

# ANNUAL REPORT 2019



# Overview

## OVERVIEW OF THE YEAR 2019

# 1.9

billion francs

total operating revenues in 2019

## Repower Italy records highest EBIT in its history

# 65.2

million francs

operating income (EBIT)

## Merchant line

title to Swiss side transferred to  
Swissgrid

## Voters say Yes to modifying Valposchiavo concession

renovation of Robbia power plant to  
begin in 2020

## Construction begins at Mendrisio substation

Repower builds two turnkey  
substations for SBB and AIM  
(Aziende Industriali Mendrisio)

## Security of supply boosted in Graubünden

St. Antönien and Ascharina  
connected to high-capacity  
underground line

## Repower strengthens partnerships

- Establishment of esolva ag
- Successful first year for Repower  
Renewable
- Prättigau power station cascade  
transferred to Repartner Produktions  
AG

## Uncertainty in Italy

capacity market regime to be  
introduced from 2022

## Italy showcases electrical innovation

- [Launch of LAMBRO cargo bike](#)
- [Repower<sup>2</sup> electric boat completes successful promotional tour](#)

## Wind power boosted

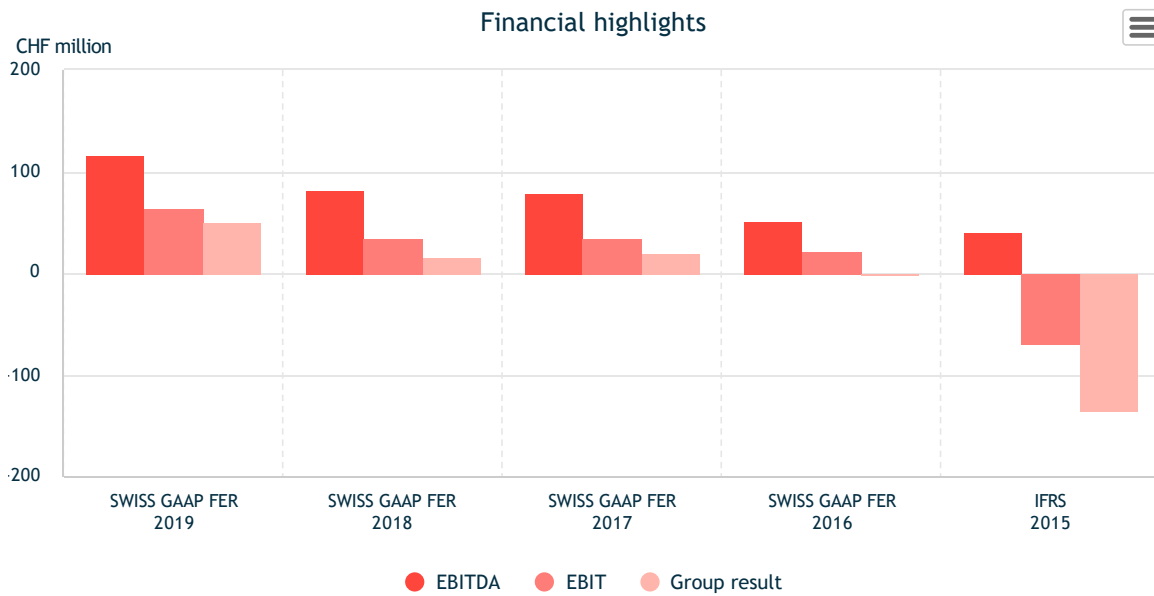
[new turbine goes into operation in Lübbenau, Germany](#)

## Change in CEO

[Kurt Bobst leaves Repower, director](#)  
[Roland Leuenberger takes over as CEO](#)

### FINANCIAL HIGHLIGHTS

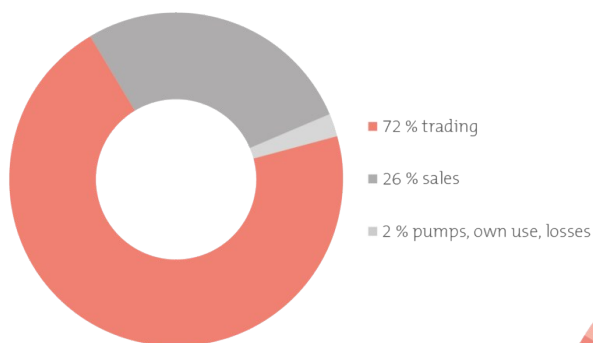
	2019	2018	2017	2016	2015
	Swiss GAAP FER	Swiss GAAP FER	Swiss GAAP FER	Swiss GAAP FER	IFRS
CHF million					
<b>Revenue and income</b>					
Total operating revenue	1,937	2,090	1,847	1,724	1,890
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	117	82	79	52	41
Depreciation/amortisation and value adjustments	-52	-47	-45	-30	-109
Earnings before interest and taxes (EBIT)	65	35	34	22	-69
Group earnings	50	16	20	-1	-136
<b>Balance sheet</b>					
Balance sheet total at 31 December	1,876	1,873	1,822	1,701	1,828
Equity at 31 December	844	807	769	737	600
Equity ratio	45%	43%	42%	43%	33%
<b>Further key figures</b>					
Energy gross margin	264	223	208	194	178
Economic value added	-1	-20	-18	-29	-112
Funds from Operations (FFO)	103	60	72	30	11
Cash flow from operating activities	126	55	43	78	17
Net debt	-29	45	-2	-9	270
Net debt factor	-0.3	0,5	0.0	-0,1	4,5
FFO/net debt	<0%	134%	< 0%	<0%	4,1%
Investments	41	35	32	33	31
Headcount (FTE)	539	591	578	563	632



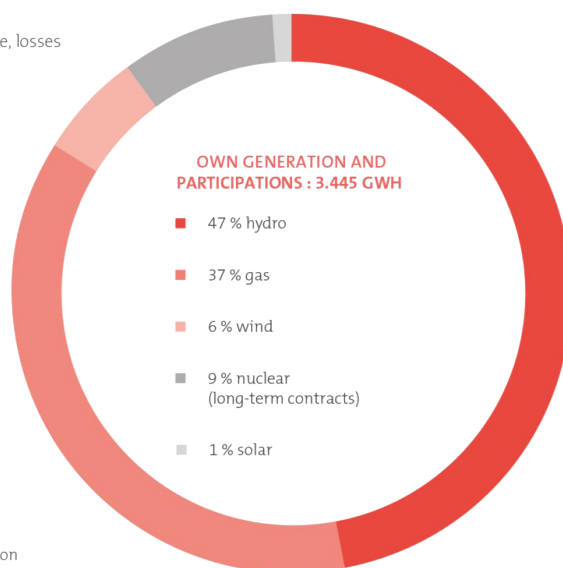
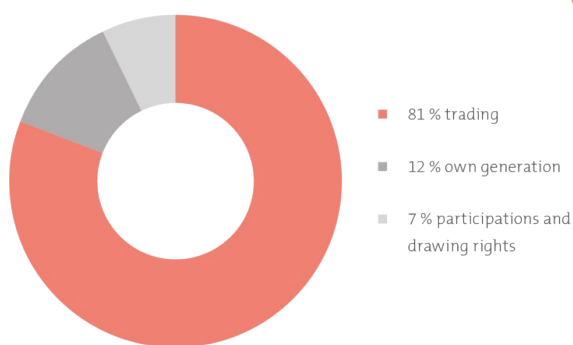
### ENERGY BALANCE SHEET

	2019	2018	Change
<b>Electricity business in GWh</b>			
Trading	12,979	12,519	4%
Supply/sales	4,577	4,473	2%
Pumps, own use, losses	326	318	3%
<b>Electricity sales</b>	<b>17,883</b>	<b>17,310</b>	<b>3%</b>
Trading	14,437	14,362	1%
Own generation	2,226	1,662	34%
Energy from participations	1,219	1,286	-5%
<b>Electricity procurement</b>	<b>17,883</b>	<b>17,310</b>	<b>3%</b>
<b>Gas business in 1,000 m3</b>			
Sales to end customers	324,073	349,736	-7%
Trading (sales)	3,201,280	1,098,572	191%
<b>Gas sales</b>	<b>3,525,353</b>	<b>1,448,309</b>	<b>143%</b>
Consumption of Teverola gas-fired power plant (Italy)	250,681	178,461	40%

**ELECTRICITY SALES 2019: 17.883 GWH**



**ELECTRICITY PROCUREMENT 2019: 17.883 GWH**

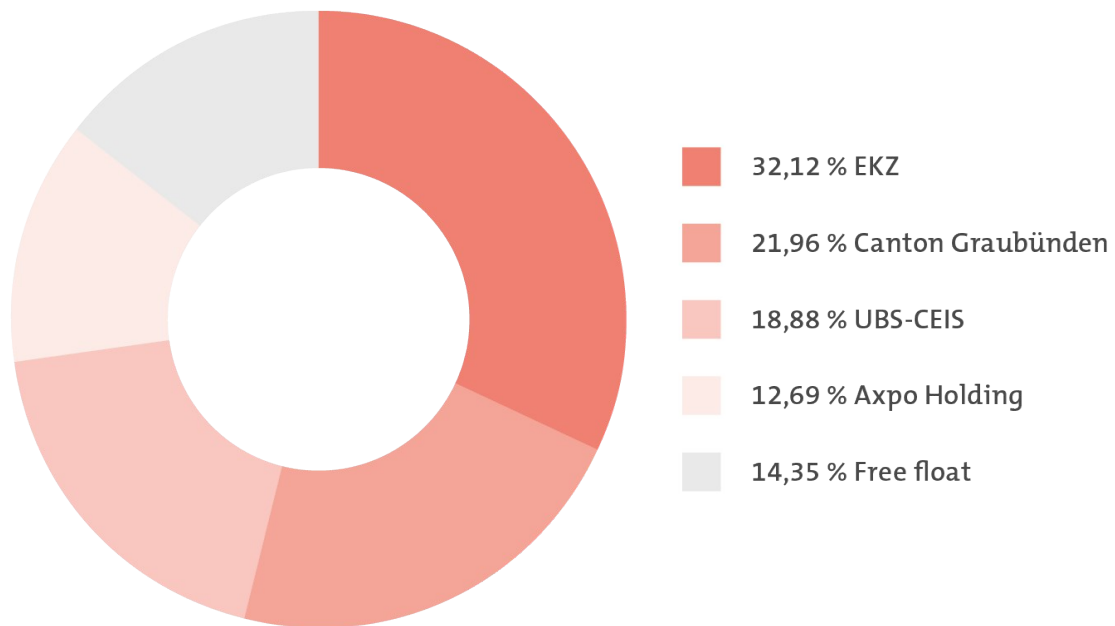


**STOCK STATISTICS**

Share capital	7,390,968	registered shares	@ CHF	1.00	CHF 7.4 million
<b>2019</b>					
<b>2018</b>					
<b>Prices (CHF) on OTC-X, Berner Kantonalbank</b>					
Registered share			High	104	80
			Low	72	66
<b>Dividends (CHF)</b>					
	<b>2019 <sup>1)</sup></b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	
Registered share	2.50	0.50	0.00	-	

1) The 2019 dividend is subject to the decision of the annual general meeting. There are no restrictions or limitations on voting rights.

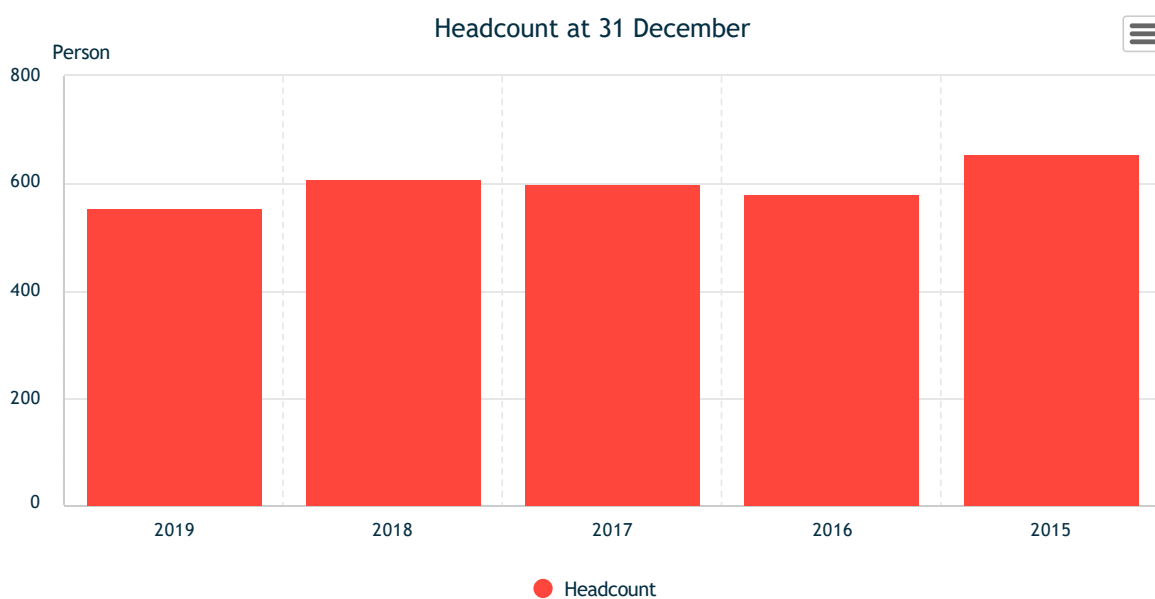
## REPOWER'S SHAREHOLDER STRUCTURE AT CLOSE OF ACCOUNTS ON 31 DECEMBER



## HEADCOUNT

at 31 December	2019	2018
<b>Total <sup>1)</sup></b>	<b>555</b>	<b>610</b>
Switzerland	388	442
Italy	167	168
Trainees	30	30
Sales consultants Italy	510	599

1) For the numbers in full-time equivalents (FTEs) see "Financial highlights" table. Since October 2019 the employees of the former SWIBI AG are no longer been recognised.



## Foreword from the chairman of the board of directors and the CEO



### REPOWER SEES OPERATING INCOME ALMOST DOUBLE

The year 2019 was shaped by negative price developments and a high level of volatility on the electricity markets. Repower defied these conditions, and thanks to the right strategy was able to post excellent results in asset management and trading. In 2019 Repower Italy recorded the highest operating income (EBIT) in its history. At 65.2 million francs, Repower Group EBIT was almost double the previous year's.

## ENVIRONMENT

As expected, the market environment remained challenging in 2019, with the EUR/CHF exchange rate not developing in Repower's favour. Delivery prices were under heavy pressure last year, with baseload electricity prices in Switzerland 21.6 per cent lower than the prior year. In 2019 the price of baseload electricity was around EUR 40.9/MWh in Switzerland and EUR 52.3/MWh in Italy. The market was influenced by various factors: mild winter temperatures, and strong hydropower and wind generation combined with low gas and coal prices. Plans to introduce a capacity market regime from 2022 have led to uncertainty in the Italian market, and it is still difficult to gauge the impact of this on future results at the Teverola combined cycle gas turbine plant. The goal of the capacity market will be to assure grid stability and security of supply in the medium to long term and thus facilitate the political goal of increasing the generation of renewable electricity. The anticipated full liberalisation of the energy market for end consumers in Italy has been postponed another 18 months to 2022.

## RESULTS

Despite the difficult market conditions, Repower saw another improvement in operating results in 2019. At CHF 1.9 billion, 2019 total operating revenues were 7.3 per cent down on the previous year's figure. At 65.2 million francs operating income (EBIT), by contrast, was significantly higher than in 2018 – with an outstanding year in Italy making a major contribution.

Repower proved that with the right strategy it is also able to operate profitably in a difficult market. A skilful hedging and management strategy enabled the company to post excellent results in asset management and trading. Hydroelectric production was significantly better in 2019 than the year before. The Swiss section of the Campocologno–Tirano merchant line, which this year again made a gratifying contribution to EBIT, had to be transferred to Swissgrid in October 2019, and in future will no longer be reflected in Repower's results. In the year under review Repower Italy's efforts to optimally harness the balancing energy market paid off, helping it to an excellent return in this area.

Despite the overhaul of the Teverola combined cycle gas turbine plant, which was conducted as planned during the fourth quarter, the facility again delivered very good results in 2019, in excess of the budgeted figures. The subsidiary Repower Renewable held its own in the market, and at the end of 2019 was at the previous year's level with 164 GWh of electricity generated. This result underscores the high quality of the assets acquired in 2018.

The equity ratio is a solid 45 per cent. There was a significant year-on-year increase in cash flow from operating activities to CHF 126 million; this figure exceeded investment many times over.

## THANK YOU

This excellent result could only be achieved thanks to dedicated employees who believe in the company and work to achieve its goals on a daily basis. We would like to express our warm thanks for their contribution. We would also like to thank our customers, partners and shareholders for the trust they have placed in us.



## OUTLOOK AND OBJECTIVES

Market conditions remain extremely challenging and volatile. Radical change in the energy industry, low energy prices and the impact of COVID-19 on the economy will continue to occupy us for some time to come.

The changes in the energy arena are real and can already be felt. In Germany many nuclear power stations have already been phased out, and the first coal-fired plant is to be removed from the grid in 2020. Not only this, but in 2019 the coal commission agreed to phase out brown coal (lignite) by 2038. Italy also intends to shut down all its coal-fired facilities by 2025, and France is planning to do so by 2022. In December 2019 the Mühleberg nuclear plant in Switzerland was removed from the grid. All the other nuclear plants can continue to generate electricity for as long as they are safe.

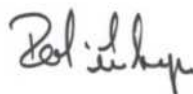
Repower will continue to systematically drive the generation of electricity from renewable resources. The priority in the next few years will be to renovate its hydropower assets in Switzerland, particularly the entire Valposchiavo chain, including the complete refurbishment of the Robbia plant, and to expand generation of solar and wind power in Italy. Thanks to the Teverola combined cycle gas turbine plant, last year Repower was able to make a major contribution to grid stability in the Italian Centro Sud electricity zone. However, given the introduction of a capacity market regime for balancing energy, there is no guarantee that Teverola will continue to make the same contribution to financial earnings in the years to come.

Repower will also drive its partner strategy further ahead in the future. The establishment this year of EVUolution AG with (at present) five partners marks a major step forward in terms of digital solutions “made by the pros for the pros”, underscoring Repower’s ambition of taking a leading role in innovation.

Especially in these times of coronavirus, Repower has demonstrated that it can build on a strong corporate culture, a high level of employee identification, and solid operational processes. Repower will now benefit from the balance sheet built up over recent years, a strong equity ratio and high levels of liquidity. Even though it rates growth prospects as intact overall, given low energy trading prices and the impact of the coronavirus on the real economy, Repower does not expect its 2020 business performance to match the prior year results.



Dr. Monika Krüsi  
Chairman of the  
Board of Directors



Roland Leuenberger  
CEO



Consolidated Financial Statements of the Repower Group

## Comments on the consolidated financial statements

### REPOWER SEES 84 PER CENT YEAR-ON-YEAR INCREASE IN OPERATING INCOME

**HIGHLY VOLATILE MARKET PRICES ENABLE MARKET OPPORTUNITIES TO BE SUCCESSFULLY EXPLOITED – BASIC SUPPLY MAKES STABLE CONTRIBUTION TO EARNINGS – BEST OPERATING RESULTS IN ITALIAN MARKET IN REPOWER’S HISTORY TO DATE**

In 2019 Repower was able to significantly exceed both the prior year’s results and expectations for 2019. After a decline in the first quarter there was very high volatility in prices on the energy market, but no clear trend. As in the previous year, Repower managed to profitably exploit its long position in this market environment. At the same time it could capitalise on volatile energy market prices and the accompanying market opportunities in speculative trading. Also worthy of mention are the continued stability and support provided by earnings from energy supply and another increase in revenues from contracts for third parties. In Italy Repower was able to increase the volumes of electricity and gas sold as budgeted and thus achieve its financial targets. There was an extremely substantial contribution to earnings from marketing energy from the Teverola combined-cycle gas turbine plant on the day ahead market and, in particular, on the balancing energy market. Once again the earnings from this business were significantly better than anticipated. In its first complete year of operation, Repower Renewable in Italy contributed a gratifying result, even if it was slightly below expectations because of the delayed commissioning of a wind farm.

The 2019 financial year ended with earnings before interest and tax (EBIT) of CHF 65 million. Income before income taxes came to CHF 54 million, with annual profit for the year CHF 50 million. Annual profit without minority interests came to CHF 46 million.

The comments on Repower Group’s 2019 financial results below, including the prior-year comparisons, refer entirely to the results stated under Swiss GAAP FER.

At CHF 1,915 million, Repower Group net sales from goods and services were up 8 per cent year on year (prior year: CHF 2,074 million). The main reasons for this were a slight decline in energy trading turnover in both Switzerland and Italy. Sales revenues in Italy were up around 4.6 per cent in local currency. However, the fact that the average euro exchange rate was around 4 per cent lower than the previous year neutralised this effect in Swiss francs, the reporting currency. Gross energy margin improved markedly, up CHF 41 million from CHF 223 million to CHF 264 million. Major factors in this were the gratifying results from energy trading in Switzerland mentioned above and the very efficient deployment of the Teverola power plant on the balancing energy market in response to market demand. Contributions to the CHF 41 million increase break down as follows: Switzerland CHF +16 million, and Italy CHF +25 million.

Operating expenses (without energy procurement) declined by around CHF 25 million year on year to CHF 202 million (from CHF 178 million the year before). An increase in the cost of materials and third-party services (up CHF 17 million) was primarily attributable in Switzerland to expansion in work for third parties and the development of new products. In Italy this increase was due to higher costs at Repower Renewable (which saw its first complete year of operation) and an increase in compensation paid to the sales network. An increase in personnel expense (up CHF 3 million) is related to a one-off deposit by Repower to the pension fund to compensate for the reduction in the conversion rate in Switzerland. An overall increase in operating expenses (up CHF 3 million) was due to expenses in connection with the development of new products, the refinement of IT systems, and efforts to grow sales in Italy. A substantial year-on-year increase in energy generated resulted in higher concession charges (up CHF 1 million).

Scheduled depreciation/amortisation came in at CHF 52 million for 2019, up CHF +6 million on the previous year. This increase is due primarily to Repower Renewable's renewable generation assets in Italy combined with the fact that this was the company's first full year of operation. Unlike the previous year, only a slight impairment charge (CHF –1 million) was taken in the year under review.

There was a year-on-year improvement in financial results, with a loss of CHF 12 million versus a loss of CHF 16 million the previous year. The growing strength of the franc led to a slight year-on-year increase in currency losses, up CHF 1 million to CHF 10 million. However, thanks to hedging transactions it was possible to substantially neutralise this effect. The year under review saw an increase in interest on financial liabilities from CHF 9 million in 2018 to CHF 11 million in 2019 because of Repower Renewable. There was a positive effect of around CHF 4 million resulting from the remeasurement of the recoverability of a financial investment.

Repower Group posted earnings before interest and taxes (EBIT) of CHF 65 million, around 84 per cent higher than the CHF 35 million recorded the previous year. Another very positive development was a substantial increase in funds from operations (FFO), up to CHF 103 million from CHF 60 million the previous year. FFO is an important additional performance indicator for Repower alongside cash flow from operating activities, representing cash flow before change in net current assets and taxes paid.

Repower posted group earnings of CHF 50 million for 2019 (prior year: CHF 16 million). This significant year-on-year increase is very gratifying, and was due to improvements in various key earnings components in both Switzerland and Italy.

After an increase the previous year resulting from the acquisition of renewable generation assets in Italy, there was a decline in tangible assets (down CHF 28 million) without any notable additions or disposals. A year-on-year decline in inventories (down CHF 24 million) was the result of the winding down of gas inventories. Finally, net investment in short-term investments resulted in an increase in securities (up CHF 44 million).

## OUTLOOK

Over the year under review Repower was able to exploit a number of market developments to its benefit to achieve gratifying results. In addition to the regulatory aspects of the energy transition, the current financial year will be dominated by two challenges: the development of energy trading prices, which are currently very low, and the impact of the coronavirus on the real economy. COVID-19 will exacerbate what were already challenging market conditions, and uncertainty around the political and market framework will remain. The environment for the energy industry cannot be expected to become much more stable in the coming year. Energy prices will remain highly volatile. The economic impact of the coronavirus in Switzerland, and even more so in Italy, is difficult to predict. Repower will benefit from the balance sheet built up over recent years, a strong equity ratio and high levels of liquidity.

Basically the company can still anticipate growth. But given that energy prices are at such low levels and that the economic implications of the coronavirus crisis cannot yet be assessed, Repower does not expect its 2020 business performance to match the prior year results.



Annual report

## Repower Switzerland

Repower closed the year with EBIT of 29.8 million francs, 70.3 per cent up on the prior year. There was a year-on-year increase of around eight per cent in hydropower generation, and overall electricity sales came to a tidy 10 TWh or so. A skilful hedging and management strategy enabled Repower Switzerland to post excellent results in asset management and international trading.

### PARTNERSHIPS

Repower has moved forward systematically with its partner strategy in various different areas. At the end of November 2019, energy services companies EcoWatt AG, Sacin AG and SWIBI AG merged, commencing joint operations as esolva ag on 1 December. The combination of these three entities has created a business with great potential for development and growth in an increasingly challenging market. Esolva ag is held as follows: around 40 per cent by Repower AG, and approximately 30 per cent each by St.Gallisch-Appenzellische Kraftwerke AG and EKT Holding AG, plus small shareholders.

Also as part of the partner strategy, Repower, Repartner Produktions AG and its ten shareholding utilities in Switzerland and Liechtenstein have signed agreements governing the transfer of the Prättigau power generation assets, including the relevant concessions, to Repartner Produktions AG on 1 January 2020. Repower holds a 51 per cent interest in Repartner Produktions AG and will continue to maintain, operate and manage the Prättigau facilities.

The idea of establishing the joint venture tiko Energy Solutions AG also goes back to Repower. In 2012, Repower and Swisscom decided to invest in a company working to shape the future of intelligent energy use. To take the next steps along the growth track, tiko now has to go international. At the beginning of the year it found a very good partner to help it do so in the form of the French energy group ENGIE. ENGIE employs 150,000 people and operates on all five continents. The energy group became the principal controlling shareholder in tiko. Swisscom and Repower still hold interests in the company.

Repower has a long history of collaboration with Rhaetian Railway (RhB) that started over 100 years ago with the supply of electricity to Kraftwerke Brusio's power plants. We discussed this partnership with RhB director Renato Fasciati:

## INTERVIEW

### RENATO FASCIATI, DIRECTOR OF RHB (RHAETIAN RAILWAY)

A HUNDRED YEARS AGO THE GREAT CHALLENGE FOR RHB WAS ELECTRIFICATION. WHAT CHANGES ARE RHB HAVING TO DEAL WITH NOW?

RhB is in a thoroughgoing modernisation phase. Besides maintaining our assets, expanding our infrastructure and plans to extend our offering, we're in the midst of RhB's biggest ever rolling stock procurement project: putting the new Capricorn electric multiple units into service. Naturally the opportunities and challenges of digitalisation are an important topic for us as well.

IN 1910 REPOWER'S LEGACY COMPANY KRAFTWERKE BRUSIO AG SIGNED ITS FIRST ELECTRICITY SUPPLY AGREEMENT WITH RHB. THE BUSINESS RELATIONSHIP HAS LASTED TO THIS DAY. WHAT DO YOU THINK IS THE SECRET OF ITS LONGEVITY?

It's true: Kraftwerke Brusio AG signed its first electricity supply agreement with Berninabahn-Gesellschaft (BB), which was subsequently taken over by Rhaetian Railway in 1943. The partnership has always been founded on mutual respect, professionalism and the common Grabünden roots that bind us.

A HEALTHY RELATIONSHIP ALSO INVOLVES REGULARLY SETTING NEW SHARED GOALS. FOR EXAMPLE RHB IS NOW USING REPOWER'S EASYASSET. WHAT HAS RHB'S EXPERIENCE BEEN WITH THE NEW ASSET MANAGEMENT TOOL?

Since 2018 we've been using the EASYASSET tool, customised to our needs, to do preventive maintenance on our control systems. New asset data are added on an ongoing basis. EASYASSET is well established with our staff. It's easy to handle and enables us to optimise our processes.



## INVESTING IN THE FUTURE

In line with our strategy of generating electricity only from renewable resources, we continue to invest in wind power. In 2019 Repartner Wind GmbH added another turbine to its wind farm in Lübbenau, Germany. This involved investment of some EUR 6.8 million.

PLUG'N ROLL, Repower's Swiss-wide full-service provider of electric mobility solutions, recorded impressive growth rates in 2019 and was able to further consolidate its position in the PUBLIC, BUSINESS and HOME segments of the market. Over 2019 as a whole the number of charges made via our systems increased by 353 per cent, with the energy supplied up a whole 602 per cent year on year. Annual sales also doubled, with no change in the cost structure. This is due firstly to powerful growth in the Swiss e-mobility market. Secondly, with the help of new product innovations such as its newly launched load management solution, the new PLUG'N ROLL app and new rapid charging stations, PLUG'N ROLL made a convincing case to existing partners as well as acquiring and delivering new customer projects across industries. Improvements in the billing system, CRM and operations also helped.

PostBus Ltd's involvement with electric mobility includes plans to invest with Repower in the clean public transport of the future. We talked about this in our interview with PostBus Ltd chief Christian Plüss:

## INTERVIEW

## CHRISTIAN PLÜSS, HEAD OF POSTAUTO AG (POSTBUS LTD)

## WHY IS POSTBUS PROMOTING ELECTRIC VEHICLES?

As a quasi-federal entity operating as Switzerland's largest public-sector bus operator, it goes without saying that we play our part in reducing carbon emissions. Because battery-driven buses are the furthest advanced of any alternative drive technologies, this is the option we're backing at present.

## WHY DOES POSTBUS NEED REPOWER AG AS A PARTNER?

PostBus knows how to plan the deployment of buses in public transportation, as well as operating them on a day-to-day basis. But electromobility raises new questions around setting up and running the charging infrastructure and providing renewable energy to charge vehicle batteries. In this area we're glad to be able to rely on strong partners such as Repower.

## HOW HAS THE PARTNERSHIP WITH REPOWER GONE SO FAR?

In June 2019 we signed a letter of intent. Now we're in the process of firming things up to turn our initial visions into a viable project. We're very satisfied with our collaboration. Both partners have a common goal. They complement and support each other profitably.

## WILL POSTBUS AT SOME POINT BE USING ELECTRIC VEHICLES ON A ROUTINE BASIS?

PostBus intends to put 100 electric vehicles into service by 2024. In the longer term we want to operate a fleet that runs without fossil fuels. At the moment we're going with electric buses, but at the same time we're monitoring developments in fuel cell technology and synthetic fuels.



## REPOWER PROJECTS

*Modernisation of hydropower assets in Valposchiavo*

The decision of voters in the municipalities of Poschiavo and Brusio to approve changes in the concession on 19 May 2019 marked an important step along the way to comprehensively modernising the company's hydropower assets in Valposchiavo. The project revolves around the complete renovation of the Robbia power plant, for which Repower was granted a Swiss Federal Office of Energy investment grant running into the double-digit millions in March 2019.

Various contracts for the renovation are currently being put out to tender to enable the work to commence on schedule in May 2020. Repower plans to invest a total of around 150 million francs in its Valposchiavo hydropower assets. The work will include fish protection, fish accessibility and revitalisation measures.

The upgrade of the water protection set-up at Miralago requires measures to connect the river Poschiavino along its length where the Lago di Poschiavo lake discharges to allow fish to navigate, as well as a fish protection set-up at the intake. Unfortunately it was not possible to start construction at Miralago in autumn 2019 because the Swiss Federal Office for the Environment had not yet granted funding for the relevant fish accessibility and protection measures. Construction has been postponed, probably by a year to autumn 2020.

### Enhancing St. Antönien grid and connecting Schanielabach power plant

Repower has laid a five-kilometre-long underground cable to connect the Schanielabach power plant to the grid. The line runs through almost impassable territory into the rock wall of a 100-year-old water tunnel, right down to Küblis. In addition to connecting the Schanielabach plant to the grid, this move also makes the supply of electricity to the villages of St. Antönien and Ascharina considerably more reliable.

This was discussed in more detail in our interview with Christian Kasper, mayor of Luzein:

## CHRISTIAN KASPER, MAYOR OF LUZEIN

IN 2019 REPOWER CONNECTED ST. ANTÖNIEN AND ASCHARINA TO THE ELECTRICITY GRID VIA A HIGH-CAPACITY UNDERGROUND LINE. WHAT'S THE ADVANTAGE FOR ST. ANTÖNIEN UND ASCHARINA?

It has really major advantages. The new line gives us security of supply. With the overhead line we used to have, we repeatedly had problems and prolonged outages in winters with a lot of snow. And in bad weather it was difficult to fix the problems.

HAVE THERE BEEN ANY MORE POWER CUTS SINCE THE NEW LINE HAS BEEN IN OPERATION?

No, no outages at all. We're very happy about that. In the winter of 2018 we experienced not having electricity for three days. The phones didn't even work. Without a mobile you soon have a problem in a situation like that. "As uh Narratheater" – a real drama – as we in the Prättigau would say.

THIS ADDITIONAL LINE CAPACITY ALSO MEANS THAT ST. ANTÖNIEN AND ASCHARINA CAN NOW EXPLOIT THEIR FULL SOLAR POTENTIAL. HOW WOULD YOU RATE THE POTENTIAL?

Huge! If we were able to build a solar power installation by the avalanche protection structure on the Chüenihorn the potential would be very great indeed. We don't yet know precisely how the federal government intends to assure security of supply. But with the Chüenihorn we'd have a cut and dried project that could make a contribution to the energy transition. So far the project has failed simply for reasons of economic viability. With the additional line capacity its chances are probably somewhat better again.



### Bever grid linkage

The Bever grid linkage project involves permanently joining the new 110-kV grid run by Engadiner Kraftwerke (EKW) with Repower's existing 60-kV grid in the Upper Engadine. This involves total investment of CHF 4.9 million. The project covers the dimensioning, engineering and assembly work. The necessary execution and commissioning work was done while the 60 kV switchgear was running. The new components were successfully commissioned in mid-November 2019. Once the remaining work has been completed, the project will be concluded at the end of June 2020.

## WORK AND SERVICES FOR THIRD PARTIES

In 2019 Repower again demonstrated its prowess as a provider of services to third parties, with orders for technical work of over 20 million francs, around 50 per cent higher than the previous year.

### General contractor job for Mendrisio

The opening of the Gotthard and Ceneri base tunnels has boosted rail transportation capacity on the Gotthard axis and increased power requirements. It is necessary to build a frequency inverter and a 16.7 Hz substation in the Mendrisio Tana area. At the same time the 50-year-old substation run by Aziende Industriali Mendrisio (AIM) has to be replaced.

Having won the tender, Repower has taken charge of planning, executing and commissioning two turnkey substations, including all the technical equipment necessary for operation and the preparatory construction work for the new frequency inverter in Mendrisio. Building work on the first substation commenced in January 2019, and the construction could be done on schedule in the course of the year. The substation will be commissioned in stages in the first half of 2020 for handover to AIM. Then construction of the second substation will commence so that it can be handed over to the SBB to operate in December 2021. The contract is worth around 19 million francs.

### Swissgrid grants Repower Lot 12

In Swissgrid's 2019 tender, Repower won the contract for Lot 12 (the maintenance of substations in southern Graubünden) for another three years. This means that it can continue to build on the in-depth know-how gathered in the last five years and continue the good partnership with Swissgrid.

We talked about our partnership with Yves Zumwald, CEO of Swissgrid AG:

## INTERVIEW

### YVES ZUMWALD, CEO OF SWISSGRID

YVES ZUMWALD, THE SWISS ELECTRICITY GRID IS SAFE AND RELIABLE. WHAT IS SWISSGRID DOING TO MAKE SURE THIS CONTINUES TO BE SO IN THE FUTURE?

Digitalisation is creating new options for maintaining and planning lines, and thus for modernising the transmission grid. Not only this, but new market products [products in the marketplace??] are enabling constant optimisation of the utilisation of existing capacities. Last but not least, close cooperation with our European partners is crucial to a reliable supply of electricity.

SWISSGRID WORKS WITH VARIOUS PARTNERS TO MAINTAIN AND MODERNISE ITS 6,700-KILOMETRE-LONG GRID. WHAT CRITERIA DO YOU USE TO CHOOSE THEM?

Swissgrid selects its partners in accordance with public procurement law. Particular emphasis is placed on finding reliable, competent service providers that deliver quality work, know-how and good value for money and which have, if possible, regional roots.

AMONG OTHER THINGS REPOWER HAS ALREADY PLANNED A 220 KV SUBSTATION IN AVEGNO ON BEHALF OF SWISSGRID, AND IS ALSO RESPONSIBLE FOR MAINTAINING YOUR SUBSTATIONS IN SOUTHERN GRAUBÜNDEN. WHAT DO YOU LIKE ABOUT WORKING WITH REPOWER?

Avegno was the first substation project Swissgrid undertook with Repower. Repower provided support with planning and execution, as well as managing commissioning. The entire team consisted of reliable planners who managed the project well and completed it on schedule. The good availability of the Repower team was also praised by the municipal authorities in Avegno Gordevio.





### SBB optimisation system service

The SBB has renewed Repower's contract to provide optimisation system services for a further four years. The system allows the SBB to optimise its entire portfolio, and is used for short-term power plant deployment, in the budgeting process, and for project evaluations. In addition the service includes price forecasting, market information and market access. Various refinements and developments are also planned.

In future the system will also use the functions of ENERGYSACE, a web-based portfolio management platform. The plan is to integrate dynamic evaluation of future projects within the portfolio. Other new features will include a price forecasting model for grid costs and detailed optimisation options.

### Pradella substation: expansion of 380 kV gas insulated switchgear

Swissgrid's project involves refurbishing the secondary systems to expand the existing GIS switchgear at the Pradella substation near Scuol. The project encompassed dimensioning, engineering, delivery, assembly and commissioning for the replacement and expansion of the entire secondary systems. Most of the assembly work had been completed by the end of 2019. The plan is to commission the new secondary systems and the expanded high-voltage equipment in stages until autumn 2021. The project is due for completion by 2023. The contract will be worth around CHF 1.8 million.

### Other work and services for third parties

As in previous years, in 2019 Repower also successfully worked on various jobs related to Engadiner Kraftwerke's high- and medium-voltage equipment. Last year Repower's current contract with EKW for grid services such as planning, operation and maintenance, as well as the expansion of the high and medium-voltage grid, was renewed for another ten years. EKW director Michael Roth talked with us about the successful collaboration with Repower:

## INTERVIEW

### MICHAEL ROTH, ENGADINER KRAFTWERKE AG DIREKTOR

MICHAEL ROTH, ENGADINER KRAFTWERKE COMMISSIONED REPOWER TO COMBINE ITS NEW 110 KV GRID (EKW) WITH THE EXISTING 60 KV GRID (REPOWER) IN THE UPPER ENGADINE. HOW DID THE WORK GO, AND HOW WAS THE PARTNERSHIP?

A number of years ago Repower and EKW realised that joining the two grids would have benefits and took the necessary steps. The conversion work went without any appreciable problems. The specialists at the two companies have known each other for years and collaborate on a professional and comradely basis. This is very helpful in difficult stages of a project.

WHY DOES ENGADINER KRAFTWERKE AG NEED A PARTNER FOR THIS TYPE OF WORK?

Given the fairly modest number of our own assets and the work involved, EKW can't deploy its own specialists for every issue. For this reason we're glad to be able to draw on highly qualified professionals from other companies as and when we need them.

EKW HAS DECIDED TO CONTINUE ITS GRID SERVICES AGREEMENT WITH REPOWER. WE'D LIKE TO THANK YOU FOR THE TRUST YOU'VE PLACED IN US. WHY DID YOU CHOOSE REPOWER?

The irregular workload and the trend to wired, low-maintenance grid installations prompted us to seek cooperation in our grid business. Repower's experience and geographic proximity were decisive factors. Now we can look back on five years of successful cooperation which we couldn't imagine living without. On the contrary, our experience has confirmed that the decision to work together back then was the right one.



As a subcontractor working on behalf of ABB Power Grids Switzerland AG, in 2019 Repower did assembly work on new construction projects at other Graubünden utilities. The services involved assembling primary and secondary systems. Repower also did work for its longstanding business partner RhB (Rhaetian Railway) in 2019. One contract involved modifying the feeders and contact lines at the southern portal of the Vereina tunnel in Sargliains. In addition, Repower adapted and enhanced the software in connection with the conversion of the testing sequences for the contact lines. Last year Repower also assumed overall construction management on behalf of RhB for the installation of two new photovoltaic installations.

Thanks to the long years of experience and expertise of its staff, during the year under review Repower was able to further consolidate relationships with existing customers and acquire new ones. During 2019 the company worked on numerous small contracts for various utilities and site network operators, including maintaining grid and generation assets, expanding and maintaining lighting, advice and specialist work on high-voltage installations, and troubleshooting of all types.

The digital future of energy is a matter concerning utilities large and small. In this interview Cla Filip Pitsch, CEO of PEM (Providimaint Electric Val Müstair), explains why working with a large energy provider like Repower is so important to him:

## INTERVIEW

### CLA FILIP PITSCHE, CEO OF PEM (PROVEDIMAINTE ELECTRIC VAL MÜSTAIR)

#### PEM WAS ESTABLISHED IN 1955. WHAT HAS CHANGED SINCE THEN?

In many areas electricity providers have to meet greater challenges. In 1955 PEM operated primarily in the valley itself. These days, even as a small energy provider you're part of the greater whole, which also means you have to meet all the federal rules and regulations. Digitalisation has also arrived at PEM. A good example is smart meters. We used to bill on the basis of a meter, or even on a flat basis. Now things are much more complex.

#### REPOWER ALSO OFFERS ITS SERVICES ON A "MADE BY THE PROS FOR THE PROS" BASIS. WHY DO UTILITIES NEED THE HELP OF OTHER UTILITIES IN THE FIRST PLACE?

Energy companies have to adapt and change regularly in response to requirements set by politicians. A small utility like us can no longer cover all these bases on its own. Implementing all the new requirements correctly inevitably stretches small utilities beyond their limits. Our staff are all so heavily involved in daily business that in certain situations we rely on the help of large companies such as Repower.

#### PEM AND REPOWER HAVE ALREADY DELIVERED A NUMBER OF SUCCESSFUL PROJECTS TOGETHER. WHAT DO YOU LIKE ABOUT WORKING WITH REPOWER?

The lines of communication are short, and the way we work together is no-nonsense. Repower is very quick to grasp our needs in Val Müstair. One of the reasons for this is certainly that both companies operate in Graubünden. For example we don't have to explain to Repower the difference between winter and summer operation in the mountains. This makes communicating and working together easier.

#### YOU'VE ALREADY MENTIONED THE EXAMPLE OF SMART METERING. PEM HAS ALREADY INSTALLED SMARTPOWER (REPOWER'S SMART METERING PROJECT) WITH CUSTOMERS ON A PILOT BASIS. WHAT'S BEEN YOUR INITIAL EXPERIENCE?

In the run-up we spent a long time looking for a suitable smart meter. The only thing that convinced us was Repower's solution. The technical concept behind SMARTPOWER best matched our ideas. Our initial experience has been good. Naturally there are always teething problems and challenges to be resolved during the pilot phase. But we're still convinced by the product and are planning the rollout throughout the entire valley.



## SUSTAINABILITY

Repower used around 400,000 francs from the naturemade star fund to upgrade the Cavaglia plateau environmentally and agriculturally. The goal of these revitalisation measures was to create a mosaic of different habitats with open expanses of gravel, pioneer communities and forest and shrub ecosystems. These measures were made possible by Repower's naturemade star fund, financed by green power from the Palü and Cavaglia power plants. Repower customers choosing the PUREPOWER product pay a premium in return for high-quality certified green power from Graubünden. The premium is earmarked for specific regional environmental protection projects and the energy transition.

Thanks to collaboration between the "100% Valposchiavo" brand and Repower, since October 2019 there has also been Valposchiavo hydropower with the "100% Valposchiavo" certificate, sold as H2O Valposchiavo. This marks the addition of energy to the range of 100% Valposchiavo products. The first major customer for H2O Valposchiavo is the municipality of Poschiavo itself, which has been supplying this type of power to its consumers as standard since the beginning of 2020.

Repower actively supports efforts to promote the increased use of solar energy. Those who generate solar power in Repower's supply area are rewarded:

# Generating electricity locally – on the rooves of Canton Graubünden

A major Swiss retailer sells a whole range of domestically produced foods under the banner “made locally for local people”. This also applies to the solar power generated in Repower’s supply area.

## Repower actively supports expansion of solar energy generation

Direct from roof to socket: electricity can’t be produced any more locally than that. People who generate solar power for their own use are champions of sustainability and local production. All that’s required is a sunny location and a suitable surface to install solar panels. If a photovoltaic installation produces more electricity than you need for your own use, the surplus has to be taken up and paid for by the local electricity company. Rather than seeing this rule as an inconvenient obligation, Repower wants to actively support the increased production of solar power. For this reason it currently offers producers of solar power a price of 12 cents per kilowatt hour (including acceptance of guarantees of origin). That’s one of the highest remuneration tariffs paid in Switzerland. In recent years there has been a steady increase in the number of solar power producers from whom Repower buys electricity. At the end of 2019 there were a good 400 producers all over Graubünden.

## The more consumed, the more generated

This development, and particularly the high feed-in tariff, is only possible because Repower also have customers that use green power and pay a premium for it. For example SOLARPOWER, consisting of 100 per cent Graubünden solar power, costs 9.6 cents per kilowatt hour more than the standard product AQUAPOWER consisting of 100 per cent renewable energy. The more customers buy SOLARPOWER, the more solar power Repower can buy from private producers. And the greater the demand, the more Repower can pay private producers for their solar power. In other words, customers choosing SOLARPOWER are directly driving the continued expansion of photovoltaic generation capacity in the region.

## SUN@HOME: turnkey solar installations

Demand for photovoltaic installations on the part of private energy consumers is great, as is the remaining potential. In addition to paying attractive feed-in tariffs to small producers, Repower also promotes solar energy planning, constructing and operating of solar installations. Last year it launched SUN@HOME in its supply area, a solution for using and storing energy from the sun that also enables customers to optimise their own energy consumption. In concrete terms, the SUN@HOME free and easy package covers the planning and installation of turnkey solar installations, meeting growing demand on the part of Repower’s customers.

Gradually more and more green solar energy is generated on the roofs of Graubünden and supplied to environmentally aware customers in the form of SOLARPOWER – all produced locally for local people.

## Facts and figures on the generation of solar power

Number of private electricity producers in Repower’s supply area (with guarantees of origin)  
**440 (2019)**

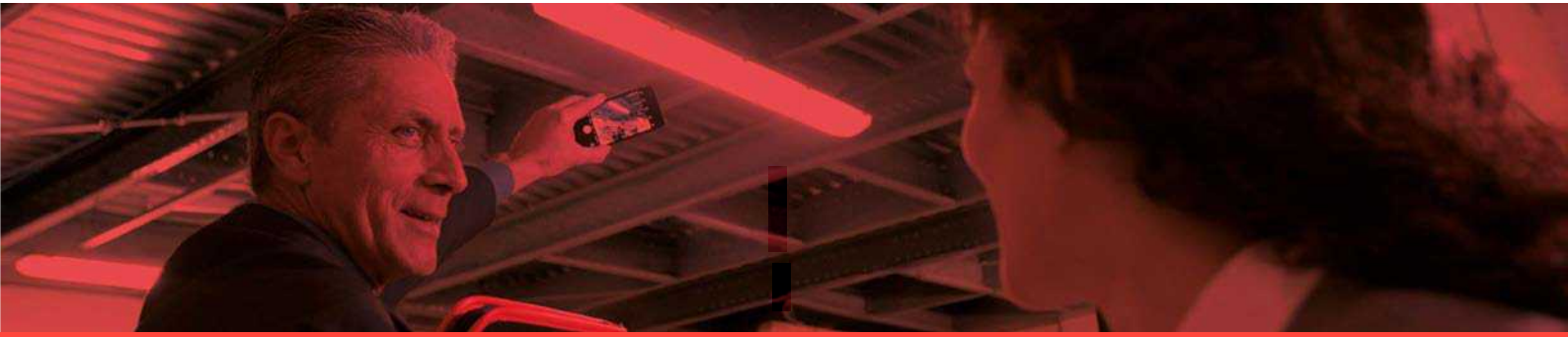
Remuneration tariff paid by Repower (excluding GoO)  
**8 cents/kWh (2019)**

Remuneration tariff paid by Repower (including GoO)  
**12 cents/kWh (2019)**

In 2017 Repower launched two green bonds totalling 50 million euros to finance various renewable electricity generation assets. The two transactions underpin the execution of Repower's strategy. Every year Ernst & Young verifies the corresponding financial information on the basis of the promissory note agreement. The insights gained from this audit are set down in a report on the actual findings on financial information in connection with the issue of promissory notes. The requirements set down in the promissory note agreement were met.

#### EBIT CONTRIBUTION

In 2019, Repower Switzerland posted operating income (EBIT) of CHF 29.8 million.



Annual report

## Repower Italy

With EBIT of 50.9 million francs, Repower Italy recorded the best operating income in its history, surpassing the prior-year result by 73.7 per cent. Last year the company served 44,250 electricity consumers and 17,115 gas customers, all small and medium-sized enterprises (SMEs). The gratifyingly high volumes of renewable energy generated underscore the quality of the assets acquired in 2018 with Repower Renewable S.p.A. Repower Italia S.p.A.'s subsidiary generated similar volumes as in the prior year, producing 142 GWh of wind power, 17 GWh of solar energy and 5 GWh of hydroelectricity. Two additional wind installations owned by Repower Italy generated 32 GWh, better than budgeted. Despite the overhaul of the Teverola combined cycle gas turbine plant, which was conducted as planned during the fourth quarter, the facility delivered extraordinarily good results. The plant generated 785 GWh of electricity, 46.6 per cent up on the prior year.

### MARKETING AND COMMUNICATIONS

In 2019 the “I’ve got Repower” campaign was launched with the aim of boosting Repower Italy’s positioning and brand recognition. It was a great success and attracted a lot of attention. Repower wants to use the expressive, highly recognisable commercial, borrowing from the song “The Power” from Snap!, to reach a broader audience.

In 2019 a new power product called DUCALE was launched, combining the pool price with a fixed price. A formula is used to divided the supply period into two periods: in the first six months, the electricity consumed is priced on the basis of a single price, specified by the product, between the national single price (PUN) and actual consumption. From the seventh month on, the power consumed is priced at a single, fixed hourly price.

### ELECTROMOBILITY AND INNOVATIONS

In March 2019 the third edition of the “White Paper” on sustainable transportation and electric vehicles powered by Repower was presented to an audience of media representatives and other people interested in mobility. Each edition of the White Paper generates an even greater response, and it is now seen in Italy as a relevant, independent source for anyone wishing to get an overview of a constantly evolving industry.

Repower Italy is putting a great deal of effort into driving electromobility forward. The promotional tour for the Repower<sup>e</sup> electric boat, launched back in 2018, also got a great response in 2019, with the vessel making its way in Italy from Lake Varese and Lake Garda and from Liguria to Lake Lugano before being presented to the local media in Lugano too. The mayor of Lugano, Marco Borradori, himself committed to emission-free vehicles, showed particular interest in this technology. The tour showcased the Repower<sup>e</sup> electric boat as a flexible and efficient mode of transport that is a silent, environmentally friendly way of discovering the beauty of nature.

Repower Italy has also been able to tap into a rapid increase in sales of electric bikes in Italy in recent years. In northern Europe lightweight three-wheel vehicles are also very popular, with clear advantages over cars and vans in urban environments with narrow streets. This prompted Repower Italy to commission the well-known industrial designer Makio Hasuike to design three-wheeled electric vehicles of its own. The result is two cargobikes, the LAMBROgio and the LAMBROgino. These lightweight three-wheelers with pedal assist can be used in a wide range of settings, from urban transportation and logistics to commercial and industrial use.



### REPOWER ITALY AWAY FROM HOME

Repower Italy is also taking its products abroad. Among other things it was one of the 30 select Italian companies given the opportunity to showcase their design products at the China International Import Expo (CIIE), presenting the aesthetically pleasing E-LOUNGE, a multifunctional bench with charging facilities for electric bikes and mobile devices. The E-LOUNGE demonstrates how design and innovation can help promote smart cities. The bench, which was designed by Milan studio Antonio Lanzillo & Partners, marries award-winning Italian design with Swiss technology and craftsmanship. Its good looks and functionality have earned the E-LOUNGE a gold German Design Award.

The new cargobikes and the E-LOUNGE were also presented in public at other fairs in the course of 2019. The LAMBROgio and LAMBROgino were unveiled for the first time in spring 2019 at the world's most important design event, the Design Week in Milan. We also provided eight E-LOUNGES for the site under the banner of solutions for living and the smart city. At the Esposizione Internazionale Ciclo e Motociclo (EICMA), the world's biggest fair for the entire two-wheel sector, the focus in autumn 2019 was on the two cargobikes, while E-LOUNGES were provided for visitors to rest and charge their mobile devices.

### SUSTAINABILITY

In addition to promoting sustainability in energy terms, Repower Italy deliberately thinks outside the box. This includes initiating "Repower on board", a programme promoting investment in companies and projects around sustainable products and sustainable living. Among other things this has resulted in support for Planet Farms, a business working in vertical farming, a technology using multistorey buildings to enable viable agriculture and the mass production of plant and animal products in built-up urban areas without environmental pollution or pesticides. Repower Italy holds an interest in Planet Farms, which in 2020 will commence operations with a vertical farm in the Milan area, so far the biggest of its sort in Europe.

Repower Italy has also combined energy with innovation. Among other things this spawned the idea for the Premio Speciale Repower innovation prize, awarded for the second time in 2019 in conjunction with the Premio Gaetano Marzotto, the most important award for start-ups at the European level. The award goes to a start-up business that is developing particularly innovative products. The winner of the ninth Premio Gaetano Marzotto, presented on 21 November 2019, was RiceHouse, a young company that converts waste from Italian rice processors into an environmentally friendly material for all types of construction, as well as a clean energy resource.

Our clients also place great emphasis on sustainability and value what Repower has to offer. Pastificio Cirigliano, for example, a company that has been a customer of Repower Italy for many years, opted two years ago for Verde Dentro, the product featuring electricity from 100 per cent renewable resources. Antonio Cirigliano, one of the brothers who owns the family business, explained why this environmental awareness is so important for them and their customers:

## INTERVIEW

## ANTONIO CIRIGLIANO, CO-OWNER OF PASTIFICIO CIRIGLIANO

## PASTIFICIO CIRIGLIANO: FRESH PASTA WITH A GREEN HEART!

Italian quality, two generations of entrepreneurs who started as a small bakery in Moliterno (Potenza) in the Basilicata, and an eye to the environment: these are Pastificio Cirigliano's recipe for success. The pasta factory produces fresh pasta from local ingredients according to traditional methods, including drawing the pasta through bronze moulds and drying it naturally.

For the last eight years, Cirigliano has been using products and services from Repower. For the last two years it has also been using Verde Dentro: Repower supplies the company with electricity from 100 per cent renewable resources with double certification. With this environmental awareness increasingly appreciated by customers, Cirigliano has decided to print the Verde Dentro logo on the packaging of its pasta. We talked about this in our interview with Antonio Cirigliano, one of the three brothers who own the business.

## WHERE WOULD YOU SAY THE STRENGTH OF YOUR BUSINESS LIES?

In the high quality of our pasta. It's a genuine Italian artisan product. It all started with a small bakery started by our father back in the sixties; over the years we grew, first with the addition of two milling plants in Spinosa and Moliterno (Potenza), then with our pasta factory. We produce on an artisan basis, not industrially. Our customers love our pasta because it reminds them of the homemade pasta their mothers and grandmothers made. We're close to our local customers, but our clientele also includes major retailers from all over Italy. We also export to the UK, Spain and Switzerland.

## WHAT REPOWER SERVICES DO YOU USE?

Repower has been supplying us with electricity and gas for the last eight years. Two years ago our Repower sales consultant suggested that we use green power in the form of the Verde Dentro package. This certifies that the electricity and gas we use are 100 per cent clean. This is crucial for us, because we want to produce artisan products with respect for the local area and the natural environment.

## WHERE DOES THE RELATIONSHIP WITH REPOWER SCORE HIGHLY WHEN IT COMES TO ADVISING YOU AND TAKING ACCOUNT OF YOUR SPECIFIC SITUATION?

A business consists of people, so personal relationships are very important to us. We feel very well-looked-after at Repower because they take account of our specific needs. We have an excellent relationship with our consultant. The service is outstanding: Repower helps us to constantly monitor our energy consumption, and our consultant gives us good advice on how to save energy in our production processes – a key factor when it comes to keeping our costs in hand. It's a competent company that we can rely on to give us good advice and resolve any problems early on.



THE VERDE DENTRO LOGO ALSO APPEARS ON YOUR PACKAGING. WHAT'S THE BENEFIT IN TERMS OF YOUR COMMUNICATIONS? HOW HAVE YOUR CUSTOMERS RESPONDED?

It's been very positive for our image and reputation. Our customers want information, and ask us what Verde Dentro means. They're getting more and more aware about environmental matters; particularly here in Basilicata, where we have the biggest oil reserves in Continental Europe, customers are glad to see a small business like ours caring about clean energy and using renewable resources.



Efforts to expand the RICARICA 101 electric vehicle charging network in Italy continue. Many winegrowers wishing to offer their guests an EV charging point have also joined the network. For many years the wine business has been a special area of focus for Repower Italy, and the company is proud of its cooperation with Vinibuoni d'Italia. The joint aim of the two organisations is to promote the culture of wine and sustainable transportation. At the new edition of the Meran/Merano wine festival there was an award for the winegrowing property doing the most to promote efficient consumption, electric transport and the use of renewable electricity. The award went to Produttori di Manduria, a property in Manduria.

One of these winegrowing properties that promote electric transport and use electricity from renewable resources is Venica & Venica. Ornella Venica, who manages the property, talked to us about her operation and the very special relationship she and her family nurture with Repower:

## INTERVIEW

### ORNELLA VENICA, WINE RESORT VENICA & VENICA MANAGER

#### VENICA & VENICA: PASSIONATE ABOUT WINE AND NATURE SINCE 1930

Venica & Venica is a family-run winegrowing property with 40 hectares of vines in the DOC Collio area. The Venica family has lived in Dolegna del Collio in the province of Gorizia since 1930. Back then, grandfather Daniele acquired the house and the surrounding land, which he worked as a tenant farmer in rhythm with nature.

Thanks to an innovative approach and ongoing research, Daniele's grandsons, Gianni und Giorgio, have managed to give the winegrowing business an environmentally-friendly identity, creating the Wine Resort Venica & Venica. Venica & Venica spokesperson Ornella tells us about a corporate culture rooted in good, tried-and-tested practices and respect for the environment, people and the community.

#### WHERE WOULD YOU SAY THE STRENGTH OF YOUR BUSINESS LIES?

The most important factor is definitely the beautiful location of our vineyard among the hills of the Collio, with the Julian Alps in the background. We're not far from the border with Slovenia, and it's only ten kilometres to UNESCO World Heritage Centre Cividale del Friuli.

We offer guests the opportunity to visit our historical cellars and taste our wines. Our hospitality business also includes the Wine Resort, with six rooms and two apartments where guests can spend relaxing holidays enjoying the smells, sights and sounds of our unique region.

#### SUSTAINABLE TRANSPORTATION AND HIGH-END ACCOMMODATION: WHY DO YOU THINK THAT'S SUCH A WINNING COMBINATION?

These days you can't talk about quality of life and hospitality without taking account of the environment. Some examples? Since 2006 we've been using solar modules to produce electricity and domestic hot water.

A year after that we acquired a 60 kilowatt wood-fired boiler fuelled from our own woodland, which we use to heat the cellar and provide hot water to the rooms.

Since 2011 we've been part of the V.I.V.A. SUSTAINABLE WINE project, a programme initiated by the ministry of the environment to promote the sustainability of Italian wine cellars and evaluate the impact of winegrowing on nature.

Since 2017 our guests have been able to charge their electric vehicles at a PALINA charging station from Repower. This year, to mark our 90-year anniversary, we'll also be installing a Repower E-LOUNGE bench, which also charges electric bikes. This will help promote electric bike tourism in our region.

I think it's safe to say that guests enjoying a stay in first-class holiday accommodation like Venica & Venica see themselves as part of a process in which producers and consumers work hand in hand to make a difference as guardians of the terroir.

#### WHERE DOES REPOWER SCORE HIGHLY WHEN IT COMES TO ADVISING YOU AND TAKING ACCOUNT OF YOUR SPECIFIC SITUATION?

I think our relationship with our Repower consultant, Carlo Uccelli, can best be described as follows: focus on our needs as a customer and personalised, high-quality service. From the outset our relationship was close and based on trust. After a thorough analysis of our business situation (back then we were using the services of one of Repower's competitors) he was able to pinpoint and work on the areas that needed improvement – extremely professionally and with a great eye for detail.

#### WHAT RESPONSES HAVE YOU HAD IN TERMS OF THE VISIBILITY OF YOUR BUSINESS SINCE INSTALLING THE PALINA CHARGING POINT?

It has to be said that it'll be some time before electric mobility is established across the board in this country. What Repower is doing in this respect is really remarkable. We hope success will come as quickly as possible.

We're proud to have a strategic alliance with a company like Repower, and it's something we also noted in our 2019 sustainability report: Repower isn't just an energy provider, but a real ally.

#### WHAT ARE THE ADVANTAGES OF BEING PART OF A CHARGING NETWORK LIKE RICARICA 101 CONNECTING HUNDREDS OF CHARGING POINTS ACROSS ITALY, AS OPPOSED TO OPERATING AS AN INDEPENDENT, INDIVIDUAL CHARGING SERVICE?

The main point of being part of charging network is networking. The more members the better! It means you have integrated, more efficient communications that make everyone involved in the project more visible.



#### EBIT CONTRIBUTION

In 2019 Repower Italy generating operating income (EBIT) of 50.9 million francs, the best result in the history of Repower.



Annual report

## Repower Inside

### VERY GOOD RESULTS FROM 2019 STAFF SURVEY

The results of the 2019 survey of employee satisfaction and commitment were very positive, with Repower staff rating the organisation better in all areas compared with the 2017 poll. Repower is seen as an even better place to work than it was two years ago. There has also been a substantial increase in commitment to the business.

### PRAISE FOR WORKPLACE SAFETY MEASURES

In autumn 2019 various business partners assessed workplace safety at Repower sites as part of our safety evaluation. Without exception, their feedback was very positive. They emphasised Repower's safety policy, the way people prepare for work, the emergency set-up, the well-trained staff, and the organisation and order at construction sites. At Repower safety is thoroughly planned, appropriately trained and implemented, and periodically controlled. Repower also markets its health and safety know-how to other energy utilities. Besides advice and training it provides support with introducing and running health and safety and environmental management systems.

### REPOWER ONE OF SWITZERLAND'S CERTIFIED PROVIDERS OF APPRENTICESHIPS

In 2019 Repower again received the Great Start award for Swiss businesses offering apprenticeships. In a survey of all Repower apprentices, 96 per cent said that the company was the optimum place to train for a trade and start out on a career. Besides taking account of the opinions of apprentices, the award also evaluated the company's strategy, particularly in terms of training.

### REPOWER SWITZERLAND CUSHIONS IMPACT OF LOWER PENSION FUND CONVERSION RATES

Steadily growing life expectancy and declining returns on assets are also forcing the pension fund for Repower employees to adjust its conversion rates. While this results in greater parity between the generations, it does lead to lower pensions for future retirees. To cushion the effects of this reduction at least in part, Repower's management and board of directors have decided on compensatory measures, with employees aged over 50 benefiting from a one-off payment into the pension fund.

### REPOWER UNDER NEW LEADERSHIP

After 11 years at the head of the company, Kurt Bobst decided to leave Repower in September 2019. As CEO of Repower since 2008, Bobst had successfully navigated the business through the energy market crisis and played a crucial role in repositioning the company as a provider of energy services. Roland Leuenberger, a member of the board of directors of Repower, has headed the company as interim CEO since September 2019. At the beginning of April 2020 he was appointed CEO by the board of directors.

#### FELIX VONTOBEL APPOINTED MEMBER OF SWISS FEDERAL ELECTRICITY COMMISSION (ELCOM)

On 27 November 2019, the Swiss Federal Council appointed Felix Vontobel as a new member of ElCom, starting 1 July 2020. This means that Vontobel will leave Repower in June 2020. He joined the former Kraftwerke Brusio AG in 1987, playing a major role in the development of the business over the last 32 years. From 1992 to 2017 he sat on the executive board, and from 2001 to 2017 also served as the deputy CEO of Repower.