

BKW GROUP

Invitation to the Ordinary General Meeting 2024



We create spaces for life.

 **BKW**

Our contribution

We make a major contribution to achieving a balance between prosperity and the environment by offering solutions for a future worth living.

Title page

Pierre Berger is a farmer and, as a technician, is responsible for monitoring and maintaining the solar and wind power plants at the Swiss Energypark. The pilot region in the Jura with 21,000 residents now produces over 90 percent of its own electricity consumption.



A nine-kilometer cross-country ski trail connects Mont-Soleil with Mont-Crosin. Alongside the wind turbines, you can admire the wooded pastures and forests.

We protect the
natural habitat.

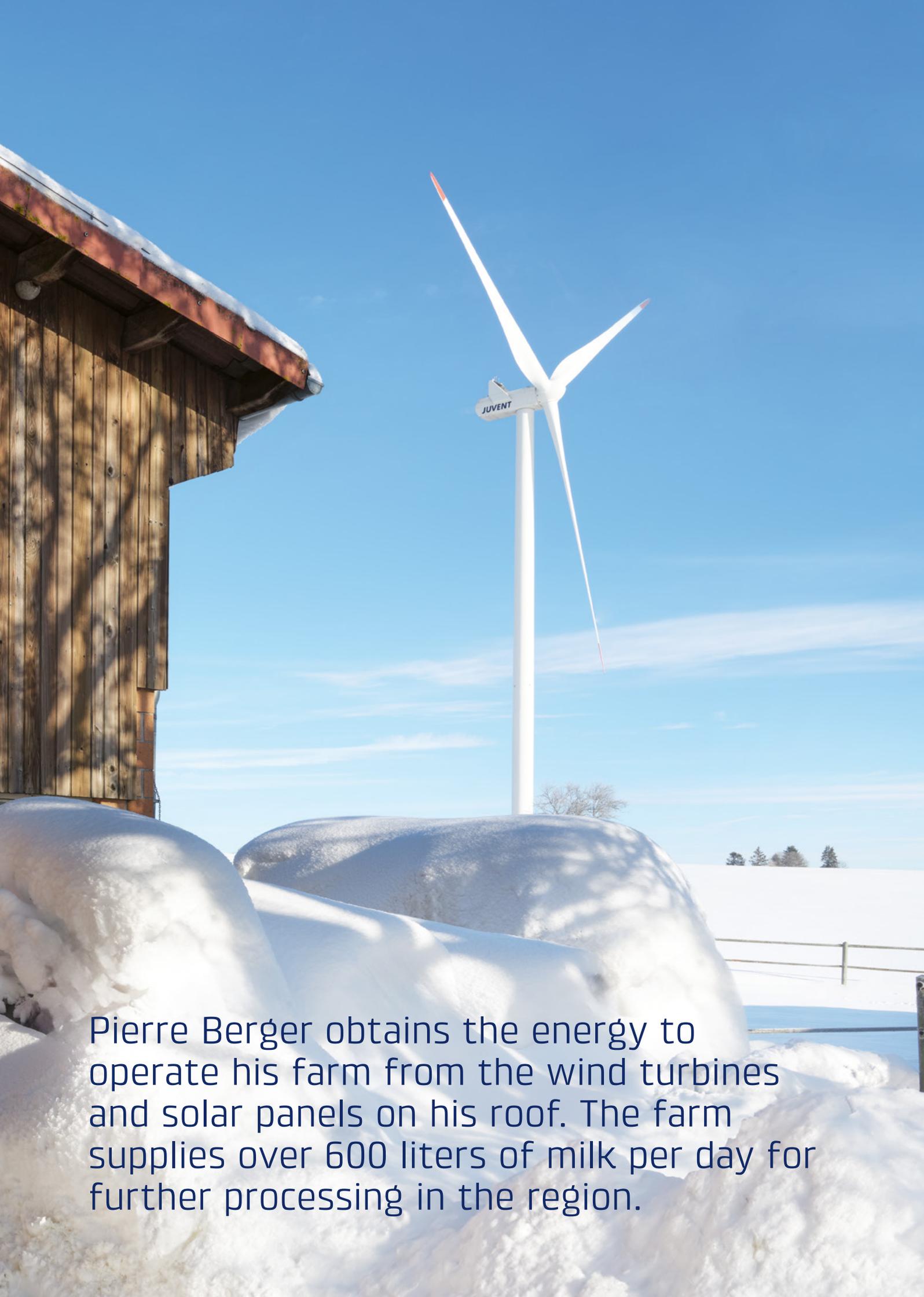


The concentrated power of renewable energy on Mont-Soleil: 4,575 m² photovoltaic surface and 16 wind turbines supply power to over 17,000 households every year. The natural landscape is preserved.



We create
spaces for life.





Pierre Berger obtains the energy to operate his farm from the wind turbines and solar panels on his roof. The farm supplies over 600 liters of milk per day for further processing in the region.

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Dear Shareholders,

On behalf of the Board of Directors and the Group Executive Board, I am delighted to invite you to this year's Ordinary General Meeting of BKW AG.

Monday, April 22, 2024

Kursaal Bern, Kornhausstrasse 3, 3013 Bern

1 p.m. Doors open

2 p.m. Commencement of the Ordinary General Meeting

4 p.m. Buffet

BKW's three-pillar strategy of the Energy, Grid and Services business areas has again proven its worth in 2023: In the last fiscal year the company achieved the second-best result in its history. This is primarily thanks to the success in the Energy business area which, as in the previous year, was able to take advantage of opportunities associated with high electricity prices. The grid continues to be a stable enabler of the energy transition. In 2023 BKW started a two-year program to sustainably strengthen financial performance in the Services business.

BKW will continue to invest in the energy future by focusing on the attractive growth markets along the energy value chain – from renewable power production through secure distribution grids to the efficient use of energy in buildings, mobility and industry.

Shareholders, too, should benefit from the company's continuing success. The Board of Directors proposes to the Ordinary General Meeting 2024 a dividend of CHF 3.40.

Together with this communication, we are sending you the agenda of the meeting and the proposals put forward by the Board of Directors, with a brief explanation of each.

For details on registration and the procedure of the Ordinary General Meeting, please refer to the organizational information at the end of this invitation. We look forward to receiving your registration for the Ordinary General Meeting 2024 by April 18, 2024. Many thanks.

Kind regards,



Roger Baillod
Chairman of the Board of Directors

Agenda and motions proposed by the Board of Directors

1. Reporting on the fiscal year 2023

a) Approval of the management report, the consolidated financial statements and the annual financial statements for 2023

The Board of Directors proposes that the management report, the consolidated financial statements and the annual financial statements 2023 be approved.

Explanation

Pursuant to the provisions of the Statutes and the Swiss Code of Obligations (OR), the Board of Directors submits the management report, the consolidated financial statements of the BKW Group and the annual financial statements of BKW AG for each fiscal year to the Ordinary General Meeting for approval. These can be viewed online in the full Annual Report 2023 at www.bkw.ch/annualreport23

The management report presents the course of business and the economic position of BKW AG and the BKW Group at the end of the fiscal year, taking into consideration the requirements of Swiss law on limited companies. The Group Executive Board provides a true and fair view of the consolidated financial position, results of operations, and cash flows of the BKW Group in accordance with International Financial Reporting Standards (IFRS) and the requirements of Swiss law on limited companies. The financial statements of BKW AG were prepared in accordance with the requirements of Swiss law, in particular the articles on commercial accounting and financial reporting of the Swiss Code of Obligations (Articles 957 to 962).

The audit firm Ernst & Young AG, Bern, audited the consolidated financial statements of the BKW Group and the annual financial statements of BKW AG and does not add any qualifications to its audit reports.

b) Advisory vote on the Remuneration Report 2023

The Board of Directors proposes that the Remuneration Report 2023 be approved.

Explanation

The Board of Directors of BKW AG will submit the Remuneration Report for the fiscal year 2023 to the shareholders for an advisory vote. The Remuneration Report describes the basis for the remuneration of the Board of Directors and the Group Executive Board as well as the remuneration paid to the members of the two bodies for the fiscal year 2023. The Remuneration Report can be found starting on [Page 235 of the Annual Report](#).

c) Advisory vote on the report on non-financial matters 2023

The Board of Directors proposes that the 2023 report on non-financial matters be approved.

Explanation

Due to the new statutory requirement pursuant to Article 964c of the Swiss Code of Obligations, the Board of Directors must submit the report on non-financial matters to the General Meeting. BKW's Sustainability Report includes the required information for the report on non-financial matters and can be found starting on [Page 129 of the Annual Report](#). It includes information on environmental matters (in particular CO₂ targets), social matters, employee matters, respect for human rights as well as the fight against corruption, all of which are required to understand the course of business, the operating result, the position of the company and the impact of company activities on these non-financial matters.

2. Discharge of the Board of Directors and the Group Executive Board

The Board of Directors proposes that the members of the Board of Directors and the Group Executive Board be discharged for the fiscal year 2023.

Explanation

The reporting by the Board of Directors informs the shareholders about the economic position and development of BKW AG and the BKW Group. Correspondingly, discharge of the Board of Direc-

More information at:

www.bkw.ch/gm2024



tors and the Group Executive Board can be granted. According to the law and the Statutes, the Ordinary General Meeting is responsible for the resolution in discharge; members of the Board of Directors and the Ordinary General Meeting do not have any voting right in this respect. With the resolution, the company and the approving shareholders declare that they will no longer hold the responsible persons of the Board of Directors and the Group Executive Board accountable for the facts and events from the past fiscal year that have been made known.

3. Appropriation of retained earnings 2023

The Board of Directors proposes to appropriate retained earnings for 2023 as follows:

CHF	
Ordinary dividend of CHF 3.40 per eligible share	179,456,491
Balance carried forward	424,449,703
Total	603,906,194

Note: Dividends are not paid on shares held by BKW AG. Consequently, the number of shares entitled to dividends at the time the financial statements were prepared was 52,781,321. The last trading day entitling the holder to receive the dividend is April 23, 2024. The shares will be traded ex dividend from April 24, 2024 onwards. Had all shares been entitled to receive a dividend, the dividend payment would amount to CHF 179,520,000 and the amount carried forward to the new account would be CHF 424,386,194.

If the Ordinary General Meeting approves this proposal on the appropriation of retained earnings, dividends of CHF 3.40 will be paid out free of all charges from April 26, 2024, with a deduction of 35 percent withholding tax.

Explanation

The Ordinary General Meeting is responsible for the resolution on the distribution of dividends.

The proposed dividend includes an increase in the ordinary dividend of the previous CHF 2.80 by CHF 0.60 to CHF 3.40. With regard to the proposed use of available earnings, BKW's long-standing dividend policy specifically takes the following principles into consideration:

- Distribution of around 40–50 percent of the net profit adjusted for one-off items
- Continuity in the amount of the dividend distribution
- Appropriate dividend yield

With the remaining balance being carried forward, BKW remains well placed to face the challenges of the volatile energy markets and the upcoming investments, in particular in grids and renewable energies.

4. Approval of the remuneration of members of the Board of Directors and the Group Executive Board

Pursuant to Article 698 para. 3 item 4 of the Swiss Code of Obligations and the Statutes of BKW AG, every year the Ordinary General Meeting approves with binding effect the maximum amount of remuneration for members of the Board of Directors for the term of office starting with the Ordinary General Meeting, and for the Group Executive Board for the full fiscal year following the respective Ordinary General Meeting.

a) Maximum remuneration of the Board of Directors in the 2024/2025 remuneration period

The Board of Directors proposes that the unchanged total maximum amount of CHF 1.4 million for the remuneration of the Board of Directors during the 2024/2025 term of office be approved.

More information at:

Annual report:
www.bkw.ch/annualreport23

Explanation

The proposed total amount is unchanged in comparison to the previous year. It takes into account a rough estimate of the fixed basic remuneration and the additional remuneration together with the social insurance contributions due on the same and includes a reserve of just under 15% for contingencies, specifically for the formation of ad hoc committees. The amounts underlying the calculation can be seen in Section 3.1 of the Remuneration Report ([page 242 of the Annual Report](#)):

CHF	
Basic remuneration	950,000
Function allowances	114,000
Social insurance contributions	163,000
Reserve	173,000

b) Maximum remuneration of the Group Executive Board during the fiscal year 2025

The Board of Directors proposes that the total maximum amount of CHF 11.8 million for the remuneration of the Group Executive Board during the fiscal year 2025 (= calendar year) be approved.

Explanation

The total amount proposed for the calendar year 2025 is higher than the maximum amount approved for the current year 2024 at the Ordinary General Meeting 2023. The increase in the total amount is required because the Group Executive Board has now been expanded from its previous five members to eight members.

Based on the revised remuneration system for the Group Executive Board (see [Section 8 of the Remuneration Report starting on page 255](#) of the Annual Report), the amount is calculated from the current basic remuneration amounts and the maximum variable remuneration components derived therefrom, including the maximum possible short-term variable remuneration of 60% of the basic remuneration and the long-term variable remuneration of 30% of the basic remuneration based on the calculation of the value of assigned share ownership rights (PSU). In addition to these social insurance contributions relating to these amounts, the Board of Directors has included a reserve of around 14% for any increases in basic remuneration being effective for 2025, for differences arising from share price

increases and any adjustments resulting from the review of the remuneration system with regard to the assessment and allocation of the variable remuneration as well as for contingencies.

MCHF	
Base remuneration	4.60
Short-term variable remuneration	2.76
Long-term variable remuneration	1.52
Social insurance contributions	1.27
Additional benefits	0.03
Reserve	1.62

5. Elections

a) Board of Directors

The Board of Directors proposes that the following members be individually re-elected to the Board of Directors for the next statutory term of office i.e. until the close of the Ordinary General Meeting 2025:

- Carole Ackermann
- Roger Baillod
- Petra Denk
- Rebecca Guntern
- Martin à Porta
- Kurt Schär

Explanation

Members of the Board of Directors are elected individually each year as, according to the Statutes and the law on limited companies, the terms of office end at the close of the next Ordinary General Meeting. An exception to this is the cantonal representative, Mr. Andreas Rickenbacher, who is not elected by the General Meeting but appointed directly by the Canton which, pursuant to Article 19 of the Statutes, is entitled to appoint two members to the Board of Directors.

All members of the Board of Directors are standing for re-election. Important information on education, professional career and other mandates of the individual members of the Board of Directors can be found in the [Corporate Governance Report starting at page 213 of the Annual Report](#).

b) Chair of the Board of Directors

The Board of Directors proposes that Roger Baillod be re-elected as Chairman of the Board of Directors for the next statutory term of office, i.e. until the close of the Ordinary General Meeting 2025.

Explanation

The term of office of the Chair of the Board of Directors ends at the close of the respective next Ordinary General Meeting. This means that the Chair is likewise to be elected by the Ordinary General Meeting each year. Mr. Roger Baillod is the current Chairman and he is standing for re-election.

c) Personnel and Remuneration Committee

The Board of Directors proposes that the following members be individually re-elected to the Personnel and Remuneration Committee of the Board of Directors for the next statutory term of office i.e. until the close of the Ordinary General Meeting 2025:

- Roger Baillod
- Rebecca Guntern
- Andreas Rickenbacher

Explanation

The terms of office of the members of the Personnel and Remuneration Committee end at the close of the respective next Ordinary General Meeting. All existing members of the Personnel and Remuneration Committee are standing for re-election.

The Personnel and Remuneration Committee convenes in accordance with the rules issued by the Board of Directors governing the Personnel and Remuneration Committee. In the event of re-election, the Personnel and Remuneration Committee intends to elect Ms. Rebecca Guntern as its Chair.

d) Independent Proxy

The Board of Directors proposes the election of Mr. Andreas Byland, Notary, Bern, as independent proxy for the next legal term of office, i.e. until the close of the Ordinary General Meeting 2025.

Explanation

The independent proxy is to be elected by the Ordinary General Meeting each year. Mr. Byland fulfills the independence criteria, has experience with this duty and is familiar with the procedures.

e) Auditor

The Board of Directors proposes that PricewaterhouseCoopers AG be appointed as auditors for the fiscal year 2024.

Explanation

According to the Statutes of BKW AG, the auditor is to be elected by the Ordinary General Meeting each year. The previous auditor Ernst & Young AG fulfilled this mandate for many years. For this reason, the Board of Directors has decided to invite new tenders for the mandate. After evaluation of the bids by the Audit and Risk Management Committee, the Board of Directors resolved to propose the election of PricewaterhouseCoopers AG to the Ordinary General Meeting. PricewaterhouseCoopers AG has confirmed to the Board of Directors that it has the required independence to perform the assignment and that the independence is not compromised by services rendered for the BKW Group in addition to the audit mandate.

Organizational Matters

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Organizational Information

Attendance and voting rights

Shareholders entered in the company share register by 5 p.m. CEST on April 5, 2024 are authorized to attend and vote at the General Meeting (cf. Article 4 of the Statutes). The share register will remain closed for any transfer of company shares from 5 p.m. on April 5, up to and including April 22, 2024.

Registration and admission to the General Meeting

Shareholders entered in the share register may request admission passes to the General Meeting using the registration form enclosed with this invitation before April 18, 2024. The stamped addressed reply envelope is enclosed.

Shareholders may also register online at www.bkw.ch/gvmanager (see Shareholders' portal).

Admission passes will be sent out between April 8 and April 18, 2024 only to shareholders who have registered for the General Meeting. Any admission passes that have already been issued shall become invalid if the associated shares are sold before the General Meeting and the sale of these shares is recorded in the share register.

Representation

Shareholders with voting rights may be represented at the General Meeting by their legal representative, a third party or by the independent proxy, Mr. Andreas Byland, Notary, Bundesgasse 26, 3001 Bern.

Proxy instructions may be issued in one of two ways:

- **In writing:** Please complete and sign the enclosed registration form to assign your instructions to one of the aforementioned proxy holders. Proxy instructions received by April 18, 2024 are guaranteed to be dealt with in sufficient time. The stamped addressed reply envelope is enclosed.

- **Electronically:** Shareholders may also award their proxy to one of the aforementioned representatives before April 18, 2024 (11.59 p.m.). In addition, when awarding your proxy to the independent proxy (Notary Andreas Byland, Bundesgasse 26, 3001 Bern) you may also issue voting instructions (see Shareholders' portal).

Shareholders' portal

Shareholders may use the internet to order admission passes, issue voting instructions to the independent proxy or award a proxy to a third party. The BKW Annual Report can also be downloaded via the Shareholders' portal.

Please see below for instructions: Visit the website www.bkw.ch/gvmanager

- Log in to the electronic portal "GVMANAGER-Live by DEVIGUS" using your access code. The code can be found in the top section of the enclosed registration form (please be aware that the code is case sensitive).
- The following options are available: Order an admission pass OR issue a proxy and/or voting instructions.
- Your code is only valid for one login: It will expire automatically when you click the "Submit" button to order an admission pass or issue voting instructions. While you remain logged in to the portal, you may change your voting instructions as required. If you order an admission pass, you no longer have the option of issuing voting instructions.
- The portal will close at 11.59 p.m. on April 18, 2024.

BKW Annual Report

The BKW Annual Report consists of:

- Management Report
- Financial Report
- Sustainability Report
- Corporate Governance Report
- Remuneration Report

The BKW Annual Report 2023 is available online at www.bkw.ch/annualreport23.

Language

The General Meeting will be conducted in German. Simultaneous translation into French will be offered.

Hearing aid wearers will also be provided with mobile loop systems to transfer the translation to the hearing aid.

Information on proceedings at the General Meeting

All speakers are requested to enter their names on the list of speakers at the podium before the meeting commences, and to submit any questions beforehand in writing (to BKW AG, Investor Relations, Viktoriaplatz 2, 3013 Bern or to investor.relations@bkw.ch). This will help ensure the orderly organization of the meeting.

Voting devices for participating in electronic voting are available at the validation desk. Shareholders who leave the meeting before the end will be asked to return the electronic voting device, headphones for translations and loop systems to the validation desk.

Arrival

Kursaal Bern, Kornhausstrasse 3, 3013 Bern

Arriving by public transport

From the Bern main railway station, take the number 9 tram in the direction of Wankdorf Bahnhof until reaching the Kursaal stop. The tram runs every 10 minutes and the journey takes around 5 minutes.

Tickets

This invitation will entitle the bearer to travel on Monday, April 22, 2024, in the Libero zones 100 and 101 (return ticket, 2nd class)

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Arriving by car

- Motorway exit “Bern-Wankdorf”
 - Drive straight ahead, following signs for “Zentrum” (Center) Papiermühlestrasse
 - Take the right-hand lane and at the third intersection turn right into Viktoriastrasse (Hotel Allegro/Kursaal are signposted)
 - At Viktoriaplatz turn left into Kornhausstrasse
 - The Kursaal is located on the right-hand side
- (GPS: 46.9527915 °N / 7.4481958 °E)**

As car parking at the Kursaal Bern is limited, we recommend that you use public transportation.

Map to General Meeting

