SAS, Vitry-la-Ville	E	EUR	1	50.0	50.0
Eole d'Opale SAS, Vitry-la-Ville	E	EUR	1	50.0	50.0
Eole de Fradier SAS, Vitry-la-Ville	E	EUR	1	50.0	50.0
Eole du Génois SAS, Vitry-la-Ville	E	EUR	1	50.0	50.0
Eole de Saint Sébastien SAS, Vitry-la-Ville	E	EUR	1	50.0	50.0
Eole du Filaos SAS, Vitry-la-Ville	E	EUR	1	50.0	50.0
Calycé Rive Droite SAS, Vitry-la-Ville	E	EUR	1	50.0	50.0

Associates					
EOS HOLDING SA, Lausanne	D/E	CHF	324 000	29.7	29.7
Forces Motrices Hongrin-Léman S.A. (FMHL), Château-d'Oex	E	CHF	100 000	41.1	41.1
SITEL SA, Morges	N	CHF	20 850	33.3	33.3
EnergieÖ SA, Vinzel	E	CHF	14 000	25.0	25.0
GEOOL SA, Lausanne	E	CHF	10 000	30.0	30.0
Energie Broye-Vully SA, Payerne	E	CHF	10 000	30.0	30.0
ThermorésÖ SA, Vinzel	E	CHF	8 500	40.0	40.0
Société des Forces Motrices du Grand-St-Bernard SA (FGB), Bourg-St-Pierre	E	CHF	8 000	36.0	36.0
Morges Energies SA, Morges	E	CHF	8 000	49.0	49.0
Forces Motrices de l'Avançon SA (FMA), Bex * 4)	E	CHF	7 095	40.5	40.4
Forces Motrices de Sembrancher SA (FMS), Sembrancher	E	CHF	6 000	20.6	20.6
Société Electrique des Forces de l'Aubonne SA (SEFA), Aubonne *	E	CHF	5 000	36.6	36.6
Cadcime SA, Eclépens	E	CHF	4 325	22.0	22.0
Spontis SA, Avenches	N	CHF	2 650	40.0	40.0
Energie Solaire SA, Sierre	N	CHF	1 600	38.5	38.5
DransGrid SA, Orsières 5)	E	CHF	1 200	-	49.99
Energies Nouvelles Vionnaz SA, Vionnaz	E	CHF	1 000	35.0	35.0
MBR SA, Massongex	E	CHF	1 000	33.3	33.3
Tayo SA, Ecublens	N	CHF	164	20.0	20.0
Energie Renouvelable Vouvry SA, Vouvry	E	CHF	100	35.0	35.0
St-Gingolph Energia SA, St-Gingolph	E	CHF	100	25.0	25.0
Eole d'Epinoy SAS, Vitry-la-Ville	E	EUR	10	40.0	40.0

Main business :

E) Generation, distribution and marketing of energy

D) Holding company

S) Energy services

N) Other

* The percentage of voting rights is systematically identical to the equity interest, with the exception of:

- MontCAD SA: voting rights of 70%
- Forces Motrices de l'Avançon SA: voting rights of 38.7%
- Société Electrique des Forces de l'Aubonne SA: voting rights of 24.7%

** 20% of the share capital is held by a single minority shareholder (CEO of Romande Energie Services SA – see Note 26).

*** The percentage voting rights of the companies held by Romande Energie Services SA corresponds to:

- companies of which 80% of the capital is held: 100% of voting rights

- 1)

In accordance with the memorandum of association dated 11 December 2024, Romande Energie SA acquired 95.89% of the share capital of MontCAD SA. The company has a share capital of CHF 5.475 million. The purpose of this company is to build a production plant and a distribution network for the commercial provision of green thermal energy in Montreux and the surrounding area.
- 2)

Under an agreement dated 20 December 2024, Romande Energie Holding SA sold 100% of its interest in Effitec SA. The company has a share capital of CHF 0.2 million. Its purpose is preventing workplace accidents in the electricity industry.
- 3)

As decided by shareholders at the Annual General Meeting of 18 March 2024, Moudon Energie SA carried out a normal increase in its fully paid-up share capital of CHF 4 million, taking the total to CHF 8 million. The Group has a 50.1% stake in this company.
- 4)

Through share purchase agreements, Romande Energie SA acquired an additional 0.9% interest in Forces Motrices de l'Avançon SA. The company has a share capital of CHF 7 million. The purpose of this company is generating and distributing electricity.
- 5)

Through an amendment to the Articles of Association on 21 June 2024, DransGrid SA carried out an ordinary increase in its fully paid-up share capital of CHF 5.8 million through contributions in kind. The Group as a result owns 10.56% of the share capital and has reclassified the interest as a long-term financial asset.



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To the General Meeting of
Romande Energie Holding SA, Morges

Lausanne, 4 April 2025

Report of the statutory auditor

Report on the audit of the consolidated financial statements



Opinion

We have audited the consolidated financial statements of Romande Energie Holding SA and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements (pages 112 to 140) give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law.



Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the consolidated financial statements.

Valuation of the power generation plants

Area of focus	Power generation plants represent a significant part of the consolidated assets of Romande Energie, amounting to CHF 470 million (note 12). At each financial year-end, the management reviews the possible existence of impairment indicators and performs an impairment test when needed for the concerned power plants. Power generation plants valuation is a key audit matter for our audit, due to judgements and assumptions that are made by management in the valuation models, and also due to the materiality of those power plants over the consolidated financial statements taken as a whole.
Our audit response	Our procedures comprised of the examination of the impairment indicator analysis and, when applicable, the recoverable amount calculation made by management. We examined the calculation, the methods and challenged the key assumptions such as future cash flows and discount rate with the support of our valuation experts. Our audit procedures did not lead to any reservations regarding the valuation of the power generation plants.

Valuation of the EOS Holding SA investment

Area of focus	Romande Energie owns 29.71% of EOS Holding SA, which owns 100% interest in EOS NER SA and 33.33% interest in Alpiq. This investment of CHF 618 million is subject to the variations of foreign exchanges rates and electricity prices on the wholesale market (note 14). EOS Holding SA investment is accounted for using the equity method. In addition, the management performs an impairment test including judgements and assumptions linked with the future of Alpiq. The valuation of EOS Holding SA investment is a key audit matter due to the judgment and assumptions made by management in the valuation model.
Our audit response	Firstly, our procedures comprised of the verification of the equity method for EOS Holding SA investment. Secondly, based on the annual impairment test made by management, we have examined the method, the calculation, and we have performed a critical review of the assumptions and judgements with the support of our valuation experts. We also reviewed the application of the SWISS GAAP FER 30 standard, updated as of 1 January 2024, which means that any investment measured using the equity method must be included in accordance with Swiss GAAP FER requirements. Finally, we have verified the information disclosed in the notes to the consolidated financial statements. Our audit procedures did not lead to any reservations regarding the integration of EOS Holding SA investment as per the equity method, and its valuation.



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the audited sections of the remuneration report, the audited indicators of the Sustainability report, the Corporate Governance report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements



In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Ernst & Young Ltd



Laurent Bludzien
(Qualified Signature)

Licensed audit expert
(Auditor in charge)



Richard Gattucci
(Qualified Signature)

Licensed audit expert

Romande Energie Holding SA

Parent company financial statements

Income statement

as at 31 December 2024

In CHF thousands	2024	2023
Financial income	55 010	31 556
Other income	2 682	3 071
Total net income	57 692	34 627
Other operational expenses	(1 349)	(2 031)
Depreciation, amortisation and impairment on non-current assets	(462)	(4 969)
Financial expenses	(6 444)	(12 523)
Total operating expenses	(8 255)	(19 523)
Profit before income taxes	49 437	15 104
Income taxes	(1 845)	-
Net profit	47 592	15 104

Balance sheet

as at 31 December 2024

In CHF thousands	31.12.2024	31.12.2023
ASSETS		
Cash and cash equivalents and short-term marketable securities	181 433	69 339
Trade receivables	239 551	207 565
Other current receivables	4 434	4 548
Accrued income and prepaid expenses	438	402
Current assets	425 856	281 854
Long-term financial assets	480 600	465 608
Investments in subsidiaries	244 459	243 578
Property, plant and equipment	23 485	20 812
Non-current assets	748 544	729 998
TOTAL ASSETS	1 174 400	1 011 852
LIABILITIES AND SHAREHOLDERS' EQUITY		
Trade payables	629	6
Short-term interest-bearing liabilities	59 824	56 913
Other current liabilities	91	91
Deferred income and accrued expenses	4 862	4 993
Current liabilities	65 406	62 003
Long-term interest-bearing liabilities	252 000	103 500
Provisions and similar items required by law	12 000	12 000
Long-term liabilities	264 000	115 500
TOTAL LIABILITIES	329 406	177 503
Share capital	28 500	28 500
Statutory retained earnings	5 859	5 859
Retained earnings carried forward	862 567	884 410
Net profit	47 592	15 104
Own shares	(99 524)	(99 524)
Shareholders' equity	844 994	834 349
TOTAL LIABILITIES AND SHAREHOLDERS'EQUITY	1 174 400	1 011 852

Notes to the parent company financial statements

Accounting principles applied

Basic considerations

These full-year financial statements have been drawn up in compliance with the principles of Swiss law, especially the articles covering commercial accounting and financial statement presentation (Art. 957 to 962 of the Swiss Code of Obligations). Because it has prepared consolidated financial statements as at 31 December 2024, i.e. including its subsidiaries, Romande Energie Holding SA is not required to present a cash-flow statement, provide a full set of notes to its financial statements, or publish a management report.

Recognition of income

Dividends are recorded once they have been approved by shareholders at the Annual General Meeting.

Financial assets

Investments in subsidiaries and other financial assets are measured individually.

Property, plant and equipment

Property, plant and equipment is depreciated over the following periods:

	Durées d'amortissement
Bâtiments à usage du Groupe	20-40

Exchange rate used and working currency

The Company's financial statements are drawn up in Swiss francs, which is its working currency. Amounts held on the balance sheet in currencies other than the Swiss franc are revalued as at 31 December of the year under review. The exchange rates applied are as follows:

1 EUR = CHF 0.93845

1 USD = CHF 0.90625

Information on balance sheet and income statement items

Trade receivables					
In CHF thousands			31.12.2024	31.12.2023	
Due from third parties			8	35	
Due from related parties			239 543	207 530	
			239 551	207 565	
Other current receivables					
In CHF thousands			31.12.2024	31.12.2023	
Due from third parties			278	1 460	
Due from related parties			4 156	3088	
			4 434	4 548	
Trade payables					
In CHF thousands			31.12.2024	31.12.2023	
Owed to third parties			309	-	
Owed to related parties			320	6	
			629	6	
Short-term interest-bearing liabilities					
In CHF thousands			31.12.2024	31.12.2023	
Owed to third parties			1500	-	
Owed to related parties			58 324	56 913	
			59 824	56 913	
Other current liabilities					
In CHF thousands			31.12.2024	31.12.2023	
Owed to third parties			91	91	
Owed to related parties			-	-	
			91	91	
Long-term interest-bearing liabilities					
In CHF thousands		Maturity	Coupon	31.12.2024	31.12.2023
Green loan		12.07.2039	1.75%	150 000	-
Green Bond		31.07.2037	2.65%	100 000	100 000
Banque Cantonale de Fribourg		30.06.2027	1.75%	2 000	2 000
Banque Cantonale de Fribourg		30.09.2025	2.27%	-	1 500
				252 000	103 500
Shares held in treasury					
In CHF thousands		Number of shares	31.12.2024	Number of shares	31.12.2023
As at 1 January		2 842 125	99 524	2 842 125	99 524
Bought		-	-	-	-
Sold		-	-	-	-
As at 31 December		2 842 125	99 524	2 842 125	99 524
Fees paid to auditors					
In CHF thousands			31.12.2024	31.12.2023	
Audit fees			47	47	

Supplementary information

The Company is part of a VAT group and is therefore jointly and severally liable to the Swiss Federal Tax Administration for VAT debts incurred by the other members.

Equity interests of members of the Board of Directors and the Executive Board

Share ownership was as follows as at 31 December 2024:

Held by members of the Board of Directors	360 shares	<1%
Held by members of the Executive Board	250 shares	<1%

Contingent liabilities

In CHF thousands	31.12.2024	31.12.2023
Contingent liabilities	7 433	7824

Security interests created in favour of third parties

In CHF thousands	31.12.2024	31.12.2023
Guarantees on behalf of Group companies in favour of third parties	5 018	25 585

Post-balance sheet events

Under the share purchase agreement signed on 12 February 2025, Romande Energie Holding SA acquired an additional 20% of the share capital in Romande Energie Services SA from a related party, thereby becoming the sole owner of the company. This transaction has no effect on the consolidated financial statements in 2024.

Significant shareholders

%	2024	2023
Vaud Canton	38.60%	38.60%
Romande Energie Holding SA, Morges	9.97%	9.97%
Groupe E SA, Fribourg	6.90%	6.90%
Credit Suisse Investment Foundation Ltd, Zurich	3.97%	3.97%
Lausanne City Council	3.05%	3.05%
Banque Cantonale Vaudoise, Lausanne	3.05%	3.05%

Direct ownership interests

In CHF thousands	Curren- -cy	31.12.2024		31.12.2023	
		Share capital '000	Ownership (%)*	Share capital '000	Ownership (%)*
1) Romande Energie SA, Morges	CHF	36 150	100.00%	36 150	100.00%
2) Romande Energie Services SA, Prévèrenges **	CHF	25 000	80.00%	25 000	80.00%
2) Sitel SA, Morges	CHF	20 850	33.33%	20 850	33.33%
1) Bas-Valais Energie SA, Vouvry	CHF	19 898	72.00%	19 898	72.00%
1) Romande Energie Commerce SA en liquidation, Morges	CHF	15 294	73.90%	15 294	73.90%
1) EnergieÖ SA, Vinzel	CHF	14 000	25.00%	14 000	25.00%
1) GEOOL SA, Lausanne	CHF	10 000	30.00%	10 000	30.00%
1) ThermorésÖ SA, Vinzel	CHF	8 500	40.00%	8 500	40.00%
2) Romande Energie France SAS, Paris	EUR	7 700	100.00%	7 700	100.00%
1) Forces Motrices de Sembrancher SA, Sembrancher	CHF	6 000	20.60%	6 000	20.60%
1) Société Electrique des Forces de l'Aubonne SA, Aubonne	CHF	5 000	36.60%	5 000	36.60%

* The percentage of voting rights is systematically identical to the equity interest with the exception of Société Electrique des Forces de l'Aubonne SA, for which the share of voting rights is 24.7%.

**20% of the share capital is held by a single minority shareholder (CEO of Romande Energie Services SA).

Main business:

- 1) 1) Generation and/or distribution and marketing of energy
- 2) 2) Other

Recommended appropriation of retained earnings

As at 31 December 2024

In CHF thousands	31.12.2024
Balance carried forward from previous year	858 474
Dividend retained on own shares (Art. 659a CO)	4 093
Net profit for the year	47 592
Retained earnings	910 159
Own shares	(99 524)
Available earnings at the disposal of the AGM	810 635
Dividend of CHF 1.44 per share	41 040
Balance carried forward	869 119
Total	910 159

As general reserves have attained 20% of the share capital, no further allocations thereto are recommended.

On behalf of the Board of Directors

Chairman, Guy Mustaki

Interim CEO, Patrick Bertschy



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To the General Meeting of
Romande Energie Holding SA, Morges

Lausanne, 4 April 2025

Report of the statutory auditor

Report on the audit of the financial statements



Opinion

We have audited the financial statements of Romande Energie Holding SA (the Company), which comprise the statement of financial position as at 31 December 2024 and the statement of income for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 145 to 149) comply with Swiss law and the Company’s articles of incorporation.



Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the “Auditor’s responsibilities for the audit of the financial statements” section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



Key audit matters

We have determined that there are no key audit matters to communicate in our report.



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the audited sections of the remuneration report, the audited indicators of the Sustainability report, the Corporate Governance report and our auditor’s reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements



In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposal of the Board of Directors complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd



Laurent Bludzien
(Qualified Signature)

Licensed audit expert
(Auditor in charge)



Richard Gattucci
(Qualified Signature)

Licensed audit expert

2025 calendar

Full-year 2024 results
8 April 2025

Closure of the share register
30 April 2025

123rd Annual General Meeting
14 May 2025

Ex dividend date
16 May 2025

Record date
19 May 2025

Dividend payment
20 May 2025

H1 2025 results
2 September 2025

This is a translation of the "Group Romande Energie, Rapport de gestion 2024" provided for convenience. In the event of discrepancy between the French and English versions, the original French version will prevail.

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Romande Energie thanks all employees who were instrumental in producing this report.

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