

Foreword



René Bautz
Chairman of the Board

“ On behalf of the entire Board of Directors, I would like to congratulate the SET team on this excellent performance in a highly volatile trading environment.

The year 2022 was severely marked by the Russian invasion of Ukraine. The war had a major impact on the energy and gas markets. Russian imports to Europe dropped to the equivalent of 20% of EU gas consumption in 2021, with a total loss of 77 bcm which had to be replaced, mainly by additional supplies of liquefied natural gas (LNG).

This situation led to extreme volatility in gas prices, which reached all-time highs in August 2022. European gas prices have been on a roller-coaster since 2021, peaking at €319/MWh on August 26, 2022 (TTF Front-Month gas prices) when the Nord Stream pipelines were completely closed.

Despite a surprising resilience in 2021, gas demand collapsed in 2022 with a sharp decline of 13% (YoY) due to high prices, mild temperatures and changes in consumer behavior.

The year 2022 saw a significant expansion of LNG trade (+4.7%). European gas trade decreased by 35% (Grand Total of OMP volumes) in 2022 compared to 2021, with the exception of some Western European hubs such as PEG (France) and PVB (Spain).

In Switzerland, gas consumption also decreased by 17.4% compared to 2021, with a total of 33.4 TWh delivered to Swiss customers. Despite this turbulent year, Swiss Energy Trading achieved excellent results, with an extraordinary turnover and a high net profit.

On behalf of the entire Board of Directors, I would like to congratulate the SET team on this excellent performance in a highly volatile trading environment. I would also like to extend my gratitude to my colleagues of the Board, the Risk Committee, and all our business partners for their support and excellent cooperation.