

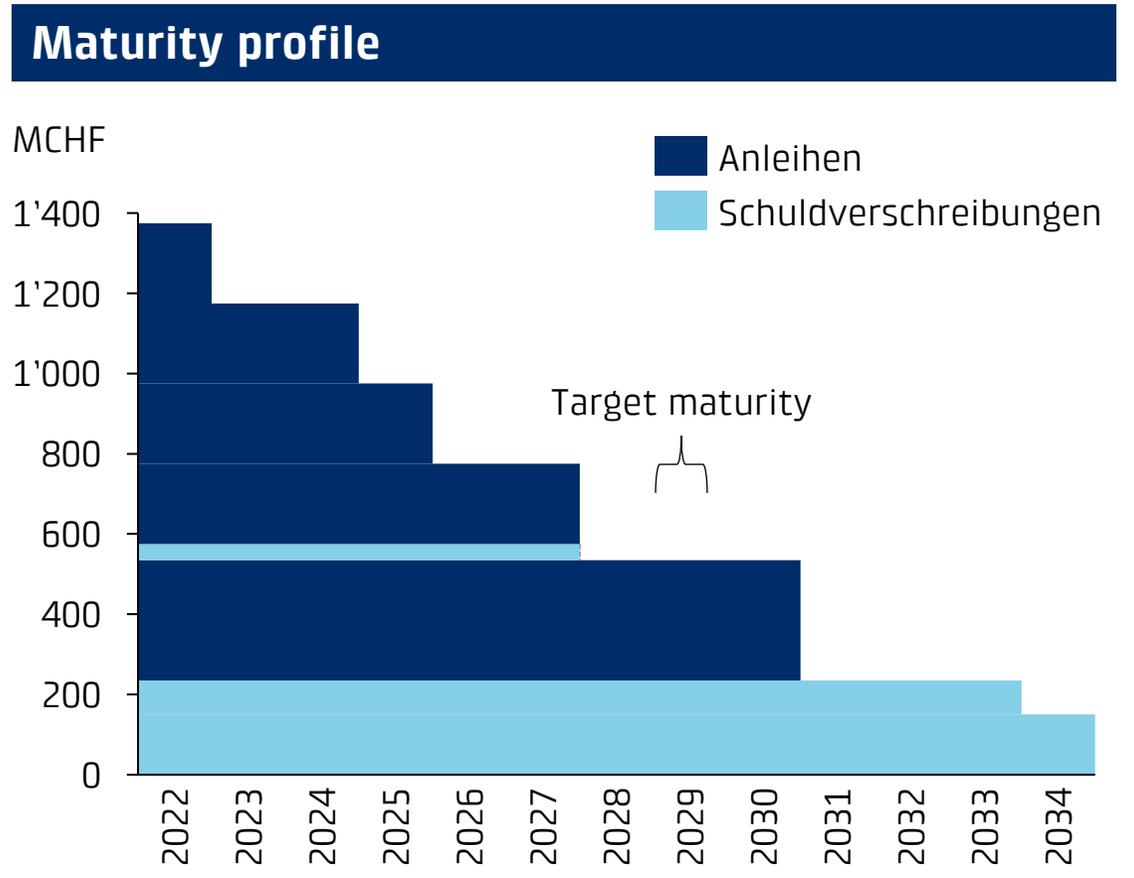


Green Bond 2022

Investor Presentation, 5th April 2022

BKW strives to issue a CHF Green Bond

Target issue date	April 2022
Target size	CHF Benchmark
Target maturity	7
Use of proceeds	(Re-)Financing of Green Eligible Projects



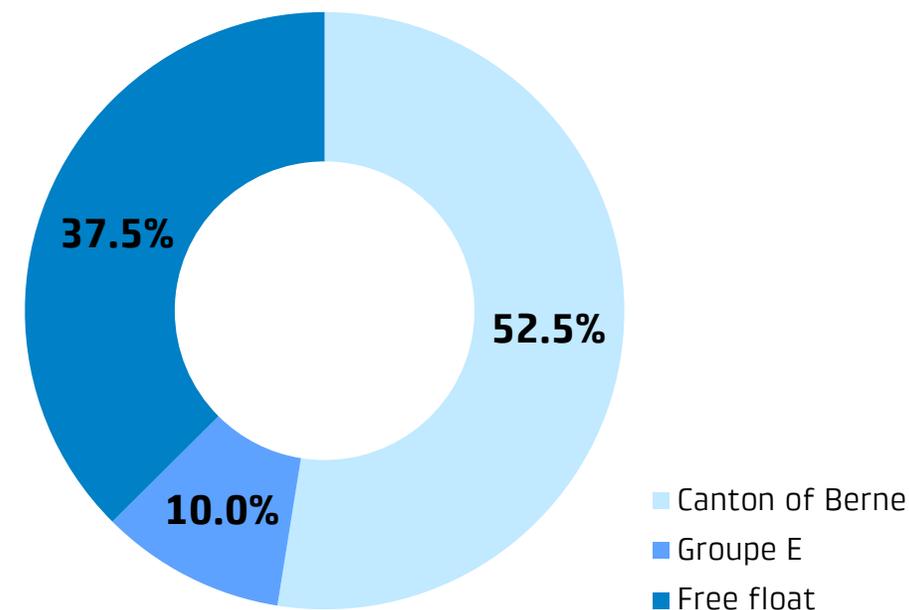
Green Bond with maturity of 7 years fits perfectly into BKWs maturity profile

Introduction

Key figures 2021

Operating revenue	CHF 3.6bn
EBIT	CHF 0.4bn
Funds from operations	CHF 0.5bn
Liquidity	CHF 1.0bn
Net debt	CHF 1.0bn
Equity / Equity ratio	CHF 4.2bn / 35.0%
Credit Rating	A
Employees	> 10,000

Shareholder structure



BKW Business areas

Energy



Generation (capacity: ~3.2 GW),
trading, sales

FY2021

Revenue	CHF 1,527m
EBIT	CHF 140m
Employees	930

Services



Services around infrastructure

FY2021

Revenue	CHF 1,527m
EBIT	CHF 96m
Employees	8,440

Grid



Distribution grid: ~22,000 km

FY2021

Revenue	CHF 540m
EBIT	CHF 198m
Employees	610

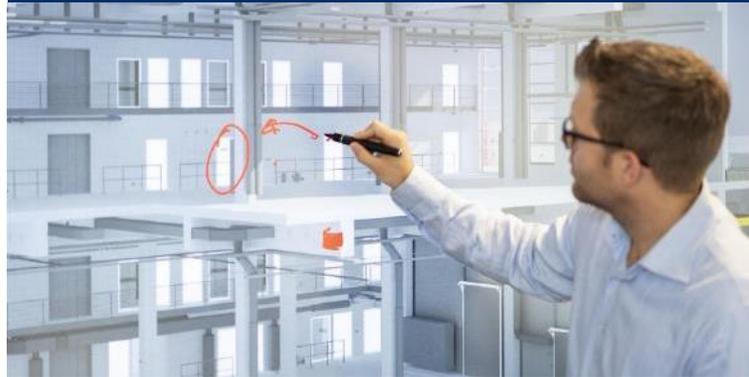
Strong megatrends driving growth at BKW

Urbanization



- Growth of metropolitan areas
- High demand for new builds and replacement
- Greater comfort and complexity

Technologization



- Increased use of technology
- Digitalization of buildings
- Efficient use of resources

Climate change



- Political roadmap
- Sustainability
- Transformation of energy system

Solutions for a future worth living for

Energy 

Buildings 

Infrastructure 

Solutions for a future worth living for

BKW contributes to several of the Sustainable Development Goals*

Solutions for a future worth living for



Green Bond Assets contribute significantly to SDGs 7 & 13 (see following slides)

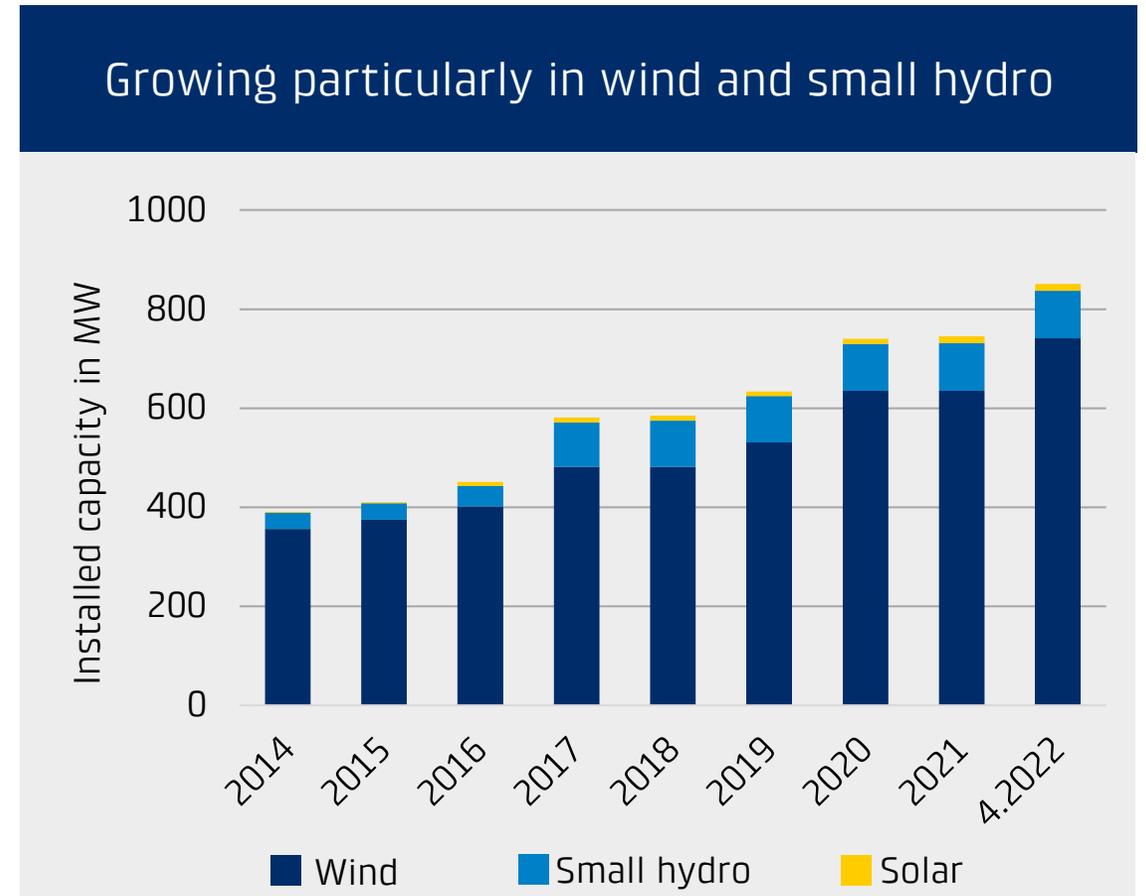
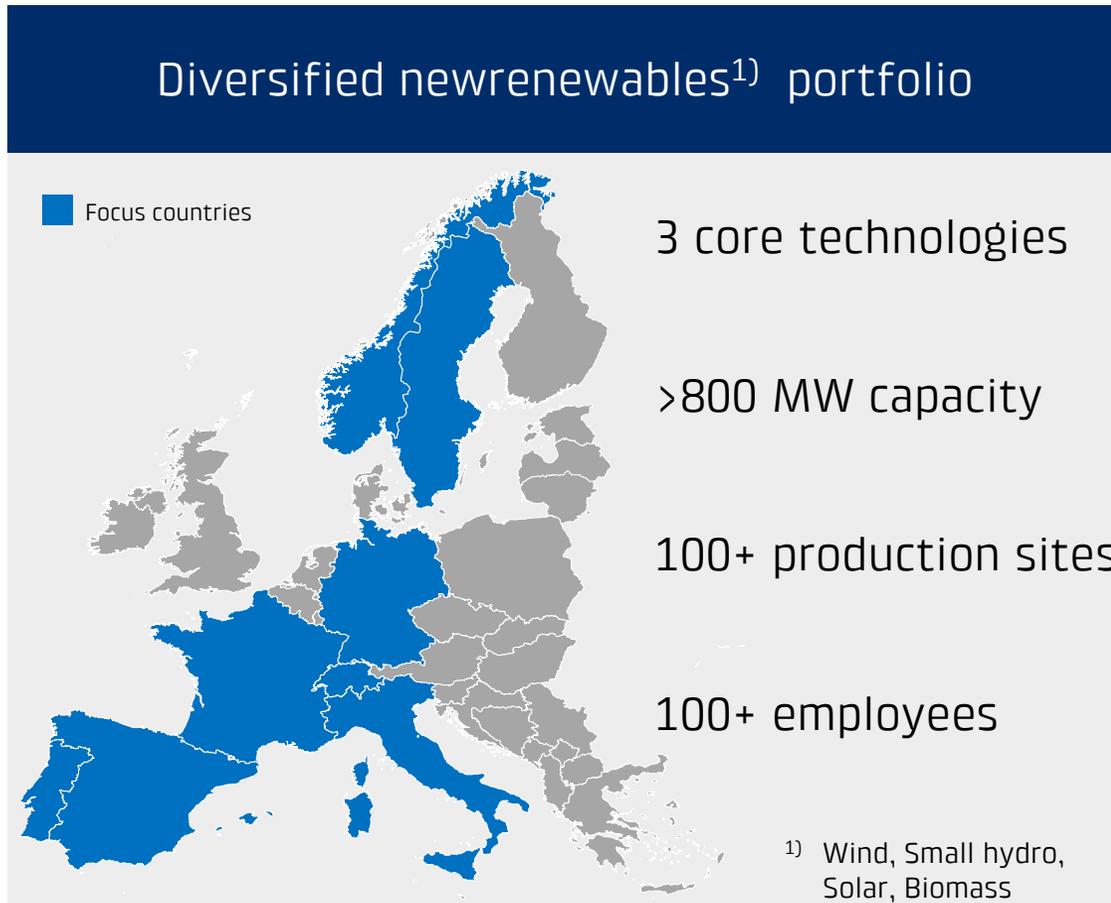


For the contribution of BKW to other SDGs please refer to our Sustainability Report 2021

Committed to generate long-term value for the company, the society and the environment

* The 17 SDGs are the core element of the United Nations "2030 Agenda for Sustainable Development"

Growing new renewables portfolio



Ambition of 75 % renewables capacity achieved in 2022
 New ambition: > 1 GW of installed new renewables capacity by 2026 against 2021 baseline of 0.7 GW

BKW Green Bond Framework

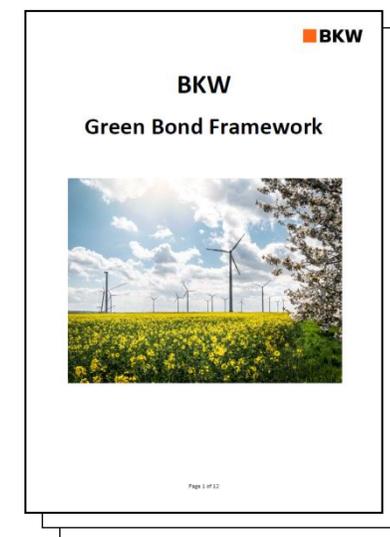
Application of Green Bond Principles as Best Practice

Aim of BKW Green Bond Framework

- Provide transparency to investors

Structure of BKW Green Bond Framework

- Use of proceeds
 - Process for Project Evaluation and Selection
 - Management of Proceeds
 - Reporting
-
- Aligned with the Green Bond Principles (GBPs) 2021*
 - No material changes relative to the BKW Green Bond Framework 2019
 - Reviewed by ISS ESG who confirmed alignment with GBPs



* Issued by the International Capital Markets Association (ICMA)

Use of proceeds

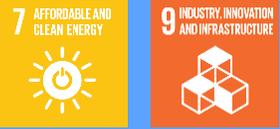
The BKW Green Bond Framework allows financing for the following Green Bond Categories

Renewable Energy



7 AFFORDABLE AND CLEAN ENERGY
13 CLIMATE ACTION

Energy Efficiency



7 AFFORDABLE AND CLEAN ENERGY
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Green Buildings



11 SUSTAINABLE CITIES AND COMMUNITIES
13 CLIMATE ACTION

Terrestrial Biodiversity Conservation



11 SUSTAINABLE CITIES AND COMMUNITIES
15 LIFE ON LAND

BKW Green Bond: Proceeds used for Green Bond Category "Renewable Energy"

Process for project evaluation and selection

Dedicated cross-departmental Green Bond Committee (GBC)



The GBC's role is to:

- Define ESG Criteria applied to Renewable Energy Projects
- Review, select, and validate pool of Eligible Green Projects
- Validate annual reporting for investors
- Monitor and assess potential social and environmental risks of/for the pool of Eligible Green Projects
- Ensure alignment with market best practices

Management of Proceeds

Refinance Existing Projects

Refinance projects with a commissioning date up to **36 months before** the issuance of the Green Bond (lookback-period)

New Eligible Projects

BKW intends to **fully allocate** the proceeds **within 24 months** after the Green Bond issuance date



Deviations from the lookback-period will be transparently disclosed in the annual Green Bond report

Reporting

- Annual reporting until the maturity or as necessary in the event of material development
- Part of BKW Group's annual report; next publication in March 2023

Reporting content

- (Re-)financed Green Projects
 - Description
 - Aggregated amount of allocation of net proceeds
 - Impact measurement metrics
- Proportion of net proceeds used for financing versus refinancing
- Balance of any unallocated proceeds invested in cash and/or cash equivalents

Allocation of Green Bond proceeds and impact metrics will be reviewed by an independent auditor

Green Bond Preliminary Allocation

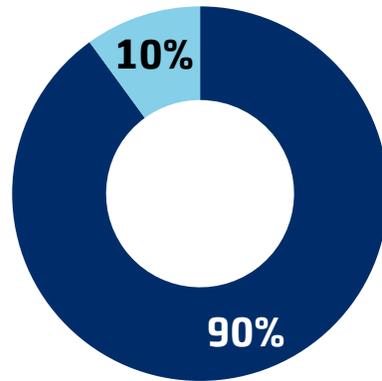
Renewable Energy projects (re-)financed by the Green Bond

Type	Project	Installed Capacity (MW)	Status	Year of Commissioning	Country	Preliminary GB allocation (%)
Wind	Coquelicot	20.7	Operation	2018	France	90
	Julie	11.6		2018		
	Camomille	4.6		2018		
	PEN LII	24.0		2019		
	PEN LIII	36.0		2019		
	Les Oeillets	8.8		2021		
Solar PV	Genzano	19.8	Development	2023	Italy	10
Total		125.5				100

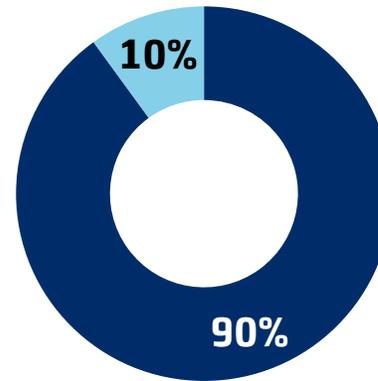
Allocation of Green Bond net proceeds reflects a huge proportion of BKW CAPEX on renewables for 2022

Preliminary allocation split by...

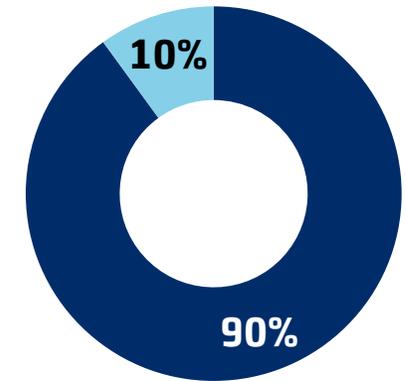
Country



Technology



Status



90 % of net proceeds are used to partially refinance regulated operating wind farm in France

Wind Power Plants in France

Projects	Misc.
Location	Somme, France
BKW stake	100%
Year of commissioning	2018 – 2021
Installed capacity	105.7 MW
Expected yearly production	>250 GWh
Status	Operating



Solar Power Plant Genzano in Italy

Project	Genzano
Location	Basilicata Region Italy
BKW stake	100%
Expected year of commissioning	2023
Planned installed capacity	19.8 MW
Expected yearly production	36.8 GWh
Status	Development phase



Second Party Opinion

Positive Second Party Opinion from **ISS ESG**

Second Party Opinion	Evaluation
Green Bond link to issuer's sustainability strategy	Consistent with issuer's sustainability strategy
Alignment of BKW Green Bond Framework with Green Bond Principles	Aligned
Sustainability quality of the Asset Pool	Positive

BKW's ESG Performance

- Transparency Level HIGH
- Rank among 128 companies 51
- Decile Rank 4

Assessment sustainability quality of the Asset Pool by ISS ESG

Use of Proceeds Category	Contribution or obstruction	Sustainable Development Goals	
Renewable energy Wind power	Significant contribution		
Renewable energy Solar PV	Significant contribution		

Significant contribution of the Green Bond to UN SDGs 7 and 13

Transaction Overview

Transaction Overview

Key Terms and Conditions

Issuer:	BKW AG
Issue Rating:	Non-rated
Issuer Rating:	A; stable (CS) / A; stable (UBS) / A; stable (ZKB) / A; stable (Vontobel) / A; stable (fedafin)
Currency:	CHF
Target Size:	CHF Benchmark
Maturity:	[7] years
Format:	Green Unrated Bond with stand-alone Prospectus in Reg S format; Senior unsecured
Denominations:	5k and multiples
Use of Proceeds:	Net proceeds of the Green Bond will be used to (re-)finance Eligible Green Projects
Listing:	SIX Swiss Exchange
Covenants:	Pari Passu, Negative Pledge (with exceptions), Cross Default (with exceptions)
Governing Law:	Swiss Law
Joint Bookrunners:	BNP Paribas, UBS and ZKB

Disclaimer

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