

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	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> ID GO Commune Rénove 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 Mobilité 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.

Energy consumption within the organisation

GRI 302-1

	2023 MWh	2024 MWh
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

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 HCFCs) 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 (NO_x), sulphur oxides (SO_x) 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

