



# Sustainability Report 2023

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**Graubündner  
Kantonalbank**

## Chapter 1: Foreword

At a time marked by a shortage of skilled workers, it is becoming increasingly important to be attractive to the best employees. We at Graubündner Kantonalbank once again invested a great deal in 2023 in order to meet this requirement. We implemented far-reaching training and awareness-raising measures for all five generations in the company in order to actively embark on the path to the «new world of work». This focus is reflected by our recent positive experiences, which show us that our investments in improving our attractiveness as an employer are paying off.

The decarbonisation of the economy and thus also of our everyday lives is an important element in limiting global warming. Before we as a bank can define a CO<sub>2</sub> reduction pathway, we need to identify the carbon footprint of our investment and loan portfolio. To achieve this, we worked intensively on the data base in the reporting year. This year, the focus falls on defining specific reduction pathways.

In the 2023 financial year, the rating agency MSCI confirmed Graubündner Kantonalbank's ESG rating of «AA». We plan to maintain this rating over time.

The sustainable development of Graubündner Kantonalbank must be tangible to all target groups. That's why transparency is so important. We have been publishing a report in accordance with GRI Standards since the 2021 financial year. We also support the ten principles of the United Nations Global Compact on human rights, labour standards, environmental protection and anti-corruption. In this annual progress report, we describe our measures to continuously improve the integration of the Global Compact and its principles into our business strategy, corporate culture and day-to-day operations. We also undertake to share this information with our stakeholders, using our primary communication channels.

You can find an overview of the ambition, the milestones in 2023 and the outlook in the Strategy section:

### [▶ Sustainability as a strategic field of action](#)

Our commitment can be summed up as follows: «The future is now». This shows us every day that it is better to act today rather than tomorrow.



Daniel Fust  
CEO



Peter Fanoni  
Chairman of the BoD

## Chapter 2: Sustainability strategy and governance

Thinking and acting sustainably forms an integral part of the consistent implementation of Graubündner Kantonalbank’s vision and strategy. We promote the quality of life in the region and the economic area of Graubünden with clear guidelines on the priority issues of the economy, ecology and social affairs. In doing so, we take into account the concerns of all our stakeholders (clients, employees, the public and investors).

In addition to the long-standing continuity of financial strength, which is reflected in the robust equity base and rising dividend distributions over the years, the environmental and social dimensions are also key for Graubündner Kantonalbank. In 2010, the meta-goals for 2025 were set for the bank’s own operations, the majority of which have already been met. Through the GKB Beitragsfonds (contributory fund), Graubündner Kantonalbank has also been assuming its social responsibility for promoting the quality of life in Graubünden for decades.

According to the [Graubündner Kantonalbank Act](#) and [internal organisational structure](#), responsibility for strategic activities lies with the Board of Directors. As explained in last year’s Annual Report and Sustainability Report, the Board of Directors and the Executive Board refined the strategy further in 2021. The [overall bank strategy](#) comprises ten strategic fields of action. Sustainability is one of these ten strategic fields of action. This makes it an integral part of the strategy and a key factor in the long-term success of Graubündner Kantonalbank. The topic of sustainability was given top priority for action. Sustainability was one of the focal topics at the 2023 strategy workshop of the Board of Directors. In the reporting year, the main focus was on further developing the sustainability approach in the financing and investment business. Graubündner Kantonalbank will continue to focus on this in the years to come as well. This includes reviewing and expanding the guidelines and criteria, developing a range of products and services tailored to client needs, making the necessary adjustments to processes, and training and disseminating knowledge to employees. Transparency in reporting has also been and will continue to be developed.

Responsibility for the overall bank strategy and thus also for the sustainability strategy lies with the Board of Directors, whereby the Strategy Committee of the Board of Directors in its capacity as preparatory body deals extensively and regularly with sustainability issues.

Operational responsibility for sustainability lies with the Executive Board. The Head of Sustainability is responsible for actively shaping and implementing the sustainability strategy at the operational level and reports directly to the Executive Board.

### ADOPTION OF THE SUSTAINABILITY STRATEGY



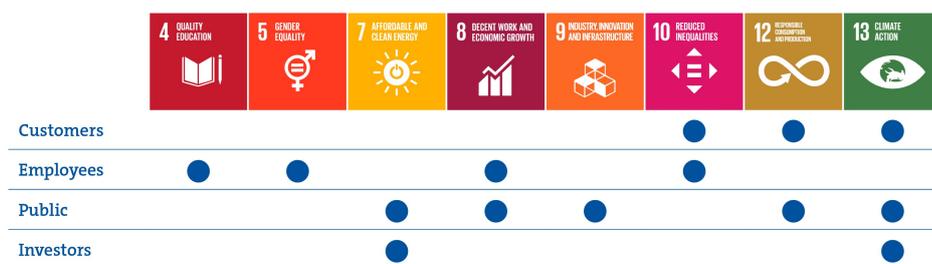
The Head of Sustainability also heads the Sustainability Committee, on which all areas of the bank are represented. In this role, they act as an interface between the Executive Board and the Sustainability Committee. The committee meets every three weeks. It ensures that a regular exchange of information takes place between the individual departments and forwards updates from those individual departments. Furthermore, the committee provides information regarding legal and regulatory development and, in doing so, ensures a transfer of knowledge. In addition, the committee prepares the decision-making tools for the attention of the Executive Board. The duties of the Head of Sustainability also include regular contact with the rating agencies as well as work to develop topics that impact the bank as a whole. Via the Sustainability Committee, the Head of Sustainability coordinates the implementation of measures and monitors the annual progress. The Executive Board is informed by means of an annual report and, based on this, initiates any corrective and follow-up measures. The Board of Directors is informed by the Executive Board on an ongoing basis about the status of those efforts and any progress made.

## 2.1 Sustainable Development Goals (SDGs) relevant to Graubündner Kantonalbank

Graubündner Kantonalbank has undertaken to make an active contribution to the achievement of the Sustainable Development Goals (SDGs) adopted by the United Nations in autumn 2015. The SDGs define the social, economic and environmental milestones to be collectively achieved worldwide by 2030. The bank is embracing its responsibility and has laid the foundation for aligning its sustainability management and core business more closely with the SDGs.

Graubündner Kantonalbank is committed to all 17 SDGs. They are essential for promoting sustainable development. To ensure focused action, the Sustainability Committee has prioritised the SDGs. The key SDGs for Graubündner Kantonalbank were derived from the revised Strategy 2021–2025 and the ten strategic fields of action. The bank also took care to ensure that the selected goals reflect Graubündner Kantonalbank’s holistic approach (economic, environmental and social dimensions) and that all of Graubündner Kantonalbank’s stakeholder groups (clients, employees, the public and investors) are taken into consideration. The SDGs relevant to Graubündner Kantonalbank were reviewed in the reporting year. The result showed that no adjustment was required.

Based on these key topic categories at Graubündner Kantonalbank, the SDGs on which the bank’s activities could have the greatest influence were also examined. The chart below shows the eight SDGs relevant for Graubündner Kantonalbank:



Graubündner Kantonalbank has less influence on the other nine SDGs, although its lending and investment business also makes a contribution there. In the following, Graubündner Kantonalbank shows how it contributes to the relevant eight SDGs.

### SDG goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

- In summer 2023, Graubündner Kantonalbank completed the first part of the modular ESG (environmental, social, governance) training course for all client advisors. The training course was designed and implemented in collaboration with the Lucerne University of Applied Sciences and Arts (HSLU). ESG training covers not only the content required by the regulator, but also links this content to our advisory services at a practical level and, in doing so, broadens our employees’ skills in the area of investment advisory services. The second part of the training will take place in spring 2024, with content in physical form tailored to the individual target groups.
- Graubündner Kantonalbank collaborated with the Graubünden University of Applied Sciences to develop a two-stage certificate course (General Management and Digital Transformation) in 2021, which they launched in 2022. The course has proven itself and was also opened to other companies in the reporting year. By offering this course, Graubündner Kantonalbank not only helps its employees to prepare for the digital transformation and be ready to cope with the changing demands with new knowledge and new skills, but it is also helping to alleviate the shortage of skilled workers.

- With its training and internship positions, Graubündner Kantonalbank once again made it possible for 84 young people (previous year: 84) to enter the world of work in the year under review, thus making a significant contribution to providing high-quality training.
- Graubündner Kantonalbank attaches great importance to ongoing further education for all its employees. To that end, the bank invests in internal further education and training courses and supports part-time further education. In the 2023 reporting year, 19 (previous year: 28) further education programmes of this nature were successfully concluded.

### **SDG goal 5: Achieve gender equality and empower all women and girls to self-determination.**

- Graubündner Kantonalbank offers attractive, family-friendly working conditions, promotes diversity and has a balanced salary policy.
- Graubündner Kantonalbank is specifically promoting broader diversity through measures such as increasing the proportion of women elected to the "Futura" talent board and consciously monitoring individual career paths.
- Graubündner Kantonalbank embraces [diversity and inclusion](#) as a fundamental principle. To promote these ideals going forward, a project team was founded in 2023 that, in an initial phase, will gather successful examples of instances where the proportion of women was successfully increased, push ahead with networking on the topic and implement the first ideas in 2024.
- Like in 2021 and in accordance with the principle of "equal pay for equal work" enshrined in the Federal Constitution, Graubündner Kantonalbank will undergo a salary audit in 2024, which will be carried out by the Research Centre for International Management at the University of St. Gallen. The 2021 audit revealed good results and no need to take any action.

### **SDG goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all.**

- Following the launch of its first green bond in 2021, Graubündner Kantonalbank already launched its second green bond in the amount of CHF 200 million in 2022. With it, the bank is further demonstrating its commitment to sustainability in the area of financing. The net proceeds from the green bond will be used for green buildings and hydropower plants.
- Graubündner Kantonalbank has been using electricity exclusively from renewable sources for its own operations since 2013.

### **SDG goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.**

- Around half of the annual profit is distributed to the investors in the form of dividends. The payments to the main owner, the Canton of Graubünden, amounted to CHF 103.5 million (previous year: CHF 92.8 million) in the reporting year, which equated to CHF 511.00 (previous year: CHF 460.60) per resident.
- Graubündner Kantonalbank offers comprehensive financial and advisory services for local businesses, focuses on sustainable value creation and creates added value for the regional economy. Some 60 percent of private individuals and business clients have a banking relationship with Graubündner Kantonalbank.
- Graubündner Kantonalbank is committed to inclusion. It offers ten social service positions for people who do not meet the criteria of the primary labour market.

### **SDG goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.**

- Graubündner Kantonalbank became a member of the Swisscleantech association in October 2023. Swisscleantech is committed to a CO<sub>2</sub>-neutral Switzerland, a future-proof supply of electricity and business models of the future. In these areas, the association identifies future challenges at an early stage and actively proposes solutions to the political arena.
- Through the [INNOZET Foundation](#), which was established by Graubündner Kantonalbank and is operated together with Trumpf Schweiz AG, the bank supports start-ups in the canton of Graubünden and thus makes a significant contribution to promoting innovative products and technologies. More information can be found in the section «[Sustainable lending business](#)».

### **SDG goal 10: Reduce inequality within and among countries.**

- Through its active memberships, Graubündner Kantonalbank supports networks and associations that improve the regulation and supervision of financial markets and institutions and strengthen the application of the relevant regulations. More on this can be found in the "[Politics and regulation](#)" section below.

### **SDG goal 12: Ensure sustainable consumption and production patterns.**

- Employees' expertise and their commitment to the clients of Graubündner Kantonalbank enable the bank to take its advisory responsibility seriously and encourages companies to embrace sustainable corporate governance.
- Graubündner Kantonalbank promotes the sale of sustainable products and services, particularly in the area of investment, and is further expanding its range of sustainable products. Sustainable investment products are generally the recommended standard at Graubündner Kantonalbank.

- The two self-regulations of the Swiss Bankers Association (SBA) for the consideration of sustainability criteria when providing investment and mortgage advisory services to private clients were integrated in 2023, and the resulting rules have been actively applied in advisory services since 1 January 2024.
- Another focus is the promotion of sustainability criteria in [public procurement](#). For rating everyday items and promotional items of all kinds, a specific grid was created in collaboration with sustainability experts in order to ascertain the sustainability of the products. This grid is to be optimised for further use within the bank.

### **SDG goal 13: Take urgent action to combat climate change and its impacts.**

- In the financing business, the Green Deal action plan served as a first example. The first step here is the energy-related refurbishment of residential buildings. Sustainability in financing is a high priority for Graubündner Kantonalbank for the coming years.
- Graubündner Kantonalbank's investment business has long been fully geared towards sustainability. More information can be found in the section "[Sustainable investment business](#)". In 2021, an initial reduction pathway was defined for the investment business based on the Paris Agreement. For more information, please refer to the "[Financial and sustainability goals](#)" overview table.
- Graubündner Kantonalbank has significantly reduced its environmental impact from operations in recent years and continues to do so. Since 2011, the bank has been offsetting the remaining emissions. As in the previous year, this was done via the appropriately certified project "Climate-optimised forest management in the canton of Graubünden" in the reporting year.

## **Memberships and sustainability rating**

Graubündner Kantonalbank bases its sustainability strategy on internationally recognised initiatives and standards. Through selective memberships, Graubündner Kantonalbank shows that it is committed to sustainability and interested in playing an active role on the matter. These memberships and standards are suitable for positioning the bank both in the industry and in their stakeholder groups. Memberships also allow Graubündner Kantonalbank to benefit from knowledge transfer and to exchange important experiences via networks.

### **Standards, memberships and sustainability ratings**

- **Sustainable Development Goals (SDGs).** The United Nations (UN) defined 17 Sustainable Development Goals (SDGs) within the scope of the 2030 Agenda. They represent a global plan for promoting lasting peace, prosperity, and the protection of our planet. With the sustainability strategy it formulated, Graubündner Kantonalbank intends to make an active contribution toward achieving the UN's development goals.
- **Paris Agreement.** Signed in 2015, the "Paris Agreement" aims to limit average global warming to well below 2 degrees Celsius compared to pre-industrial levels. Graubündner Kantonalbank took this goal into consideration when preparing its sustainability strategy.
- **UN Global Compact.** The UN Global Compact is the world's largest corporate social responsibility initiative. The UN Global Compact envisions an inclusive and sustainable global economy based on ten universal principles in the areas of human rights, environment, labour standards and anti-corruption. Graubündner Kantonalbank has been a participant of the UN Global Compact since 2021.
- **UN Principles for Responsible Investment (UN PRI).** The aim of the Principles for Responsible Investment is to understand the impact of sustainability on investors and to help signatories incorporate these issues into their investment decision-making processes. Graubündner Kantonalbank is committed to the principles of the UN PRI regarding responsible investment policies and signed them in 2021.
- **Global Reporting Initiative (GRI).** The GRI is the world's leading standard in the area of sustainability reporting. Graubündner Kantonalbank prepares its reports in accordance with these specifications and has been preparing its sustainability report in line with the GRI Standards 2021 since 2021.
- **Paris Agreement Capital Transaction Assessment (PACTA).** The PACTA Climate Test has shown regularly since 2017 how climate-friendly the Swiss financial market invests. Graubündner Kantonalbank participated in the reporting year and had both its investment portfolio and financing portfolio analysed.

### **Memberships in associations and organisations**

- **Association of Swiss Cantonal Banks (VSKB).** VSKB is an association that unites Switzerland's 24 cantonal banks. It safeguards the shared interests of and promotes cooperation between its members. This association enables Graubündner Kantonalbank to exert its influence both directly and indirectly and advocate for sustainable framework conditions. The CEO of Graubündner Kantonalbank is a member of the VSKB Board of Directors.
- **Swiss Bankers Association (SBA).** The SBA is the umbrella organisation of banks in Switzerland and reflects the interests of the entire Swiss financial centre. The SBA represents Swiss banks vis-à-vis politicians, industry and the public.
- **Swiss Sustainable Finance (SSF).** The goal of SSF is to establish Switzerland as a leading centre for sustainable financial services. More than 60 organisations – including financial service

providers, investors, research organisations and the public sector – have joined together to promote social and environmental issues in investment and financing. Graubündner Kantonalbank has been a member of SSF since 2021.

- **Asset Management Association Switzerland (AMAS).** The members of AMAS promote optimal frameworks for Swiss asset management as well as for the production and distribution of investment funds. They are also committed to addressing issues related to sustainable finance with a focus on the investment sector. Not only has Graubündner Kantonalbank been a member of AMAS since 2021, but it is also involved in the “ESG Sub-group” task force.
- **Myclimate.** The myclimate – The Climate Protection Partnership non-profit foundation is an international climate protection organisation with Swiss roots. Founded in 2002 as a spin-off of ETH Zurich, myclimate is currently one of the world’s leading providers of voluntary carbon offset measures. Graubündner Kantonalbank has been a partner of myclimate for many years.
- **Öbu – Association for Sustainable Business Management.** Öbu is the Swiss network for sustainable business management and promotes an awareness of economic, environmental and social responsibility in business. Öbu promotes the practical implementation of advanced sustainability standards, works with its members on an economy of the future and is committed to supporting the basic conditions necessary for that economy to develop. Graubündner Kantonalbank has already been a member of this network for more than ten years.
- **Energy saving alliance.** The energy saving alliance brings together organisations that support efforts to ensure the security of supply in winter. These organisations take voluntary steps that enable them to use energy in a more efficient and sparing manner. By committing to the energy alliance, the organisations reaffirm their determination to join forces. As a member of the energy saving alliance, Graubündner Kantonalbank’s voluntary measures help ensure that the energy supply is ensured for as long as possible. This alliance aims to prevent any shutdowns from becoming necessary and also the need for new regulations to the greatest extent possible.

## Chapter 3: Sustainability ratings

The sustainability of Graubündner Kantonalbank is assessed by a number of leading rating agencies. MSCI, the world's largest ESG rating agency, confirmed its AA rating for Graubündner Kantonalbank at the end of August 2023. In the reporting year, ISS ESG upgraded the bank to C- (from D+). Other sustainability ratings are listed in the following summary.

| Rating agency                | Current rating | Scale                                  | Date of report | Basis  |
|------------------------------|----------------|--|----------------|--|
| MSCI ESG                     | AA             | AAA bis CCC                            | 8/25/2023      | 2022 Annual Report and Sustainability Report |
| Sustainalytics (Morningstar) | Medium         | Negligible   low   med   high   severe | 3/6/2023       | 2021 Annual Report and Sustainability Report |
| InRate                       | B-             | A+ bis D-                              | 8/29/2023      | 2022 Annual Report and Sustainability Report |
| ISS ESG                      | C-             | A+ bis D-                              | 10/17/2023     | 2022 Annual Report and Sustainability Report |
| ethos                        | B+             | A+   A-   B+   B-   C   excl.          | 12/22/2023     | 2022 Annual Report and Sustainability Report |

## Chapter 4: Financial and sustainability goals

The financial and sustainability goals were defined based on Graubündner Kantonalbank's sustainability strategy, its holistic approach with three dimensions (economy, environment and social responsibility) and the Sustainable Development Goals, which are central to the bank. The target year 2025 reflects the current strategy period from 2021 to 2025.

The first seven goals are related to the economic dimension and contribute to SDG 8, SDG 9 and SDG 12. Goals eight to fourteen relate to the environmental dimension. These goals contribute to SDG 7, SDG 12 and SDG 13. The last goal is part of the social dimension and contributes to SDG 4 and SDG 5.

|   | 2022  | 2023   | Ziel 2025 <sup>6)</sup>             |
|---|---|--|-------------------------------------|
| Income ratio of fee business [Group]  | 39.5 %  | 36.4 %   | 45 %                                |
| Productivity (cost/income ratio II)   | 51.9 %  | 48.8 %   | <55 % <sup>1)</sup>                 |
| Equity (CET 1 ratio)  | 19.3 %  | 18.7 %   | 17.5–22.5 %                         |
| Outperformance (compared to ten-year government bonds)  | 7.0 %   | 7.8 %  | > 3 %                               |
| Share of mortgages granted in other cantons (real estate market diversification)  | 26.7 %  | 29.7 %   | >15 % und < 50 %                    |
| Payout of parent house (payout ratio) to the owners (residents of the canton)   | 49.8 %  | 49.2 %   | 50–70 %                             |
| Accumulated net new money [Group]   | CHF 3.3 billion   | CHF 2.8 billion  | CHF 3 billion                       |
| Increase in overall rating as a sustainable bank  | AA  | AA   | AA                                  |
| Paris-aligned 2050 <sup>3)</sup> in investment business with a reduction in CO <sub>2</sub> emissions of at least 35 % by 2030 for GKB funds and asset management mandates (premium mandates) | 0 % <sup>4)</sup>   | 0 % <sup>4)</sup>  | 33 % <sup>4)</sup>                  |
| Reduction of CO <sub>2</sub> emissions on existing residential mortgage portfolio   | 39 kg/m <sup>2</sup> p.a. (underlying <sup>3)</sup> )                           | 37 kg/m <sup>2</sup> p.a. (underlying <sup>3)</sup> )                          | -12.5 % ct underlying               |
|   | 0.27 % of total client lending limits (basis: annual financial statements 2021) | 0.4 % of total client lending limits (basis: annual financial statements 2022) | <1 % of total client lending limits |
| Keeping lending volume low for large and syndicated loans that violate sustainability criteria  | 0.27 % of total client lending limits (basis: annual financial statements 2021) | 0.4 % of total client lending limits (basis: annual financial statements 2021) | <1 % of total client lending limits |
| Reduction of internal CO <sub>2</sub> emissions (underlying: 2010)  | 38 %  | 35 %   | < 60 % (vom Basiswert)              |
| Percentage of renewable energy in total energy consumption  | 73 %  | 72 %   | Min. 80 %                           |
| Kununu employer rating  | 4.5   | 4.5  | ≥ 4.5                               |

1 Adjustment to long-term target

2 Switch to MSCI ESG rating (previously ISS ESG): Graubündner Kantonalbank bases its investment and financing business on sustainability data from MSCI ESG

3 The target for "Paris-aligned 2040" has been changed to "Paris-aligned 2050," as it is already clear that Graubündner Kantonalbank's measurements and future reduction pathway will be based on externally sourced data with a net-zero target of 2050. Data with a target of 2040 is not available for the foreseeable future.

4 of assets (on a defined reduction pathway)

5 Adjusted underlying

6 The targets will be reviewed as part of the 2025–2030 strategy cycle

## Chapter 5: Material topics

### 5.1 Sustainability impact analysis

As a starting point, Graubündner Kantonalbank compiled in 2021 possible sector, bank and canton-specific topics from industry analyses, sustainability ratings, stakeholder inputs and media reports, and then carried out an initial internal assessment and analysis of the impact among specialists. Graubündner Kantonalbank then asked experts from the Swiss sustainability rating agency Inrate to review and evaluate the twelve possible topics identified.

A review of the material sustainability topics was carried out in the 2023 reporting year, also paying attention to the aspect of double materiality. On the one hand, double materiality refers to the impact of a company on the environment and society (inside-out perspective/impact materiality), and on the other to the impact of sustainability topics on the economic performance of the company (outside-in perspective/financial materiality in the form of opportunities and risks). A topic is considered material if it has substantial potential to impact the company's performance or to substantially influence the assessments and decisions of stakeholders.

The following aspects were included in the review and assessment of the material sustainability topics:

- Strategic positioning of Graubündner Kantonalbank with regard to sustainability
- Regulatory reporting requirements (Art. 964 Swiss Code of Obligations (OR)/non-financial reporting)
- Framework of the Task Force on Climate-Related Financial Disclosures (TCFD)
- GRI sector standards for banks and asset managers
- Screening of the questionnaires of the rating agencies and evaluation of the rating reports
- Survey of SMEs in Graubünden on their knowledge of sustainability and what support they would expect from a bank in this regard
- Benchmarking with peer companies
- Second opinion by ECO:FACT as independent expert

A review of the material sustainability topics has shown that the material topics to date (with the exception of one new topic) continue to be the material topics for Graubündner Kantonalbank. However, the review has led to a new order of importance.

### 5.2 Results of the 2023 impact analysis

Based on the results of the internal impact analysis audited by ECO:FACT, the following ten material sustainability topics at Graubündner Kantonalbank were identified (in descending order of impact intensity). These are discussed in more detail in this report:

- 1) Sustainable lending business
- 2) Sustainable investment business
- 3) Employer attractiveness and employee training and education
- 4) Compliance in the areas of money laundering, competitive behaviour and tax acquiescence
- 5) Data privacy and data security, including cybersecurity
- 6) Regional supply of financial services
- 7) Local commitment and local partnerships related to culture, sport, social issues and the local economy
- 8) Operational ecology and sustainable procurement
- 9) Dealing with our stakeholders
- 10) Politics and regulation

There were the following changes compared to the previous year:

- Employer attractiveness is now in position 3 (previously position 6)
- Corruption (including money laundering), competitive behaviour and insider trading (previously position 3) and tax evasion and aggressive tax avoidance (previously position 4) were combined under compliance in the areas of money laundering, competitive behaviour and tax acquiescence (new position 4)
- Data privacy and data security moved from position 7 to position 5
- Regional supply of financial services now in position 6 (previously position 8)
- Local commitment and local partnerships related to culture, sport, social issues and the local economy moved from position 9 to position 7
- Operational ecology and sustainable procurement moved from position 5 to position 8. As a service provider, we do not associate any major risks with operational ecology. Nevertheless, we believe it is important to report on this and record the progress

- Dealing with our stakeholders moved from position 10 to position 9
- Politics and regulation is a new issue (in position 10)

The following pages provide a comprehensive report in accordance with the GRI Standards for the five material sustainability topics with the highest impact intensity, i.e. a comprehensive explanation of their relevance on the basis of their impact on society, the environment and the economy, Graubündner Kantonalbank's ambition with regard to each topic, the management approach with which the bank is currently addressing the respective issue, and the next steps planned to further develop the management approach. This is followed by a shorter report on the other five sustainability topics that have a lower impact intensity.

## Chapter 6: Sustainable lending business

### 6.1 Relevance of the topic for Graubündner Kantonalbank and its holding companies

The lending business is Graubündner Kantonalbank's largest business area in terms of its financial volume and net interest income. As the lending business is immaterial for the holding companies Albin Kistler AG, BZ Bank Aktiengesellschaft and Privatbank Bellerive AG, sustainable lending is only a material topic for Graubündner Kantonalbank itself, which is why only Graubündner Kantonalbank is covered in this chapter.

By granting mortgages and loans, Graubündner Kantonalbank has a direct positive or negative impact on the environment and society. The same applies to its financing offering, taking sustainability opportunities and risks into account. The bank also wants to guide its clients through their transformation towards a sustainable business model, with corresponding advice and suitable incentives in its range of products and services.

For example, the bank's mortgage lending and pricing policies can create incentives for owners to improve their energy efficiency and thus their climate impact when building or renovating properties. Likewise, in the case of corporate financing, environmental and/or social economic activities can be promoted by way of the products and services associated with corporate loans. These include, for example, the generation of renewable energies, the health and education system or more environmentally friendly and/or social production methods such as switching to organic farming or improving occupational health and safety measures. Conversely, when granting loans, there is a risk that the funds will enable economic activities that are not sustainable. Examples include companies that are directly or indirectly involved in human rights abuses such as child labour through their suppliers, or that contribute disproportionately to environmental pollution and show no evidence of any efforts to reduce it.

A bank's sustainable lending policy gives it the following impact potential: It determines and evaluates the environmental and social impact of the activities or investments to be financed on the basis of the information provided by its clients. It takes these into account when designing its products and services and in its risk management. It also informs its clients proactively and transparently about the benefits of its sustainable financing products as well as about its sustainability criteria as part of the process of designing its products and services. In doing so, it sends signals and takes the incentive effect into account.

### 6.2 Ambition of Graubündner Kantonalbank

Firstly, Graubündner Kantonalbank promotes sustainability in its lending business with specific offers for clients. Particular priority is given to the mortgage business due to its large scale, the existing estimates of its carbon footprint and the high priority attached to the real estate sector by the canton of Graubünden in its "Green Deal for Graubünden" action plan presented in August 2021. Graubündner Kantonalbank also promotes the production of hydropower as a renewable, emission-free energy source and Switzerland's most important domestic source of raw energy.

Secondly, when granting corporate and syndicated loans, Graubündner Kantonalbank ensures as a general principle that the activities and projects financed meet its sustainability standards and objectives to the greatest possible degree. Graubündner Kantonalbank aims to use this approach to contribute to efforts to reduce CO<sub>2</sub> emissions by applying the climate protection guidelines of the 2015 UN Climate Change Conference; in other words, the bank wants to limit man-made global warming to well below 2 degrees Celsius compared to pre-industrial levels by 2050<sup>[1]</sup>.

Thirdly, Graubündner Kantonalbank wants to use the defined sustainability criteria to structure its loan portfolio in such a way that it optimally takes account of the opportunities and risks associated with sustainability topics and ultimately generates a stable contribution to earnings.

The key performance indicator for sustainable lending can be found in the table "[Financial and sustainability goals](#)".

[1] The "Paris-aligned 2040" goal has been changed to "Paris-aligned 2050", as it is already clear that Graubündner Kantonalbank's measurements and future reduction pathway will be based on externally sourced data with a net-zero goal of 2050. Data with a goal of 2040 is not available for the foreseeable future.

## 6.3 Current approach of Graubündner Kantonalbank

### 6.3.1 Financing of green buildings

The Cantonal Parliament of the canton of Graubünden decided in autumn 2021 on the first phase of the Green Deal action plan, thereby lending their support, among other things, to energy-related refurbishments in the canton of Graubünden. Graubündner Kantonalbank thus promotes the financing of green buildings with a view to the high energy efficiency of the financed buildings with a specific offer for its clients. Working together with the Office for Energy and Transport of the canton of Graubünden, a service package with the following priority was set up:

- Networking of specialists from the construction industry and the canton of Graubünden
- Development of an information platform for homeowners

These measures aim to provide clients with holistic care and support on the topic of energy-related refurbishments. Clients can benefit from the subsidy programmes offered by the canton of Graubünden, increase the long-term value of their property, reduce CO<sub>2</sub> emissions and cut their energy costs. To that end, Graubündner Kantonalbank will pay a “scrapping premium” as direct support for the energy-related refurbishment of oil and gas heating systems (replacement) and will also contribute to the costs of preparing GEAK reports (basis for comprehensive refurbishment measures). The service package also includes support within a predefined scope in the areas of tax and pension planning.

### 6.3.2 Mortgage advice to promote energy efficiency

In the case of owner-occupied single-family homes and owner-occupied holiday homes that are more than 20 years old, the energy efficiency of the properties is discussed during the consultation and further points of contact for energy-related refurbishments (long-term value preservation) are provided. This is intended to contribute to the sustainable development of the building portfolio and to ensure that the self-regulatory guidelines regarding mortgage advisory services issued by the Swiss Bankers Association are implemented on schedule as of 1 January 2024.

### 6.3.3 Financing of renewable energy sources

When it comes to financing the production of renewable energies, Graubündner Kantonalbank focuses on loans to larger Graubünden power plant companies, namely hydropower projects. Graubündner Kantonalbank also finances hydropower plants as well as solar, wind and district heating installations.

#### 6.3.3.1 Hydropower

Graubündner Kantonalbank grants loans for the construction, refurbishment or refinancing of small-scale hydropower plants (maximum generation capacity of 10 megawatts (MW)) as well as the refurbishment or refinancing of existing hydropower plants generating more than 10 MW. Local environmental influences and possible controversies are taken into account when evaluating all hydropower projects. National and cantonal regulations regarding local environmental impacts are followed strictly as a minimum expectation. Graubündner Kantonalbank also attaches importance to a recognised quality and environmental management system. Loans are only granted for hydropower projects in Switzerland and the loan policy complies with the International Finance Corporation (IFC) performance standards.

#### 6.3.3.2 Wind energy

Graubündner Kantonalbank grants loans for the construction, refurbishment or refinancing of onshore wind turbines and other emerging technologies. Loans for wind energy projects may only be granted to projects in Switzerland.

#### 6.3.3.3 Fernwärme und Anergiesysteme

Graubündner Kantonalbank grants loans for the construction, refurbishment or refinancing of plants for the production and distribution of thermal energy. These include both district heating and anergy networks. District heating mainly depends on waste heat from waste disposal or wastewater treatment plants as well as from industrial processes and renewable energy sources such as lake water, groundwater, biomass and wood. Anergy systems offer another type of decentralised thermal supply, enabling a service area to be furnished with heating and cooling energy at the same time. Waste and environmental heat are used or emitted and exchanged in a loop between the units connected.

When assessing borrowers, Graubündner Kantonalbank attaches importance to the use of predominantly local wood. Using exclusively local wood for heating has a significantly lower impact on the climate. The CO<sub>2</sub> produced during combustion is recaptured, in part because the Swiss Forest Act stipulates that only as much wood as is grown at the same time may be used. Fossil fuels such

as natural gas and oil can be used in addition to meet power peaks on very cold winter days or when setting up a new central heating system or for repair and renovation work. Loans may only be granted to district heating and energy network projects in Switzerland.

### 6.3.4 Financing of the lending business by issuing green bonds

With the launch of green bonds, Graubündner Kantonalbank is not only pursuing the objective of promoting the environmentally friendly modernisation of existing renewable power generation plants in Graubünden, but also maintaining the attractiveness of Graubünden as a business location and contributing to an indirect reduction in CO<sub>2</sub> emissions. Graubündner Kantonalbank intends to use the proceeds to wholly or partially finance and/or refinance green projects in the areas of "Renewable energy sources" (see section 2 above) and "Green buildings".

Graubündner Kantonalbank creates aggregated reports regularly, at least once a year, on the allocation and environmental impact of the green bonds. An independent external auditor is tasked with reviewing the allocation of green loans from Graubündner Kantonalbank and preparing an annual report on compliance with the criteria for all green bonds issued by Graubündner Kantonalbank. The bank issued two green bonds with a total issue volume of CHF 300 million in 2021 and 2022 to refinance "green loans".

The building portfolio financed by Graubündner Kantonalbank through these two green bonds comprises 432 owner-occupied homes. The difference in annual CO<sub>2</sub> emissions between the financed properties and the reference properties amounts to 249 tonnes of CO<sub>2</sub>e per year.

The green bonds not only finance particularly climate-friendly buildings, but also support hydropower plants, which together are expected to generate on average 2,400 GWh of hydroelectricity per year, which corresponds to a reduction of around 55,500 tonnes of CO<sub>2</sub>e per year compared to the Swiss electricity mix. The share of CO<sub>2</sub> emissions attributable to the green bond is 18% or 10,119 tonnes of CO<sub>2</sub>e.

Detailed information is provided in the green bond report. The report is available on the website at [gkb.ch/GreenBond](https://gkb.ch/GreenBond).

### 6.3.5 Financing of start-ups with sustainable, innovative product solutions

Graubündner Kantonalbank is involved in financing start-ups offering sustainable, innovative product solutions through the INNOZET Foundation, which it founded in 1999. Since 2000, INNOZET has also been supported by the Berthold Leibinger Foundation and TRUMPF Schweiz AG. In addition to the accrual of the Foundation's capital, Graubündner Kantonalbank also provides the management office and TRUMPF Schweiz AG provides the secretariat of INNOZET.

INNOZET currently supports sustainably plausible business ideas with a focus on technology and tourism for companies in Graubünden in the development and start-up phases. Apart from the added value and innovation potential, one of the key requirements is the creation of new jobs in the canton of Graubünden. Graubündner Kantonalbank reviews incoming requests for financing and makes a recommendation to the Foundation Board. INNOZET provides financial support in the form of shareholdings or loans at current market conditions and supports companies in an advisory capacity with its network of contacts in the realms of politics and business. Over the past four years, a total of 44 start-ups have been assessed, of which **11 projects** are supported. Of the supported companies, five are directly related to sustainability.

### 6.3.6 Consideration of social and environmental risks in corporate lending

Graubündner Kantonalbank's corporate lending business is generally geared towards local clients based in the canton. Thanks to its local roots, Graubündner Kantonalbank has direct insight into the business practices of its small and medium-sized corporate clients in the canton, thereby enabling it to properly assess compliance with the legal framework as well as the human rights enshrined in the Swiss Federal Constitution. Accordingly, since there is no need for any, the current loan agreements of Graubündner Kantonalbank do not contain any specific requirements regarding respect for human rights. The following table shows Graubündner Kantonalbank's credit exposure by industry.

**Industry overview of loans**

As at 31.12.2023 (consolidated, after offsetting value adjustments)

|  | in CHF 1'000      |
|--|-------------------|
| Agriculture, forestry and fisheries    | 199,763           |
| Mining, quarrying                      | 15,820            |
| Manufacturing                          | 715,375           |
| Energy and water supply                | 625,356           |
| Construction                           | 311,352           |
| Trade and repair of automobiles        | 126,398           |
| Wholesale and retail trade             | 279,131           |
| Transport and storage                  | 296,762           |
| Hospitality industry                   | 843,973           |
| Information and communication          | 53,662            |
| Financial and insurance services       | 2,819,160         |
| Real estate                            | 3,425,031         |
| Services                               | 469,580           |
| Public administration, education       | 184,507           |
| Health and social services             | 390,775           |
| <b>Total corporate client business</b> | <b>10,756,645</b> |
| Private households                     | 13,206,783        |
| <b>Total loans</b>                     | <b>23,963,428</b> |

**Composition of the corporate clients business as at 31 December 2023**

by size of company (consolidated, after offsetting value adjustments)

|  | in CHF 1,000      | Number of companies |
|--|-------------------|---------------------|
| 1-9 employees                          | 5,011,622         | 2,363               |
| 10-49 employees                        | 2,346,307         | 516                 |
| 50-249 employees                       | 1,092,159         | 122                 |
| >250 employees                         | 1,511,136         | 105                 |
| without specification                  | 795,421           | 1,403               |
| <b>Total corporate client business</b> | <b>10,756,645</b> | <b>4,509</b>        |

Since 2021, Graubündner Kantonalbank has been conducting a direct, systematic review of social and environmental risks in the major client and syndicated loan business as part of its lending policy and its annual review. In the case of syndicated loans, the domicile of the borrower or their main office is usually outside the canton of Graubünden. However, it must be located in Switzerland, Liechtenstein, Germany or Austria. The following are the sustainability criteria for lending to major or syndicated clients. The SME lending business is exempt from these criteria.

- **Exclusion of controversial business areas:** Lending to companies that manufacture controversial weapons is excluded. Percentage thresholds also apply to companies that generate a share of turnover with conventional weapons (15%), tobacco (15%), coal mining (5%), electricity generation from fossil fuels (15%), unconventional oil and gas (5%), nuclear energy (20%), pornography (5%) or federally licensed gambling (20%). If the share of turnover that a company generates through these activities is higher, lending is excluded. Companies with thermal coal reserves > 1 billion tonnes are also excluded.
- **Exclusion of controversial business practices:** If companies violate applicable UN conventions or norms (regarding human rights, corruption, for example), lending is excluded until the company once again complies with such international standards and norms. The red flags of MSCI, one of the largest ESG rating agencies, serve as a criterion for the assessment. A "red flag" by MSCI indicates that the company is involved in one or more very serious controversies regarding its business practices.
- **Exclusion of companies with high ESG risks:** An additional criterion for lending is the exclusion of companies with high ESG risks, meaning low ESG ratings. Companies that are not rated by MSCI ESG or that have an ESG rating of CCC or B are referred to as "laggards" and are excluded from lending by Graubündner Kantonalbank.

The exclusion criteria are reviewed annually by investing and financing specialists on the Sustainability Committee and are developed further in line with current market standards. For 2023, the exclusion thresholds for controversial business areas in the coal sector were specified. A distinction is now made between extraction and generation. The business areas of unconventional oil and gas, companies with large reserves of thermal coal and pornography have also been added. The Sustainability Committee discusses and approves the proposals submitted.

Graubündner Kantonalbank's risk policy stipulates that the volume of loans to major or syndicated clients in breach of these three sustainability criteria may not exceed 1% of total client lending limits. Financing granted to subsidiaries of companies that are generally excluded and that produce or promote sustainable goods (for example hydropower partner plants of energy companies with a higher share from nuclear energy) is not taken into account at the expense of the tolerance limit. If the tolerance limit is exceeded, measures will be taken to ensure that the tolerance limit is adhered to again as quickly as possible.

An internal review of the entire existing credit portfolio of Graubündner Kantonalbank with major clients and syndicated borrowers in November 2023 showed: No borrower of a syndicated loan in which Graubündner Kantonalbank has a stake had a "red flag". One existing borrower violated the turnover limits for controversial business areas (nuclear energy), and four borrowers had high ESG risks (ESG rating of B or CCC). The corresponding lending limits amounted to a total of CHF 107.0 million or 0.4% of total client lending limits and were therefore below the tolerance limit.

The current **lending policy for small and medium-sized corporate clients** does not provide for the granting of loans for which the bank does not know the purpose of the loan. The credit policy for assessing and monitoring loans stipulates that, in addition to economic factors, relevant sustainability aspects in the areas of the environment, social issues and responsible corporate governance must also be taken into account. In the reporting year, Graubündner Kantonalbank introduced system requirements for credit assessment that will enable the comprehensive and structured capture of social and environmental risks in future. It is also being investigated whether and how sustainability-related criteria can be included in the valuation of collateral.

The loan portfolio of Graubündner Kantonalbank is strongly rooted in its home canton. A certain amount of diversification could be achieved through financing in other regions of Switzerland.

### Geographical distribution of loans as at 31 December 2023

breakdown by major region (consolidated, after offsetting value adjustments)

|  | in CHF 1'000      |
|--|-------------------|
| Graubünden                                 | 16,165,024        |
| Zurich                                     | 2,852,639         |
| Eastern Switzerland (excluding Graubünden) | 1,206,783         |
| Northwestern Switzerland                   | 1,041,302         |
| Mittelland region                          | 867,433           |
| Foreign countries                          | 626,332           |
| Central Switzerland                        | 623,250           |
| Ticino                                     | 290,870           |
| Lake Geneva region                         | 289,795           |
| <b>Total loans</b>                         | <b>23,963,428</b> |

The reference area for the breakdown into different regions is based on the major regions defined by the Federal Statistical Office. For financing covered by mortgage liens, the domicile of the property is relevant; for all other collateral, the domicile of the collateral provider is relevant. Mortgages are only financed if the domicile of the property is in Switzerland. Foreign financing relates to current covered or uncovered loans to borrowers domiciled outside of Switzerland.

### 6.3.7 Training and further education

All existing and new employees of Graubündner Kantonalbank involved in lending receive training in the application of the existing and new guidelines and regulations in the lending business. To ensure quality and professionalism in client advisory services, all client advisors at Graubündner Kantonalbank have been receiving systematic further education since 2018 and are certified in accordance with the national "CertKB" standard issued by the Cantonal Bank Interest Group. The training, certification and regular recertification programme also includes Graubündner Kantonalbank's lending policy. The aforementioned self-regulatory guidelines regarding mortgage advisory services were integrated into the training concept for the first time in the reporting year.

Within the framework of the requirements for the implementation of the counter-proposal to the Responsible Business Initiative, Graubündner Kantonalbank initiated training and further education for the specialist groups involved. This focuses on implementation of the TCFD standard (TCFD: Task Force on Climate-related Financial Disclosures), the calculation of the carbon footprint with the Partnership for Carbon Accounting Financials (PCAF), and the definition of a science-based reduction pathway.

### 6.4 Further development and next steps

In 2024, Graubündner Kantonalbank will further develop its sustainability approach in the lending business in the following areas:

#### 6.4.1 Further development of the mortgage business

In future, environmental risks should also be recorded and taken into account in the design of mortgage products and services. In 2021 for the first time, Graubündner Kantonalbank commissioned IAZI AG to carry out an independent estimate of the indirect CO<sub>2</sub>e emissions of the properties financed by its mortgage loans (residential; so-called Scope 3 emissions). As at 30 September 2023, indirect CO<sub>2</sub>e emissions from the mortgage portfolio in the Residential segment of Graubündner Kantonalbank amounted to 266,400 tonnes of CO<sub>2</sub>e. That corresponds to an estimated average of 37 kg of CO<sub>2</sub>e per m<sup>2</sup> and year (as at 30 June 2022, this figure amounted to 39 kg CO<sub>2</sub>e per m<sup>2</sup> and year). The average for single-family and multi-family homes is 40 and 42 kg CO<sub>2</sub>e per m<sup>2</sup> and per year respectively. Financed condominium units reported 29 kg CO<sub>2</sub>e per m<sup>2</sup> and year.

This estimate and the relative importance of the mortgage business for the overall lending business of Graubündner Kantonalbank illustrate the leverage available for reducing indirect CO<sub>2</sub>e emissions by financing new buildings or energy-saving renovations of existing buildings that are certified to the Minergie or Passive House standards.

The mortgage business is one of the main pillars of Graubündner Kantonalbank's loan portfolio. The capture of sustainability-related criteria and their impact on the valuation of collateral will receive more attention in the future. To increase climate transparency, financed emissions will be evaluated and disclosed in 2024 as defined by the Partnership for Carbon Accounting Financials (PCAF). These results will then be used to define a science-based reduction pathway and measures to achieve the goals.

#### 6.4.2 Further development of the corporate lending business

In future, qualitative and quantitative sustainability-related factors will be taken into account in the lending process for business with small and medium-sized corporate clients in addition to the assessment of traditional financial credit risks. As part of an Innosuisse project, Graubündner Kantonalbank is supporting the development of a model for integrating sustainability indicators into the credit assessment process for SMEs. Graubündner Kantonalbank will examine in detail in the years to come the extent to which sustainability-related opportunities and risks can be included in the definition of credit conditions and the valuation of collateral (pledged assets). In line with the Partnership for Carbon Accounting Financials (PCAF), Graubündner Kantonalbank will also calculate the greenhouse gas emissions of outstanding loans to corporate clients and define a possible reduction pathway in the medium term.

## Chapter 7: Sustainable investment business

### 7.1 Relevance of the topic for Graubündner Kantonalbank and its holding companies

After the lending business, the investment business is the second-largest business area for Graubündner Kantonalbank. Investment is the core business of the Group companies Albin Kistler AG, BZ Bank Aktiengesellschaft and Privatbank Bellerive AG. Investments made on a fiduciary basis on behalf of their clients (asset management and collective investment schemes) as well as investments made by clients independently or on the basis of advice may have a significant impact on the economy, society and the environment. Ignoring sustainability criteria and their impact in investing means also ignoring the associated risks, opportunities and consequences. Since society demands responsible behaviour and supervisory authorities specify sustainable practices, risks such as these can have an impact on financial costs and on a company's balance sheet as a result. This also includes risks arising in connection with insufficiently sustainable activities as well as the costs and risks of a transition toward sustainable business models.

Risk management is a core competency of banks and asset managers – both with respect to their own investments as well as in their role as fiduciary asset managers of client funds. Politicians require investment advisors and asset managers to exercise an incentive effect on the environment and society indirectly through their clients' investments. Sustainable business management is something that extends far beyond ambitious environmental protection goals. Sustainability is much more than environmental pollution, greenhouse gas emissions and climate change. When making investment decisions, the way in which companies are managed (corporate governance) and criteria relating to diversity, human rights and child labour must also be taken into account.

For clients, transparency regarding the sustainability-related impact of investments as well as ongoing monitoring and reporting are pivotal. By identifying their clients' sustainability preferences, the bank or asset manager will be able to better inform them about sustainability opportunities and risks and provide them with advice on how to select financial products and services that align with their preferences. Anybody who – either on their own or through their asset manager – takes sustainability criteria into account when making investments or who exercises the ownership rights associated with the securities (stewardship) sends signals to the financial markets and takes their incentive effect into account.

### 7.2 Ambition of Graubündner Kantonalbank

Graubündner Kantonalbank is aware of its responsibility as part of society. Investing sustainably is not just a genuine need for the bank, it is also an inner conviction. Graubündner Kantonalbank defines sustainability in the investment process as a combination of traditional investment approaches and environmental, social and governance (ESG) criteria. ESG stands for Environmental, Social and Governance and is a framework that helps to identify and avoid risks that may arise from environmental, social or governance issues and to seize opportunities arising from them. This conviction has made ESG an integral part of the entire investment business of Graubündner Kantonalbank since 2020.

Through its activities in the investment business, Graubündner Kantonalbank aspires to make a contribution toward a sustainable future. To that end, the bank is guided by the Swiss and international initiatives for achieving the targets of the Paris Agreement.

The key performance indicator for sustainable investment business can be found in the table "[Financial and sustainability goals](#)".

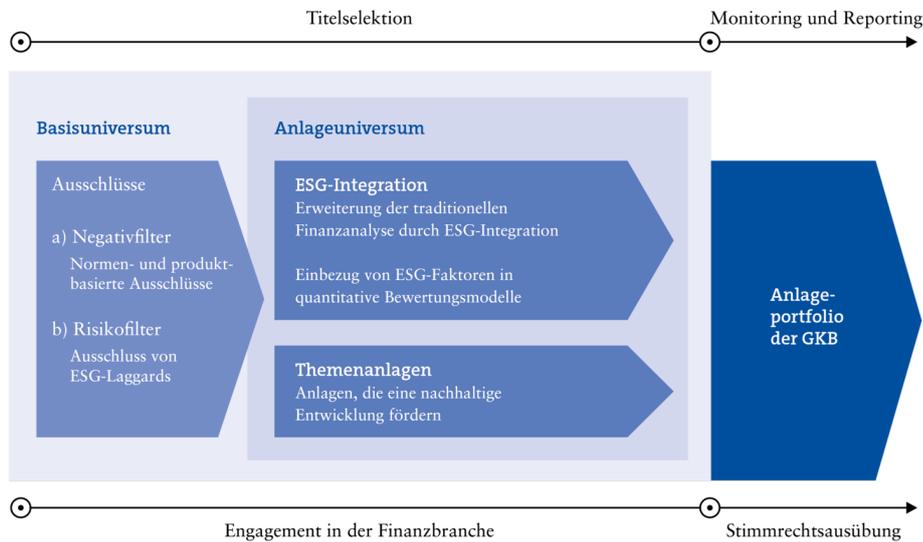
### 7.3 Current approach of Graubündner Kantonalbank

Graubündner Kantonalbank's sustainability approach in its investment business is based on the six principles of the UN PRI and international standards, in particular the UN Global Compact Principles, the ILO core labour standards and the Universal Declaration of Human Rights. Global targets such as the Paris Agreement on Climate Change also serve as a guiding principle for prioritising the investment strategy.

#### 7.3.1 ESG approach of Graubündner Kantonalbank

The bank holistically implements sustainable investing through its investment business. That means ESG criteria are incorporated into the investment process at various points. Graubündner Kantonalbank uses ESG criteria to define the ESG-compliant investment universe (**negative and**

**risk filters**) and takes ESG-related risks into account as supplementary information in its investment assessments and portfolio development (**integration**). ESG criteria are taken into account when making specific investment decisions and are incorporated into risk management. Creating transparency about the ESG risks of investment portfolios (**reporting**) is a top priority at Graubündner Kantonalbank. The bank also aspires to engage in active dialogue with providers of investment funds (**engagement**) and is committed to ensuring that shareholder voting rights (**voting**) of investment funds are exercised with sustainability in mind, as far as reasonably possible.



**Selection of direct investments and investment funds**

The first step in the bank’s ESG-focused investment process is to define the investment universe in accordance with the applicable ESG criteria. Controversial activities are excluded and a review is carried out for sustainability-related positive and negative factors. Different processes apply to direct investments and to investment funds. These are briefly described below:

**a) ESG approach for selection of direct investments (individual securities)**

The Graubündner Kantonalbank individual security selection process involves a multi-stage analysis process:

**1) ESG approach “exclusions”**

By making exclusions, Graubündner Kantonalbank avoids investing in companies or countries that do not meet its basic criteria from the outset. This applies, for example, to companies that violate global norms or rely heavily on coal-based business models as well as producers of controversial weapons or companies associated with nuclear weapons.

The exclusion criteria are continuously developed in line with current market standards. In the reporting year, new exclusion criteria were defined with regard to the ownership of thermal coal reserves and business activities relating to the extraction of unconventional oil and gas resources. The current exclusion criteria for direct investments can be found at [gkb.ch/anlegen-nachhaltigkeit](http://gkb.ch/anlegen-nachhaltigkeit) (under: GKB exclusion criteria for direct investments).

**2) ESG approach “laggards out”**

Companies with an ESG rating of B and CCC are considered laggards and fail to manage ESG risks adequately. This usually has a negative impact on long-term performance. In line with a positive screening approach, Graubündner Kantonalbank does not include in its investment universe any companies or countries that are classified by MSCI as “laggards,” i.e. have an MSCI ESG rating of B or CCC.

**3) ESG approach “ESG integration”**

In order to identify opportunities and risks before making an investment decision, further ESG criteria of companies and governments are integrated into the investment process and traditional financial analysis. In doing so, the bank relies on data from MSCI ESG. Individual securities that do

not have an MSCI ESG rating are generally excluded during this step of the process. Deviations may be made for individual issuers on the Swiss Bond Index ESG AAA-BBB. Further information is available at [gkb.ch/anlegen-nachhaltigkeit](https://gkb.ch/anlegen-nachhaltigkeit) (under: ESG approach for selection of direct investments).

### **b) ESG approach for selection of investment funds (third-party funds)**

A fund from a third-party provider that is used by Graubündner Kantonalbank or recommended for purchase is considered sustainable if the underlying sustainability concept is credible, it is implemented in the product, and the ESG strategies and criteria applied correspond substantially to those of Graubündner Kantonalbank. Graubündner Kantonalbank evaluates the sustainability approaches adopted for third-party funds on the basis of available information and in consultation with the fund's asset manager.

Funds that do not have an ESG concept are generally not included in the investment universe. There are currently no suitable ESG-compliant products in place in some regions or topics. In such a case, Graubündner Kantonalbank may also use non-ESG-compliant third-party products as part of its asset management and investment advisory service.

### **Specific requirements for special asset classes**

Specific rules apply to funds that focus on the following asset classes or strategies:

#### **- Real estate**

Graubündner Kantonalbank invests exclusively in broadly diversified real estate funds and companies from third-party providers. The bank engages in active dialogue with product providers to encourage them to take ESG criteria into account when implementing the investment strategy and to use recognised labels for real estate investments (e.g. GRESB). Real estate funds and companies from third-party providers are only recommended for purchase if the asset manager follows a convincing ESG approach in the investment process and reports on ESG criteria, such as the energy efficiency of buildings and the reduction of greenhouse gases, as well as other criteria, systematically and transparently when selecting investments.

#### **- Physical gold**

Graubündner Kantonalbank invests exclusively in physical gold bars that have been manufactured by refineries that are recognised by the London Bullion Market Association (LBMA) in accordance with the LBMA's London Good Delivery Lists and meet the LBMA's Responsible Gold Guidance standard. The Good Delivery Rules and Responsible Sourcing Guidance set the framework for quality in the gold market. The aforementioned requirements for physical gold bars apply analogously to the selection of gold funds and gold ETCs.

Further information is available at [gkb.ch/anlegen-nachhaltigkeit](https://gkb.ch/anlegen-nachhaltigkeit) (under: ESG approach for selection of investment funds).

### **In-house ESG expertise of Graubündner Kantonalbank**

Graubündner Kantonalbank has qualified sustainability experts to further develop and implement the ESG approach in its investment business. For its analyses, the bank uses as input the ESG ratings, data and tools from MSCI ESG Research LLC (MSCI), one of the world's largest providers of environmental, social and governance sustainability analyses.

### **7.3.2 Consideration of ESG preferences**

In the reporting year, Graubündner Kantonalbank did the work needed to prepare for the implementation of the new self-regulation of the Swiss Bankers Association (SBA). From 1 January 2024, when providing investment advisory and asset management services, it makes sure that the ESG preferences of its clients are in line with the ESG characteristics of the investment solution on offer. The bank uses a questionnaire to determine the ESG preferences of private and professional clients and uses this information to create the client-specific ESG profile. It distinguishes between three different ESG profiles:

- **Neutral:** Clients who do not have any particular interest in ESG information or the consideration of ESG criteria are classified as "Neutral". ESG aspects are not necessarily taken into account in the investment solutions offered to clients of this kind, nor are they explicitly informed about ESG risks when given investment advice.

- **ESG:** ESG information and criteria are important to clients with this profile. The bank therefore undertakes to ensure that the investment solution selected has an ESG rating of at least A at portfolio level.
- **ESG plus:** : ESG information and criteria are very important to these clients. The bank therefore undertakes to ensure that the investment solution selected has an ESG rating of at least AA at portfolio level.

Further information on the implementation of the new SBA guidelines at Graubündner Kantonalbank can be found on the website [gkb.ch/anlegen-esg](http://gkb.ch/anlegen-esg).

### 7.3.3 ESG investment solutions

Graubündner Kantonalbank offers its clients investment solutions (own collective investment schemes, asset management and investment advisory services) that take ESG aspects into account (to varying degrees).

#### a) Own funds of Graubündner Kantonalbank

As an asset manager, Graubündner Kantonalbank manages its own ESG funds totalling around CHF 3 billion.

#### Overview of Graubündner Kantonalbank funds:

|   | Volume as of<br>31.12.2023<br>(in CHF mil-<br>lion) | MSCI ESG fund rating <sup>2</sup> |          | MSCI implied temperature rise <sup>3</sup> |          |
|---|---|-----------------------------------|----------|--|----------|
|   |   | Rating                            | Coverage | Temperature                                | Coverage |
| GKB (CH) Aktien Schweiz ESG                     | 672.2   | AA                                | 99.60 %  | 2.2° C                                     | 99.30 %  |
| GKB (CH) Aktien Welt ESG                        | 414.2   | AA                                | 100.00 % | 2.1° C                                     | 100.00 % |
| GKB (LU) Aktien Welt ESG <sup>1</sup>           | 38.9  | AA                                | 100.00 % | 2.1° C                                     | 100.00 % |
| GKB (LU) Aktien Europa ESG <sup>1</sup>         | 63.2  | AA                                | 100.00 % | 1.9° C                                     | 100.00 % |
| GKB (CH) Obligationen CHF ESG                   | 666.1   | A                                 | 94.10 %  | 2.4° C                                     | 45.40 %  |
| GKB (LU) Obligationen EUR ESG <sup>1</sup>      | 122.9   | A                                 | 98.00 %  | 2.3° C                                     | 53.30 %  |
| GKB (LU) Wandelanleihen Global ESG <sup>1</sup> | 197.5   | A                                 | 91.40 %  | 2.4° C                                     | 97.10 %  |
| GKB (CH) Strategiefonds Einkommen ESG           | 184.3   | A                                 | 85.90 %  | 2.3° C                                     | 52.70 %  |
| GKB (CH) Strategiefonds Ausgewogen ESG          | 235.4   | A                                 | 86.60 %  | 2.3° C                                     | 63.90 %  |
| GKB (CH) Strategiefonds Wachstum ESG            | 19.8  | AA                                | 92.00 %  | 2.3° C                                     | 79.20 %  |
| GKB (CH) Strategiefonds Kapitalgewinn ESG       | 126.2   | AA                                | 96.90 %  | 2.3° C                                     | 91.80 %  |
| GKB (CH) Vorsorgefonds 25 ESG                   | 73.1  | A                                 | 84.40 %  | 2.3° C                                     | 50.90 %  |
| GKB (CH) Vorsorgefonds 45 ESG                   | 274.7   | A                                 | 84.70 %  | 2.4° C                                     | 61.20 %  |

1 Graubündner Kantonalbank has committed itself to disclosure as defined by Art. 8 of the European Sustainable Finance Disclosure Regulation (SFDR) for all of its own funds that are registered and authorised for distribution in EU markets.

2 MSCI ESG fund ratings aim to create transparency at fund level to help investors better understand a fund's ESG characteristics and review funds based on a variety of ESG exposure categories. The rating assesses a fund's long-term ESG opportunities and risks on a scale from AAA (highest rating) to CCC (lowest rating).

3 The "implied temperature rise" indicator from MSCI ESG Research is a forward-looking indicator (in degrees Celsius) that shows the alignment of companies, portfolios and funds with global temperature targets. This figure does not include investments in government bonds and supranational organisations. This explains, among other things, why interest-heavy strategies tend to have less coverage of the implied temperature rise than equity-heavy strategies.

For more information on Graubündner Kantonalbank's ESG approach for its funds, see: [gkb.ch/anlegen-nachhaltigkeit](http://gkb.ch/anlegen-nachhaltigkeit) (Rubrik: ESG-Ansatz GKB Fonds).

**b) Investment solutions in asset management**

Portfolio management offer overview

|  | ESG-Profil |     |          |
|--|------------|-----|----------|
|  | Neutral    | ESG | ESG plus |
| GKB Premium-Mandat ESG   |            | ✓   |          |
| GKB Basis-Mandat ESG   |            | ✓   |          |
| GKB Anlage-Sparplan ESG  |            | ✓   |          |
| GKB Pensions-Mandat Komfort ESG  |            | ✓   |          |
| GKB Verwaltungs-Mandat im Rahmen einer Beistandschaft oder Vormundschaft |            | ✓   |          |
| GKB Exklusiv-Mandat  | ✓          | ✓   | ✓        |
| GKB Individualmandat Institutionelle <sup>1</sup>                        | ✓          | ✓   | ✓        |

<sup>1</sup> Institutionelle können gemäss FIDLEG als professionelle oder als institutionelle Kundinnen und Kunden fungieren.

**Portfolio management offer overview**

Under its **standardised asset management mandates**, Graubündner Kantonalbank exclusively offers its clients investment solutions with an "ESG" focus. These are therefore suitable for clients with the ESG profile "ESG". There is currently no standardised product offering for clients with an ESG profile "Neutral" or "ESG plus".

For **mandates with individual client requirements** (GKB Exclusive Mandate and GKB Individual Mandate Institutional), the bank offers investment solutions that are suitable for all ESG profiles. Graubündner Kantonalbank's exclusive mandates are aimed at clients with assets in excess of CHF 3 million who wish to pursue a portfolio that deviates from the standard strategy. Mandates of this nature are typically also managed in accordance with the ESG approach of Graubündner Kantonalbank.

**Development and volume of ESG asset management mandates of Graubündner Kantonalbank**

| Standardised ESG discretionary mandates                             | 2023   | 2022   | 2021   | 2020  |
|---|--------|--------|--------|-------|
| Number of mandates  | 12,872 | 12,081 | 10,413 | 8,270 |
| Volume (CHF million)  | 2,537  | 2,392  | 2,616  | 2,134 |
| Share of total standardised asset management mandates (in %)        | 99.6   | 99.4   | 99.2   | 94.9  |
| <b>ESG exclusive mandates</b>                                       |        |        |        |       |
| Number of mandates  | 55     | 57     | 59     | 57    |
| Volume (CHF million)  | 281    | 331    | 390    | 337   |
| Share of total exclusive mandates (in %)                            | 100    | 100    | 100    | 100   |
| <b>Individual mandates for institutional clients</b>                |        |        |        |       |
| Number of mandates  | 65     | 67     | k.A.   | k.A.  |
| Volume (CHF million)  | 1,760  | 1,640  | k.A.   | k.A.  |
| Share of total individual mandates for institutional clients (in %) | 100 %  | 100 %  | k.A.   | k.A.  |

Since the end of 2020, the number of standardised ESG asset management mandates has increased by 4,602. Around three-quarters of this increase is attributable to the ESG investment solutions «GKB Anlagesparplan ESG» and «GKB Basis-Mandat ESG», for which very low minimum investment amounts apply (investment savings plans: CHF 100 / basic mandates: CHF 10,000. On average, an investment savings plan has an investment volume of just over CHF 30,000. The average for basic mandates is around CHF 85,000 and just under CHF 500,000 for premium mandates.

At the end of 2023, 99.6% of the standardised asset management mandates were managed in accordance with the ESG approach of Graubündner Kantonalbank. The remaining 0.4 percentage points refer to a mandate solution that is no longer actively offered. The majority of this mandate

solution is implemented using medium-term notes from the bank and capital protection products from third-party providers. The volume of these mandates has decreased from CHF 113.8 million at the end of 2020 to CHF 10.4 million at the end of 2023.

Since mid-2020, all ESG exclusive mandate solutions have been managed in full in accordance with the bank's ESG approach. The same applies to individual mandates for institutional clients, whose implementation has also been meeting the ESG requirements of Graubündner Kantonalbank from the 2022 financial year. This also applies to mandates for which the individual mandate agreement does not yet apply any client-specific requirements.

For more information on Graubündner Kantonalbank's ESG approach for its asset management, see: [gkb.ch/anlegen-nachhaltigkeit](https://gkb.ch/anlegen-nachhaltigkeit) (under: ESG approach to asset management).

### c) Investment solutions for Savings 3 retirement savings

The bank offers its clients suitable ESG-oriented investment solutions in combination with a 3a retirement account. The focus falls on its own retirement and strategy funds. Clients can choose between independent management via the Gioia 3a app or via investment advice. Further information is available at [gkb.ch/wertschriftensparen](https://gkb.ch/wertschriftensparen).

### d) Investment solutions in the form of investment advice

In terms of investment advice, the bank offers its clients a product range tailored to their individual ESG preferences:

|  | ESG-Profil |     |          |
|--|------------|-----|----------|
|  | Neutral    | ESG | ESG plus |
| GKB Anlagedepot                                  | ✓          | ✓   | ✓        |
| GKB Beratungsmandat                              | ✓          | ✓   | ✓        |
| GKB Beratungsmandat Institutionelle <sup>1</sup> | ✓          | ✓   | ✓        |

<sup>1</sup>Institutionelle können gemäss FIDLEG als professionelle oder als institutionelle Kundinnen und Kunden fungieren.

The respective investment solutions of Graubündner Kantonalbank are implemented in accordance with the principle of selectively improving the risk-return ratio in line with the chosen investment strategy. This is done in compliance with prescribed bank and client restrictions, such as taking into account the average portfolio ESG rating of at least A for the "ESG" profile or AA for the "ESG plus" profile. Further information is available at [gkb.ch/anlegen-esg](https://gkb.ch/anlegen-esg).

### 7.3.4 Integration of ESG into the bank's own investments and occupational pension plans

Graubündner Kantonalbank bases its own investments on sustainability principles and also takes ESG criteria into account. In doing so, the bank follows the ESG approach of Graubündner Kantonalbank described above. In future, the bank will measure annually how the financed emissions of the bank's own investments develop and how they compare with the defined reduction pathways. For its own occupational pension plans, ESG criteria are also included in the management of pension assets.

### 7.3.5 Training and further education

In order to implement the ESG concept developed for the investment business along the individual process steps in the Investment Centre and in client advisory services, Graubündner Kantonalbank ensures that the necessary expertise is available within the responsible units by means of training and further education. While the Investment Centre ensures that employees receive ongoing further education on the topic of sustainability (including programmes where they can become a Certified ESG Analyst (CESGA) or CFA ESG), the bank's Sustainability Committee offers ongoing training courses under the leadership of Human Resources (HR) to ensure that client advisors have the qualifications they need to implement the topic of sustainability as intended by the current internal and regulatory requirements.

In the reporting year, the bank and the Lucerne University of Applied Sciences and Arts (HSLU) implemented a tailor-made, modular training concept with a high degree of practical relevance. All client advisors at the bank have completed the training. Step one involved conveying the basic

knowledge in five online modules, Topic-specific in-depth physical workshops are also planned for 2024. In addition, specific ESG topics are addressed and explored in greater depth at the regular symposia. The knowledge imparted goes beyond the training and further education requirements of the SBA self-regulation of June 2022.

### 7.4 Further development in the reporting year and next steps

With regard to achieving the goals of the Paris Agreement of 2015 and ensuring a future with correspondingly lower CO<sub>2</sub> emissions, Graubündner Kantonalbank understands that the decarbonisation of its clients' investment portfolios will be an important part of the transition away from fossil fuels to a low-carbon economy. In the year under review, the bank therefore focused intensively on how to incorporate the resulting transformation risks into its investment decisions. In particular, changes in legislation, technology and consumer behaviour must be taken into account. In addition, the increasing frequency of extreme weather events poses physical risks relating to the vulnerability of a company's supply chain, operations and assets. These physical risks can have a negative impact on a company's revenue and profit development.

#### 7.4.1 Expansion of the investment approach by including climate risks

In the reporting year, Graubündner Kantonalbank expanded its requirements for the exclusion of companies doing business with coal, oil and gas. In addition to companies that generate more than 5% of their revenue with the extraction of thermal coal or the generation of electricity using thermal coal, companies that generate more than 5% of their revenue with unconventional oil and gas (including Arctic) or have thermal coal reserves of more than one billion tonnes have also been excluded from the investment universe since the beginning of 2023.

Graubündner Kantonalbank is also convinced that an active dialogue with companies is needed to reduce emissions that are harmful to the climate. Active participation – both through engagement and through the use of voting rights to influence companies – is therefore an important part of its ESG approach to the investment business, in particular in the field of governance. In the year under review, the bank evaluated potential partners for its own engagement activities. Following the selection of partners in 2024, the bank will draw up a corresponding stewardship policy and implement it as part of its ESG-focused investment concept. Further information on stewardship activities can be found at [gkb.ch/anlegen-nachhaltigkeit](https://gkb.ch/anlegen-nachhaltigkeit) (under: Stewardship).

It is also planned for 2024 to define key performance indicators (KPIs) that will be part of Graubündner Kantonalbank's climate strategy for managing climate risks. These KPIs should be defined at instrument level (in the sense of the "laggards out" sustainability approach) and at overall portfolio level.

#### 7.4.2 Disclosure of sustainability characteristics of funds and client portfolios

For 2024, Graubündner Kantonalbank is planning the following activities to increase transparency with regard to the ESG risks and characteristics associated with the investment solutions on offer:

- The **Swiss Climate Scores** will be reported for the first Graubündner Kantonalbank funds.
- The Swiss Climate Scores will be reported for the first Graubündner Kantonalbank funds. Interested pension funds should be provided with a reporting system that complies with the **ESG reporting standards of the Swiss Pension Fund Association (ASIP)** for their mandates with the bank.
- Graubündner Kantonalbank will make detailed **ESG reporting** available on its website for its own funds **in accordance with AMAS requirements**.
- The expansion of Graubündner Kantonalbank's ESG reporting via asset statements will be continued consistently in 2024.

#### 7.4.3 Due diligence in relation to minerals and metals

Graubündner Kantonalbank only sells its clients precious metals that meet the relevant market standards. Specifically, these are the "Good Delivery Standards" of the London Bullion Market Association (LBMA) for gold and silver, and the "Good Delivery Standards" of the London Platinum and Palladium Market Association (LPPM) for platinum and palladium. These two internationally recognised industry associations for precious metals determine the future orientation of the precious metals industry in terms of environmental, social and responsible corporate governance (ESG) aspects. This includes, in particular, the responsible procurement of precious metals.

Graubündner Kantonalbank is therefore implementing the requirements of the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (DDTrO), which entered into force in 2023, and is fulfilling its obligations accordingly. Graubündner Kantonalbank only procures precious metals via precious metals dealers domiciled in Switzerland who confirm compliance with the DDTrO requirements. As a result, in 2023 the bank only purchased precious metal bars that were LBMA or LPPM certified. In order to be included in the Good Delivery List, the manufacturers of such bars must undergo strict review procedures by the

two internationally recognised industry associations. Accredited manufacturers are regularly audited by the LBMA or LPPM for compliance with the standards. Among other things, precious metals from conflict-affected areas or of dubious origin may not be used. Graubündner Kantonalbank will continue to only buy precious metal bars that are LBMA and LPPM certified.

### 7.5 Current approach of holding companies

**Albin Kistler AG** focuses on discretionary asset management mandates for private clients and institutional investors. Sustainability criteria are taken into account in various forms as part of the systematic investment process. Exclusion criteria ensure, for example, that no investments are made in controversial industries, business activities or product categories that contradict Albin Kistler's investment philosophy focusing on security, quality, longevity and transparency. Albin Kistler's exclusion criteria are generally comparable to those of Graubündner Kantonalbank's ESG approach, but differ slightly in detail. Albin Kistler defines these exclusion criteria independently and adapts them in line with evolving market standards. In a second step, every investment decision by Albin Kistler is subject to an in-depth sustainability analysis. A dedicated ESG committee of Albin Kistler, consisting of in-house specialists and members of the Executive Board, examines potential sustainability risks in detail and has the authority to decide on the investability of a company or debtor. Like Graubündner Kantonalbank, Albin Kistler bases its analysis on input data from MSCI ESG Research LLC (MSCI). Further information on sustainability in Albin Kistler's investment philosophy can be found in the position paper on the website <https://www.albinkistler.ch/wie/anlagephilosophie/nachhaltigkeit>

**BZ Bank Aktiengesellschaft** specialises in equity trading and advice on equity investments and holdings. Investments are selected on the basis of economic performance (primary analysis of companies). ESG criteria do not play a stand-alone role in BZ Bank's investment or advisory process.

**Privatbank Bellerive AG** aims to offer its clients an attractive long-term, risk-adjusted performance and therefore focuses on offering actively managed equity portfolios. As part of the multi-stage investment process, the investment specialists at Privatbank Bellerive analyse attractively valued securities with the aim of identifying global market leaders with stable income flows and a high rate of organic growth. As part of this selection process, the securities are also screened against ESG criteria and excluded if necessary.

The holding companies Albin Kistler AG, BZ Bank Aktiengesellschaft and Privatbank Bellerive AG do not participate in financing the extraction of raw materials and do not trade in raw materials (including minerals and metals) for their own account. These companies in which the bank holds majority stakes thus avoid supporting the extraction of raw materials under inhumane conditions.

Albin Kistler AG conducts precious metal transactions for clients via Swiss custodian banks that comply with the DDTro requirements. Clients of BZ Bank Aktiengesellschaft do not hold any gold in their custody accounts. Privatbank Bellerive processes its clients' precious metal transactions via Graubündner Kantonalbank.

## Chapter 8: Employer attractiveness and employee training and education

### 8.1 Relevance of the topic for Graubündner Kantonalbank and its holding companies

Three megatrends – digital transformation, the demographic slump and the shift in values – are changing the world of work and conditions on the labour markets.

**Digital transformation** is not only changing companies' business models, processes, and services, but also the way in which people at companies work (together). In the first phase, simpler, repetitive tasks are typically automated. In the next phase, as artificial intelligence becomes more powerful, clerk functions are also likely to be increasingly automated. At the same time, the search for new solutions and productivity increases leads to **new professions with a higher profile of requirements**.

**Demographics** mean that almost twice as many baby boomers retire every year in Switzerland as millennials enter the work process. It is estimated that Switzerland will lose 50,000 workers a year in the current decade. Structurally weak peripheral regions such as the canton of Graubünden are also suffering from the brain drain to the economic centres. It is estimated that 60% of Graubünden students who study outside their home canton do not return to their home canton again during their working lives. At the same time, Switzerland is becoming a tertiary economy in which companies are increasingly looking for talented young employees with an affinity for technology, problem-solving skills and a service mentality. Eighty percent of all jobs in Switzerland are already offered in the tertiary sector. Overall, the Swiss labour market will transform into **an employee market** in the second half of this decade, with more jobs being offered than workers on the labour market.

At the same time, analyses carried out by Graubündner Kantonalbank confirmed the **differences in values between the different generations**: Meaningfulness is at the heart of millennials' value system. Millennials look for a deeper meaning in their work and an employer with a meaningful purpose. The meaning may be found in exciting work content, development opportunities or opportunities to help shape the company – ideally with companies that distinguish themselves as a responsible employer or pursue a sustainable corporate purpose. Meaningfulness is framed by the self-actualisation values of individuality and independence. Millennials see themselves as an open, tolerant generation when it comes to otherness and want a high degree of fairness and diversity in their working environment. Open feedback and transparency in cooperation serve as the basis for their opportunities for development and participation. Flexible, family-friendly working conditions (in terms of space and time) in a flat hierarchy provide the stage where millennials can and wish to showcase their strengths – but this does not mean they do not also want a high level of job security.

Graubündner Kantonalbank and its holding companies, Albin Kistler AG, BZ Bank Aktiengesellschaft and Privatbank Bellerive AG, need to take the changes in values into account as the starting point for their strategic HR and management work when positioning themselves in the upcoming employee market with its increasingly demanding job profiles as a result of the digital transformation. Because as a service provider, value creation by Graubündner Kantonalbank and its holding companies is and will remain largely dependent on the quality and commitment of its employees. **Attractiveness as an employer and the training and education of its employees** are therefore key levers in the value creation of Graubündner Kantonalbank and its holding companies. Given its high strategic importance, the topic was repositioned in third place in the updated materiality analysis.

### 8.2 Ambition of Graubündner Kantonalbank

Graubündner Kantonalbank aims to position itself as a leading, responsible and modern employer in the Swiss financial services sector. In doing so, it acknowledges the great importance of its employees as a key lever for value creation. Given the importance of this topic, Graubündner Kantonalbank has included «**Führung und Kultur**» in its ten strategic fields of action in the current strategy period. Through a range of strategic initiatives, it promotes a performance-oriented corporate culture and encourages staff to act independently. Graubündner Kantonalbank has identified the strengthening of management quality as its strongest lever in developing a cooperative, client-centric and performance-oriented culture. In this context, the Board of Directors and the Executive Board want to play an active part as role models.

### 8.3 Current approach of Graubündner Kantonalbank

As of 31 December 2023, 1,088 people were employed in the Group (Graubündner Kantonalbank, Albin Kistler AG, BZ Bank Aktiengesellschaft, Privatbank Bellerive AG), which represents an increase of 3.5%. Headcount growth occurred primarily at Graubündner Kantonalbank, and mainly among part-time employees.

|   | 2023   | 2022   | 2021   |
|---|--------|--------|--------|
| <b>Employees, by region (Group)</b>                                   |        |        |        |
| <b>Number of employees</b>  | 1,088  | 1,052  | 1,053  |
| – Graubünden  | 1,015  | 981    | 997    |
| – Switzerland <sup>1</sup>  | 73     | 71     | 56     |
| – Outside Switzerland   | 0      | 0      | 0      |
| <b>Employees (FTEs)</b>   | 897.65 | 861.48 | 853.88 |
| – Men   | 527.75 | 517.26 | 512.77 |
| – Women   | 369.90 | 344.22 | 341.11 |
| <b>Number of permanent employees</b>                                  | 980    | 946    | 940    |
| – Graubünden  | 907    | 875    | 884    |
| – Switzerland <sup>1</sup>  | 73     | 71     | 56     |
| – Outside Switzerland   | 0      | 0      | 0      |
| <b>Number of temporary employees</b>                                  | 108    | 106    | 113    |
| – Graubünden  | 108    | 106    | 113    |
| – Switzerland <sup>1</sup>  | 0      | 0      | 0      |
| – Outside Switzerland   | 0      | 0      | 0      |
| <b>Number of full-time employees</b>                                  | 652    | 649    | 606    |
| – Graubünden  | 593    | 593    | 606    |
| – Switzerland <sup>1</sup>  | 59     | 56     | k.A.   |
| – Outside Switzerland   | 0      | 0      | 0      |
| <b>Number of part-time employees</b>                                  | 436    | 403    | 391    |
| – Graubünden  | 422    | 388    | 391    |
| – Switzerland <sup>1</sup>  | 14     | 15     | k.A.   |
| – Outside Switzerland   | 0      | 0      | 0      |
| <b>of which part-time employees with non-guaranteed working hours</b> | 39     | 57     | 59     |
| – Graubünden  | 37     | 55     | 57     |
| – Switzerland <sup>1</sup>  | 2      | 2      | 2      |
| – Outside Switzerland   | 0      | 0      | 0      |

<sup>1</sup> Board of Directors members are reported separately

The following table provides further information on the workforce of Graubündner Kantonalbank. The overview shows that the proportion of women has increased, with the majority of them working part-time. Although the proportion of department, market and team heads has fallen by more than 10% over the past three years, the proportion of women has increased further at this level.

|   | 2023         | 2022       | 2021       |
|---|--------------|------------|------------|
| <b>Number of employees by employment contract<sup>1</sup></b> | <b>1,015</b> | <b>981</b> | <b>997</b> |
| <b>Permanent contract</b>                                     | 907          | 875        | 884        |
| – Men   | 449          | 443        | 447        |
| – Women   | 458          | 432        | 437        |
| <b>Fixed-term contract</b>                                    | 108          | 106        | 113        |
| – Men   | 55           | 53         | 61         |
| – Women   | 53           | 53         | 52         |
| <b>Number of employees by employment relationship</b>         | <b>1,015</b> | <b>981</b> | <b>997</b> |
| <b>Number of full-time employees</b>                          | 593          | 593        | 606        |
| – Men   | 402          | 401        | 419        |
| – Women   | 191          | 192        | 187        |
| <b>Number of part-time employees</b>                          | 422          | 388        | 391        |
| – Men   | 102          | 95         | 89         |
| – Women   | 320          | 293        | 302        |
| <b>of which apprentices<sup>2</sup></b>                       | 34           | 33         | 33         |
| – Men   | 14           | 13         | 15         |
| – Women   | 20           | 20         | 18         |
| <b>of which interns</b>                                       | 20           | 33         | 33         |
| – Men   | 14           | 13         | 15         |
| – Women   | 6            | 20         | 18         |
| <b>of which hourly wage earners</b>                           | 37           | 55         | 57         |
| – Men   | 9            | 9          | 12         |
| – Women   | 28           | 46         | 45         |
| <b>Number of employees by level</b>                           | <b>1,015</b> | <b>981</b> | <b>997</b> |
| <b>Business unit heads</b>                                    | 5            | 4          | 4          |
| – Men   | 4            | 3          | 3          |
| – Women   | 1            | 1          | 1          |
| <b>Department heads</b>                                       | 30           | 28         | 29         |
| – Men   | 28           | 26         | 27         |
| – Women   | 2            | 2          | 2          |
| <b>Department/market/team heads</b>                           | 78           | 82         | 89         |
| – Men   | 60           | 67         | 74         |
| – Women   | 18           | 15         | 15         |
| <b>Group heads</b>  | 22           | 22         | 18         |
| – Men   | 14           | 14         | 12         |
| – Women   | 8            | 8          | 6          |
| <b>Employees</b>  | 880          | 845        | 857        |
| – Men   | 398          | 386        | 392        |
| – Women   | 482          | 459        | 465        |

1 Board of Director members are reported separately  
 2 Shown here for 100% working hours

In order to achieve its ambition to be a leading, responsible and modern employer in the Swiss financial services sector, Graubündner Kantonalbank took measures in various areas of its HR strategy during the year under review.

### 8.3.1 Education

Graubündner Kantonalbank is making a significant contribution to SDG 4 (quality education). The bank invests a substantial amount in its most important asset – its employees.

|  | Change  | 2023 <sup>1</sup> | 2022  | 2021  |
|--|---------|-------------------|-------|-------|
| <b>Average hours of training and further education per year per employee</b> |         |                   |       |       |
| Training hours   | 132 %   | 17,658            | 7,619 | 4,758 |
| Training hours per employee and gender                                       | 124 %   | 17.4              | 7.8   | 4.8   |
| – Men  | 110 %   | 18.4              | 8.8   | 4.5   |
| – Women  | 143 %   | 16.4              | 6.7   | 5.1   |
| Training hours per employee and age group                                    |         |                   |       |       |
| < 30 years   |         | 12.2              | k.A.  | k.A.  |
| 30–50 years  |         | 14.6              | k.A.  | k.A.  |
| >50 years  |         | 21.5              | k.A.  | k.A.  |
| Total personnel development expenses (total cost accounting) in CHF thousand | 3.5 %   | 5,617             | 5,427 | 5,152 |
| Training and further education (incl. project costs)                         | 0.9 %   | 1,701             | 1,686 | 1,561 |
| Training (apprentices and BEM)   | 5.3 %   | 340               | 323   | 340   |
| Further education  | -6.5 %  | 783               | 837   | 520   |
| In-service further education   | 20.7 %  | 444               | 368   | 386   |
| Management development   | -14.1 % | 134               | 156   | 137   |
| Avg. investment in training per employee                                     | -2.5 %  | 1.97              | 2.02  | 1.90  |

1) Conversion to more precise data source

#### 8.3.1.1 Digital education initiative

Since 2020, Graubündner Kantonalbank has been proactively addressing the challenges of digital transformation in **cooperation with the Graubünden University of Applied Sciences (FHGR)**. It aims to prepare its employees for the future by offering all employees a further education programme financed by the bank.

The further education programme consists of two courses, each comprising six modules. Each module consists of three days of classroom training. In **course 1**, participants work on the basics of **general management**. The aim of the course is to give participants an overview of the status quo in the disciplines of corporate governance, leadership, organisation, process, project and change management, marketing and finance. **Course 2** provides students with a comprehensive understanding of the fundamentals relevant to the **digital transformation**. Here, knowledge that is indispensable for the future is imparted, especially concerning topics such as digital tools, processes and business models, new technologies, agile working methods and leadership in the new world of work. The aim is for participants in the courses to be able to apply the new technologies to banking solutions.

This practice-oriented, in-service further education improves the internal and external employability of employees. Graubündner Kantonalbank offers this further education so that it can develop the professional profiles that will be required in the future within its own ranks and recruit from them.

By now, three annual groups of students have successfully completed their course with a practical assignment. In 2022, the education programme described above received the Skilly Award from skillaware (banks as an employer) for the **best training concept in the Swiss banking market**. Graubünden Digital is supporting this initiative with a maximum amount of CHF 1 million, aiming to prepare as many workers as possible in Graubünden for the demands of the future. As a result, the objectives of the further education initiative have been broadened. The aim now is to prepare as many employees in cross-industry classes as possible in Graubünden for the demands of the future labour market, thus preventing unemployment in the canton and developing a labour market that reflects the value creation of the future.

In parallel to this training, two further courses were developed in December 2022 at the initiative of Graubündner Kantonalbank with three external partners in order to acquire the skills of the future. The **Agility seminar**, promotes agile working and the use of agile tools, while the **Design Thinking seminar** offers an insight into creativity techniques for innovative solution generation and problem solving. These seminars were held for the first time in 2023 and included in the standard further education offering.

### 8.3.1.2 Sustainability training

The **ESG training courses** launched in 2022 together with the Lucerne University of Applied Sciences and Arts (HSLU) for all client advisors were completed in November 2023. Thanks to the modular structure of the training courses, it was possible to convey the topics prescribed by the regulations as well as their practical relevance to advisory. In-depth workshops for the various segments of client advisory services will start in 2024. Sustainability awareness training is also offered to all the bank's employees.

### 8.3.1.3 Talent management

Graubündner Kantonalbank's «Futura» talent board was set up in 2019 in the form of a network by a group of 25- to 35-year-old employees. It has since become an important tool for increasing the proportion of women in management positions. The Futura board provides valuable support for the bank's move towards new work and meets for discussions with the Executive Board quarterly. See also [www.gkb.ch/futura](http://www.gkb.ch/futura).

## 8.3.2 Starting a career with Graubündner Kantonalbank

In August 2023, 22 new apprentices and interns joined Graubündner Kantonalbank. The focus of the **first week of work** was on introducing young professionals to the familial yet performance-oriented culture of the bank. The new commercial apprentices were enrolled under the new model («KV-Reform») for the first time, which optimally prepares young business people for the changing world of work. In total, Graubündner Kantonalbank offers over 80 apprentices and interns the opportunity to start a successful career.

In order to provide potential future apprentices with information about their career prospects at an early stage, Graubündner Kantonalbank was a presenting partner at the on-site job fair "Fiutscher" in November 2023. In addition to the banking internship (BEM), commercial apprenticeship and mediamatics apprenticeship, Graubündner Kantonalbank is offering two apprentices the opportunity to start their new apprenticeship as a digital business developer from August 2024. This makes Graubündner Kantonalbank one of the **first training companies** in Graubünden to offer this forward-looking, innovative apprenticeship.

## 8.3.3 Occupational health management (OHM)

In 2022, Graubündner Kantonalbank developed a concept for the voluntary promotion of the occupational health of its employees, which was successfully launched in the year under review. An internal website provides employees with an overview of the available offers and campaigns relating to health promotion, care management and occupational safety. Examples of current offers include personality seminars, psychological counselling, ergonomic support at the workplace, a bike-to-work challenge and exercise campaigns with the staff association. In addition to these basic services, which promote physical and mental health, a focal topic has been defined for each of the next four years:



In 2023, the focus was on **mental health**. Employees were made aware of stress management, resilience, burnout and mindfulness. Graubündner Kantonalbank also provides all employees with free professional psychological support.

At the same time, the certification process for obtaining the **Friendly Work Space** label was initiated, with the aim of completing the certification in 2024. This label from the Health Promotion Switzerland foundation is awarded to companies who work systematically to ensure good working conditions and healthy employees.

In 2024, the focal health topic is ergonomics at the workplace. A suitable programme has been launched.

The following table shows the number of lost working days per employee. The increase in 2023 can be explained by an increase in the number of long-term illnesses and a very bad flu epidemic in the first quarter of 2023.

|   | 2023 | 2022 | 2021 |
|---|------|------|------|
| Occupational accidents (including minor accidents with no absence from work) <sup>1</sup> | k.A. | k.A. | k.A. |
| Days lost per employee  | 7.7  | 7.2  | k.A. |
| – of which sick days  | 7.2  | 6.8  | k.A. |
| – of which accident days  | 0.5  | 0.4  | k.A. |
| – of which work-related accident days   | k.A. | k.A. | k.A. |

1 Omitted, cannot yet be evaluated separately

### 8.3.4 Diversity and equal pay analysis

Graubündner Kantonalbank strives to increase the proportion of women in management positions. This is being achieved, for example, through flexible working models at all levels and the assumption of 50% of crèche costs. Graubündner Kantonalbank also deliberately monitors career paths and is gradually increasing the proportion of women on the «Futura» talent board. In 2023, Graubündner Kantonalbank created the **Diversity/Inclusion** project team, which will initially collect successful examples of increasing the proportion of women in management and promote networking. The first measures will be implemented in 2024.

The following overview shows that the proportion of women has increased both in management positions and in the overall workforce. It is also clear that there has been a noticeable shift in the management functions from the «50+» segment to the «30 - 50 years» segment.

|  | 2023 | 2022  | 2021  |
|--|------|-------|-------|
| <b>Diversity and equal opportunities</b>   |      |       |       |
| <b>Total number of persons on Supervisory Board, by gender</b>                     | 7    | 7     | 7     |
| – Men  | 4    | 4     | 4     |
| – Women  | 3    | 3     | 3     |
| <b>Percentage of persons on Supervisory Board, by gender</b>                       |      |       |       |
| – Men  | 57 % | 57 %  | 57 %  |
| – Women  | 43 % | 43 %  | 43 %  |
| <b>Total number of ExB members, by gender</b>                                      | 5    | 4     | 4     |
| – Men  | 4    | 3     | 3     |
| – Women  | 1    | 1     | 1     |
| <b>Percentage of ExB members, by gender</b>  |      |       |       |
| – Men  | 80 % | 75 %  | 75 %  |
| – Women  | 20 % | 25 %  | 25 %  |
| <b>Total number of ExB members, by age group</b>                                   | 5    | 4     | 4     |
| < 30 years   | 0    | 0     | 0     |
| 30–50 years  | 1    | 0     | 0     |
| >50 years  | 4    | 4     | 4     |
| <b>Percentage of ExB members, by age group</b>                                     |      |       |       |
| < 30 years   | 0 %  | 0 %   | 0 %   |
| 30–50 years  | 20 % | 0 %   | 0 %   |
| >50 years  | 80 % | 100 % | 100 % |
| <b>Total number of employees in managerial positions, by gender (excl. ExB)</b>    | 130  | 136   | 140   |
| – Men  | 102  | 110   | 116   |
| – Women  | 28   | 26    | 24    |
| <b>Percentage of employees in managerial positions, by gender (excl. ExB)</b>      |      |       |       |
| – Men  | 79 % | 81 %  | 83 %  |
| – Women  | 21 % | 19 %  | 17 %  |
| <b>Total number of employees in managerial positions, by age group (excl. ExB)</b> | 130  | 132   | 136   |
| < 30 years   | 3    | 3     | 5     |
| 30–50 years  | 83   | 73    | 72    |
| >50 years  | 44   | 56    | 59    |
| <b>Percentage of employees in managerial positions, by age group</b>               |      |       |       |
| < 30 years   | 2 %  | 2 %   | 4 %   |
| 30–50 years  | 64 % | 54 %  | 51 %  |
| >50 years  | 34 % | 44 %  | 45 %  |
| <b>Total number of other employees, by gender</b>                                  | 880  | 845   | 857   |
| – Men  | 398  | 386   | 392   |
| – Women  | 482  | 459   | 465   |
| <b>Percentage of other employees, by gender</b>                                    |      |       |       |
| – Men  | 45 % | 46 %  | 46 %  |
| – Women  | 55 % | 54 %  | 54 %  |
| <b>Total number of other employees, by age group</b>                               | 880  | 845   | 857   |
| < 30 years   | 240  | 211   | 231   |
| 30–50 years  | 413  | 397   | 395   |
| >50 years  | 227  | 237   | 231   |
| <b>Percentage of other employees, by age group</b>                                 |      |       |       |
| < 30 years   | 27 % | 25 %  | 27 %  |
| 30–50 years  | 47 % | 47 %  | 46 %  |
| >50 years  | 26 % | 28 %  | 27 %  |

Graubündner Kantonalbank last carried out an external **equal pay analysis** in 2021. The analysis confirmed that the wage system is completely non-discriminatory, with no significant wage differences between women and men. The next assessment will be done in 2024.

At Graubündner Kantonalbank, the ratio between the highest salary (incl. profit-sharing) and the median salary (incl. profit-sharing) is 7.93 (previous year: 8.15). This does not include employees outside the staffing plan or trainees.

### 8.3.5 From performance leadership to new pay

**Performance leadership** is part of the new management concept launched in 2020. The participatory approach is central to this model: it allows employees to participate in the formulation of objectives and in the performance assessment and is based on modern leadership approaches. With this in mind, Graubündner Kantonalbank simplified its salary concept in 2022 under the project title «new pay» and aligned it with the criteria of the new world of work.

### 8.3.6 New work ambition

Graubündner Kantonalbank developed its new work ambition in the year under review. It sees the new work transformation as an opportunity and, as a pioneer, wants to test new paths through the transformation. To this end, it has identified four topics, which it will develop and introduce in a coordinated manner over the coming years. For more information, see the chapter entitled «[Führung und Kultur](#)».

### 8.3.7 Corporate purpose and change agents

At Graubündner Kantonalbank, client focus is at the heart of its strategic agenda. In this context, a corporate purpose was developed as part of the strategy development process: every day, we at Graubündner Kantonalbank are working towards «**the best future ever**». The impact of the purpose targets all stakeholder groups, in particular clients, employees and society.

Following the impulse programme to anchor the corporate purpose as part of the launch, 50 employees were trained to become **change agents** who will actively support the ongoing transformation process. At the same time, management seminars on modern leadership topics such as **self-management** and **positive leadership** were offered to managers and specialists.

### 8.3.8 Regular culture and leadership analysis

In February 2022, Graubündner Kantonalbank carried out a culture and leadership analysis in collaboration with Energy Factory AG, St. Gallen, for the fifth time. This comprehensive employee survey is conducted every three years and is broadly based, with a participation rate of around 90%. The analysis allows conclusions to be drawn on the following strategically relevant topics:

- Energy: To what extent is the company's energy geared towards achieving strategic objectives (productive energy)? How high are the positive and negative energy states?
- Culture: How is the corporate culture and collaboration between departments developing? How pronounced is the client focus? How committed are our employees?
- Management: Where do we stand in implementing our management philosophy? Which leadership styles are practised, and with what effect?
- Client focus: To what extent are the teams and the employees' energies focused on the clients? What is collaboration like in the value-creation processes?

The index values of the 2022 culture and leadership analysis were as follows:

- Productive energy: 78
- Inspiring leadership: 80
- Client focus: 81
- Collaboration: 79
- Loyalty to employer: 87

A value of 80 and higher is an excellent result, values between 70 and 79 are considered good. The response rate was 86%. According to Heike Bruch (Professor of HR and Leadership at the University of St. Gallen and founder of Energy Factory AG), the values of around 80 in all areas show that "Graubündner Kantonalbank is a very healthy company". Nevertheless, Graubündner Kantonalbank has identified four topics in which it wants to improve further:

- Visibility and role model of top management
- New work profile and new work strategy
- Anchoring of corporate purpose and leadership model

- Appreciation towards younger and older employees

Following preparatory work in the reporting year, Graubündner Kantonalbank will implement various measures in 2024 to achieve improvements in the aforementioned areas. The next culture and leadership analysis is planned for 2024/25.

### 8.3.9 Employer brand, new hires and staff turnover

The HR marketing measures that Graubündner Kantonalbank has implemented in recent years are paying off. For example, the bank was once again honoured with the "Best Recruiter Award in the banking/financial services sector" in the year under review. Graubündner Kantonalbank also won the «**Best Recruiter Award Switzerland 2022**» for the best HR marketing of all companies in Switzerland, across all sectors (6th place in Germany, Austria and Switzerland).

In terms of new hires, Graubündner Kantonalbank is highly attractive to both the under 30 age group and the 30-50 age group. It should be mentioned that the proportion of women increased further.

|  | Change <sup>1</sup> | 2023 | 2022 | 2021 |
|--|---------------------|------|------|------|
| <b>Total number of employees hired during the reporting period, by age group<sup>2</sup></b> |                     |      |      |      |
| < 30 years   | 62 %                | 73   | 45   | 67   |
| 30-50 years  | 58 %                | 60   | 38   | 44   |
| >50 years  | 9 %                 | 12   | 11   | 12   |
| <b>Rate of new employees, by age group<sup>2</sup></b>                                       |                     |      |      |      |
| < 30 years   | 5 %                 | 50 % | 48 % | 54 % |
| 30-50 years  | 2 %                 | 41 % | 40 % | 36 % |
| >50 years  | -29 %               | 8 %  | 12 % | 10 % |
| <b>Total number of employees hired during the reporting period, by gender<sup>2</sup></b>    |                     |      |      |      |
| - Men  | 24 %                | 57   | 46   | 58   |
| - Women  | 83 %                | 88   | 48   | 65   |
| <b>Total number of employees hired during the reporting period, by region<sup>2</sup></b>    |                     |      |      |      |
| - Graubünden   | 54 %                | 145  | 94   | 123  |
| - Switzerland  | k.A.                | k.A. | k.A. | k.A. |
| - Outside Switzerland  | -                   | -    | -    | -    |
| <b>Rate of new employees, by gender (in percent)<sup>2</sup></b>                             |                     |      |      |      |
| - Men  | -20 %               | 39 % | 49 % | 47 % |
| - Women  | 19 %                | 61 % | 51 % | 53 % |

1 Year-on-year change

2 Number of persons excl. Board of Directors

Fluctuation in the <30 age group declined in the reporting year, while the number of departures was practically the same in the other two age groups.

|   | Change <sup>1</sup> | 2023  | 2022  | 2021  |
|---|---------------------|-------|-------|-------|
| <b>Total number of employees who left the company during the reporting period, by age group<sup>2</sup></b> |                     |       |       |       |
| < 30 years  | -11 %               | 17    | 19    | 5     |
| 30–50 years   | 40 %                | 28    | 20    | 13    |
| >50 years   | 11 %                | 30    | 27    | 24    |
| <b>Employee turnover by age group (unadjusted turnover, in percent)</b>                                     |                     |       |       |       |
| < 30 years  | -21 %               | 23 %  | 29 %  | 12 %  |
| 30–50 years   | 23 %                | 37 %  | 30 %  | 31 %  |
| >50 years   | -2 %                | 40 %  | 41 %  | 57 %  |
| <b>Total number of employees who left the company during the reporting period, by gender</b>                |                     |       |       |       |
| – Men   | 14 %                | 40    | 35    | 26    |
| – Women   | 13 %                | 35    | 31    | 16    |
| <b>Total number of employees who left the company during the reporting period, by region</b>                |                     |       |       |       |
| – Graubünden  | 14 %                | 75    | 66    | 42    |
| – Switzerland   | k.A.                | k.A.  | k.A.  | k.A.  |
| – Outside Switzerland   | –                   | –     | –     | –     |
| <b>Employee turnover (unadjusted turnover, in percent)</b>  |                     |       |       |       |
| – Total   | -4 %                | 8.5 % | 8.9 % | 6.0 % |
| <b>Employee turnover (adjusted turnover, in percent)</b>  |                     |       |       |       |
| – Total   | -4 %                | 6.4 % | 6.7 % | 4.1 % |

1) Year-on-year change

2) Number of persons excl. Board of Directors

Graubündner Kantonalbank was also again named the **best employer in the category «Raiffeisen banks, cantonal banks, regional banks and savings banks»** by the Handelszeitung in 2023. In May 2022, the UND department awarded Graubündner Kantonalbank the **«Family AND Career» rating**. This award attests to Graubündner Kantonalbank's ability to offer its employees family-friendly employment and working conditions, as shown by the figures in the following table.

|  | 2023 | 2022 | 2021 |
|--|------|------|------|
| <b>Maternity/paternity<sup>1</sup></b>   |      |      |      |
| <b>Total number of employees entitled to parental leave, by gender<sup>2</sup></b>                                       |      |      |      |
| – Men  | 449  | 443  | 447  |
| – Women  | 458  | 432  | 437  |
| <b>Total number of employees who took parental leave, by gender</b>  |      |      |      |
| – Men  | 58   | 27   | k.A. |
| – Women  | 18   | 22   | k.A. |
| <b>Total number of employees who returned to work after taking parental leave during the reporting period, by gender</b> |      |      |      |
| – Men  | 58   | 27   | k.A. |
| – Women  | 21   | 21   | k.A. |

1 Only parent company

2 Permanent employees only

### 8.3.10 Reporting systems for suspicions or complaints (internal and external)

Employees of Graubündner Kantonalbank can contact their line manager for any complaints about irregularities, possibly illegal or immoral behaviour or health and safety in the workplace or – while maintaining confidentiality – the internal reporting offices set up for that purpose where necessary. An anonymous tip can also be submitted through an external reporting office (whistleblowing hotline). The bank is interested in receiving reports about suspected misconduct so that it can remedy the situation swiftly. Employees who submit a report do not have to fear any disadvantages.

## 8.4 Further development and next steps

In 2024, under the leadership of the Futura team, Graubündner Kantonalbank will carry out another **change programme** for its employees, during which all the bank's employees will be prepared for the future at major group events.

Graubündner Kantonalbank will also offer its line managers **two management seminars**: the first is of a **technical nature and imparts skills** in dealing with existing management concepts (performance leadership, new pay, specialist careers, succession planning and others). The second relates to **modern, effective leadership**. Concepts from the fields of client centricity and positive leadership will once again be trained here.

And finally, in 2024, the Executive Board, division heads and the Futura team will work together to develop a **vision and mission for «Graubündner Kantonalbank 2030»**.

### 8.5 Current approach of holding companies

**Albin Kistler AG** has gradually made the working models for its 46 employees more flexible. Opportunities were created for days working from home, purchasing additional annual vacation and unpaid leave (up to three months under certain conditions). Albin Kistler's employees are supported in their personal and professional development with regular internal training courses as well as support with external seminars and longer further education courses (including assumption of costs). Employee management takes the needs and expectations of employees into account and supports them in their individual development. Team-building events are an integral part of and make a positive contribution to the corporate culture. Financial fringe benefits include special conditions for Graubündner Kantonalbank's own asset management mandates (both for employees and family members) and other banking services.

**BZ Bank Aktiengesellschaft** sees itself as the team of its employees. The bank's team is small with 12 employees, but this means it has efficient decision-making channels. Some employees have worked for the bank for many years. The Board of Directors and Executive Board actively promote a team spirit and transparent communication among employees. Employees and management get together at their own lunch table in a relaxed atmosphere to enjoy free, fresh and healthy meals every day. All employees are informed of the bank's current business and kept abreast of market developments on a daily basis.

**Privatbank Bellerive AG** allows all 15 employees to work from home one day a week, thus promoting environmentally and employee friendly working conditions. Privatbank Bellerive offers attractive working conditions with its fair and market-driven wage structure, offices in a central location, excellent public transport links and other fringe benefits. The company is characterised by flat hierarchies, direct communication channels, an open discussion culture and a culture of constructively dealing with mistakes. Staff turnover is correspondingly low.

## Chapter 9: Compliance in the areas of money laundering, competitive behaviour and tax acquiescence

### 9.1 Relevance of the topic for Graubündner Kantonalbank and its holding companies

Legal and fair business practices form the basis of all responsible and ecologically, socially and economically sustainable business practices. Due to their great economic importance for capital procurement, i.e. the receipt of client funds and granting of loans to private individuals and companies or investing client funds in a mandate relationship or advising clients on investments, banks and asset managers in Switzerland have to be licensed and are subject to extensive statutory and supervisory regulations. The aim of these regulations is to protect bank clients and to ensure the stability of the entire banking and financial system.

The lawful basis for Graubündner Kantonalbank's activities is provided by the Federal Act on Banks and Savings Banks and the [kantonale Gesetz](#) on Graubündner Kantonalbank. In addition, the business practices of every bank, including the holding companies BZ Bank Aktiengesellschaft and Privatbank Bellerive AG, in Switzerland in general and, in particular, the requirements relating to corruption and money laundering as well as competitive and market behaviour (insider trading and market manipulation) are governed by numerous laws, regulations of the Swiss Financial Market Supervisory Authority (FINMA) and self-regulations of the Swiss Bankers Association. Legal and fair business practices also include rules that banks in Switzerland must use suitable means to ensure as far as possible that its clients domiciled in Switzerland or abroad tax their assets and that the bank does not aid tax evasion or similar actions such as aggressive tax avoidance. The holding company Albin Kistler AG is also supervised as an asset management company by the Swiss Financial Market Supervisory Authority FINMA and is obliged to comply with a wide range of regulations and Swiss laws.

Legal and fair business practices are material because non-compliance would have a detrimental effect on the bank's reputation and indirectly on its market position and value. Given the important market position of Graubündner Kantonalbank and due to its cantonal government guarantee, failure to comply with legal and economic consequences such as fines, claims for damages or liability claims could also lead to economic damage for the canton of Graubünden. The sanctions imposed by FINMA extend from professional bans all the way to licence revocation. This unlikely but high potential risk associated with non-compliance with legal and fair business practices is the reason why this material topic of sustainability is so important and is given such a high priority at Graubündner Kantonalbank and its holding companies.

### 9.2 Ambition of Graubündner Kantonalbank

Graubündner Kantonalbank complies with the statutory, professional and internal regulations and only conducts transactions that comply with recognised ethical principles and are deemed responsible from a business perspective. Graubündner Kantonalbank also wants to ensure the tax acquiescence of all its clients domiciled in Switzerland and abroad as far as is possible at a reasonable expense and strictly complies with the legal requirements when providing tax services. Misguided incentives or behaviour should be detected and corrected as early as possible by the bank itself so that reputational damage is avoided as far as possible and there are no incidents, fines and/or legal proceedings involving the bank and/or its employees in the areas of corruption and money laundering, competitive and market behaviour (insider trading, market manipulation) or tax acquiescence.

### 9.3 Current approach of Graubündner Kantonalbank

To ensure that legal and fair business practices and the tax compliance of new and existing client funds are the norm at Graubündner Kantonalbank, the bank has a system of internal directives and processes, as well as compliance and risk management, monitoring and complaint mechanisms that are as effective and efficient as possible. The tax requirements, duties and rules of data exchange for clients are set out transparently in the [General Terms and Conditions](#) of Graubündner Kantonalbank. In addition, the bank's employees at all levels are regularly made aware of the topics of corruption, money laundering prevention, competitive and market behaviour (insider trading, market manipulation) and tax acquiescence, and receive training and further education on dealing with directives, processes and systems.

### 9.3.1 Code of conduct: Code of conduct, employment conditions and internal directives

Comprehensive internal requirements serve the employees of Graubündner Kantonalbank as guidelines and instructions for their conduct and as the basis for the defined banking processes. The principles are summarised in the [code of conduct](#).

In addition to the general duties of loyalty, the **general employment conditions** of Graubündner Kantonalbank, which are mandatory for all employees, include the following obligations:

- a ban on insider trading and speculative transactions
- compliance with the duties of care in accordance with the agreement on the Swiss banks' code of conduct with regard to the exercise of due diligence (CDB) and the Anti-Money Laundering Act
- a ban on the receipt or granting of non-cash benefits
- the requirements for accepting business invitations and gifts
- approval requirement for all public offices, mandates and secondary employment

At Graubündner Kantonalbank, potential **conflicts of interest** should be identified as early as possible, using defined internal rules. In order to avoid conflicts of interest as much as possible, Graubündner Kantonalbank has drawn up suitable internal directives, measures and processes and has introduced control mechanisms. The bank discloses any unavoidable conflicts of interest to the clients concerned. Further information on the individual measures and on dealing with conflicts of interest can be found [here](#).

Graubündner Kantonalbank complies with its supervisory duties and its obligations in the fight against **money laundering** and terrorist financing by issuing detailed directives and processes. The regulations include the establishment of business relationships (including identification obligations and determination of the beneficial owner), the ongoing monitoring of transactions for indications and the procedure to be followed in the event of suspected money laundering (compliance with reporting obligations) or doubtful business relationships.

The following regulations apply at Graubündner Kantonalbank in order to prevent gifts, donations and sponsorships from being used as special favours: Any donations by the bank have the character of a one-off payment and are event-related. The bank only makes substantial donations to supervised Swiss institutions such as Swiss Solidarity. The bank maintains a contributory fund to support and promote culture, sport, social issues (social and non-profit projects), business/tourism and the environment in the canton of Graubünden. A committee consisting of the CEO and three other members decides on the awarding of grants using defined criteria and based on the applications for grants. One-off contributions in excess of CHF 100,000 or multi-year contributions in excess of CHF 300,000 must be approved by the Board of Directors. As a rule, political or religious projects of all kinds, construction projects, refurbishments and renovations, participation in sponsorships, dissertations and diploma theses are not supported.

Graubündner Kantonalbank has defined guidelines for all employees in the form of directives and processes to ensure **fair competitive conduct** in business contact with competitors and to prevent illegal competition agreements in accordance with the Federal Act on Cartels and Other Restraints of Competition. Clear rules are set out for conduct in contact with and in meetings with competitors.

Graubündner Kantonalbank has also defined detailed directives and processes relating to the **market conduct rules** for banks governed by the Financial Market Infrastructure Act, which include the avoidance of insider trading, market manipulation and prohibited trading practices. The regulations apply to all employees, regardless of whether they conduct business as account holders, co-account holders, authorised representatives or beneficial owners. Additional rules apply to employees in particularly exposed roles (portfolio managers, financial analysts, members of the Executive Board, etc.). Among other things, restrictions or bans on proprietary transactions, holding or blocking periods and organisational measures such as physical and organisational separation are regulated.

Graubündner Kantonalbank has drawn up detailed directives and corresponding processes to ensure **tax compliance** and its obligations under the agreement on the Swiss banks' code of conduct with regard to the exercise of due diligence (VSB). As a basic principle, the bank may refuse to open new client relationships or accept new money from existing clients if it is aware of or has a justified suspicion of untaxed assets. If it knows or if there are indications that the assets of existing clients are not tax-compliant, they are advised to actively disclose them in a documented manner. The directive contains regulations to ensure that the bank and its employees do not aid tax evasion or similar actions.

Since 2017, Graubündner Kantonalbank has implemented the **Automatic Exchange of Information (AEOI)** for clients domiciled abroad in accordance with the Swiss Federal Act on the International Automatic Exchange of Information in Tax Matters, in other words, legally defined

client data (surname, first name, address, date of birth, tax identification number, account number, balance, interest, dividends, other income and sales proceeds) are transferred to the Federal Tax Administration or to the tax authorities in the country of domicile, provided that the country of domicile has concluded an agreement with Switzerland. The same applies to US persons on the basis of the Foreign Account Tax Compliance Act (FATCA).

Corresponding requirements in the above-mentioned areas are also specifically regulated for cooperation with external asset managers. For example, external asset managers are obligated to provide evidence of training courses completed in the area of money laundering prior to the start of any collaboration. The same requirements apply in the areas specified to clients of an external asset manager as to those of Graubündner Kantonalbank. It also applies to them that only tax-compliant assets of new clients are accepted as far as can be discerned.

### 9.3.2 Compliance in practice is the first line

The culture of compliance and integrity practised by the Board of Directors, the Executive Board, managers and employees forms the basis of a responsible corporate culture at Graubündner Kantonalbank. The rules of conduct for all employees are governed by directives and processes (see above). Compliance with these standards is promoted and ensured on a day-to-day basis through management checks and the internal control system (ICS).

### 9.3.3 Compliance function and risk control as a second line

As a second line of defence, Graubündner Kantonalbank has a compliance organisation that is independent of its earnings-oriented business activities. Its responsibilities, organisational position and internal reporting in general are described in [attachment 3.1 "Risikomanagement"](#) to the consolidated financial statements and in the Corporate Governance Report in section 3.4 "interne Organisation".

At Graubündner Kantonalbank, the second line is complemented by risk control that is independent of business processes. Its responsibilities, organisational position and internal reporting in general are described in [attachment 3.1 "Risikomanagement"](#) to the consolidated financial statements and in the Corporate Governance Report in [section 3.4.2 "Ausschüsse"](#).

In accordance with FINMA Circular 2013/8 "Market conduct rules", Graubündner Kantonalbank carries out a **risk analysis** of market conduct whenever necessary or at least once a year and uses this analysis to define any organisational measures that may be required. The corresponding analysis in the reporting year (as in the previous year) revealed no need for measures. In the area of money laundering, a money laundering risk analysis (with inherent risks, control risks and net risks) is prepared annually for the attention of the Executive Board and the Board of Directors and is approved by these governing bodies in each case. If necessary (e.g. a change of strategy), appropriate measures are derived.

### 9.3.4 Internal audit as a third line

As the third line of defence, Internal Audit operates independently of day-to-day business and reports, in organisational terms, directly to the Bank President. Its independence, duties and right to audit are enshrined in [Article 20 of the kantonale Gesetz](#) on Graubündner Kantonalbank. Its responsibilities, organisational position and internal reporting in general are described in the Corporate Governance Report in [section 3.6 "Informations- und Kontrollinstrumente gegenüber der Geschäftsleitung"](#) and [section 8.5 "Interne Revision"](#).

### 9.3.5 External auditors for monitoring

At the request of the Board of Directors, the cantonal government appoints an external audit firm as the external controlling body. Its mandate and information tools are described in [section 8 "Kontrollorgane"](#) of the Corporate Governance Report. Its duties are governed by the provisions of the Federal Act on Banks and Savings Banks and the legislation on financial market supervision.

### 9.3.6 Reporting systems for suspicions or complaints (internal and external)

Client advisors are the first point of contact for clients of Graubündner Kantonalbank in the event of concerns or complaints of any kind. In individual cases, clients can also contact the Executive Board directly. The [Swiss Banking Ombudsman](#) is also available to clients free of charge as an independent arbitration board.

In the event of unlawful acts or illegal or immoral behaviour at the workplace, employees can contact their line manager or – while maintaining confidentiality – the internal reporting offices set up for that purpose where necessary. An anonymous tip can also be submitted through an external reporting office (whistleblowing hotline). The bank is interested in receiving reports about suspected misconduct so that it can remedy the situation swiftly. Employees who submit a report do not have to fear any disadvantages.

### 9.3.7 Ongoing awareness-raising and practical training

All employees with a due diligence role, in particular those with client contact, must at all times have up-to-date specialist knowledge in relation to the agreement on the Swiss banks' code of conduct with regard to the exercise of due diligence (VSB) and money laundering prevention. The basic knowledge is primarily acquired through self-study (e-learning). The line managers of all employees with due diligence roles must ensure that they complete the computer-aided learning programme including the test within three months of starting work (or internal change of position). In addition, the training is supplemented by other suitable measures, such as periodic further education events and information on the intranet. All certified client advisors at Graubündner Kantonalbank attend at least three mandatory specialist days each year to discuss current developments in the areas of money laundering, cross-border business, the Federal Act on Financial Services (FinSA), market conduct, data protection and tax acquiescence, among other things. The contents of these specialist days are certified. Specialist days were once again held as face-to-face courses in the reporting year. Employees and their direct line manager are responsible for the necessary training. The Compliance and Human Resources departments organise the training courses and ensure that they are completed by all employees with due diligence roles.

Graubündner Kantonalbank ensures that all **external asset managers** it works with receive the necessary training in money laundering prevention, particularly in the event of new developments, regardless of any training provided by third parties.

All employees who are likely to come into contact with insider knowledge attend an annual training course on **market conduct in securities trading**. In particular, the Executive Board and employees of the Corporate Centre, Markets, Market Services and Finance & Risk business units are considered to be affected. Training on market conduct guidelines and recognising potential conflicts of interest is also compulsory for all new employees in these areas.

### 9.3.8 Regular reviews of management systems

As part of its audit mandate, the external auditor conducted regulatory audits on the topics of conflicts of interest (most recently in the 2022 financial year) and Group-wide measures to prevent money laundering (2022). Ernst & Young AG confirmed in its report that the rules and principles of corporate governance were adhered to and that the areas of "internal organisation" and "internal control system" were adequately equipped. The external auditor also confirmed that Graubündner Kantonalbank and its Group companies have complied with Swiss anti-money laundering regulations.

The internal audit of the regulations to prevent money laundering took place in the 2023 financial year. No material shortcomings were identified. One optimisation measure/recommendation was implemented.

The Swiss Financial Market Supervisory Authority FINMA also regularly carries out on-site audits at Graubündner Kantonalbank, using various supervisory instruments. Regarding the relevant topics, for example, FINMA carried out an audit on market conduct in 2020. The audit revealed a total of six findings that required action. The bank implemented suitable measures to this end in 2021.

The methods, procedures and processes of the specific FATCA/QI/AEOI Governance & Compliance Programme of Graubündner Kantonalbank are reviewed by the bank at regular intervals to ensure that they meet the statutory requirements and the requirements of the Federal Tax Administration (FTA). In the 2023 financial year, the FTA conducted an audit on the topics of AEOI and indirect taxes. With one exception, the audit did not give rise to any comments.

The directive on tax compliance was audited by Internal Audit with regard to tax advice in 2023 and with regard to indirect taxes in 2020. No shortcomings were identified and no corrective measures were needed.

### 9.3.9 No incidents, legal or suspected cases in the reporting year

No incidents (bullying, discrimination, abuse of power or other illegal or immoral practices in the working environment) were reported to the internal, central point of contact for Human Resources in 2023 (previous year: none). There were also no critical concerns in the reporting year or the previous year that were reported to the Executive Board and the Board of Directors urgently or as part of the monthly internal reporting.

In the year under review (as in the previous year), Graubündner Kantonalbank was not aware of any significant breaches of laws and regulations, nor were any criminal or public law proceedings initiated against Graubündner Kantonalbank and/or its employees in the areas of corruption, money laundering, competitive and market conduct (insider trading, market manipulation). Neither have

any complaints been reported to the bank for non-compliance with data protection regulations by Graubündner Kantonalbank. In the year under review (as in the previous year), the bank was not ordered to pay any significant fines or non-monetary penalties.

Likewise, as in the previous year, the bank did not become aware of any confirmed incidents of untaxed client funds or suspected cases of untaxed client funds at Graubündner Kantonalbank. Furthermore, in the year under review (as in the previous year), the bank did not become aware of any pending legal proceedings or new legal proceedings relating to tax evasion or avoidance in which Graubündner Kantonalbank or employees of the bank were involved. Similarly, there were also no critical issues in the area of tax compliance in the reporting year or in the previous year that were reported to the Executive Board or the Board of Directors as part of the monthly internal reporting.

As no incidents were identified in the reporting year (as in the previous year), no measures were taken.

### 9.4 Further development and next steps for Graubündner Kantonalbank

With the exception of ongoing minor improvement measures, no substantial changes are currently planned to the directives, banking processes and control mechanisms in the areas of corruption and money laundering, competitive and market conduct and tax compliance.

### 9.5 Current approach of holding companies

**Albin Kistler AG** ensures basic ethical conduct on the part of all employees and thus the fight against corruption by way of living values, established management structures, internal directives and documentation, clearly defined processes, technological tools and the Compliance department. Regular internal compliance training ensures that all employees are aware at all times of potential risks. The issue of money laundering in particular is given special attention. In this regard, clear compliance guidelines and monitoring processes are established throughout the company and set out in corresponding directives. The directive on the safeguarding of investors' interests regulates the protection of the interests of Albin Kistler's clients as well as the asset manager's conduct on the market. Captured stock exchange transactions of any kind are subject to the principle of dual control, which is ensured by our software systems before they are effectively executed. The entire client base is also compared to external data on money laundering risks on a monthly basis. This external database also contains information about any corruption risks.

With the commencement of its activities as fund management company in 2023, Albin Kistler added a new department responsible for regulatory and legal requirements. The corresponding processes and controls were defined and introduced. This department too has consistently implemented Albin Kistler's high demands on employees, processes and the internal control system from the outset.

Communication from Compliance to the Executive Board and the Board of Directors is clearly regulated. This ensures that both the Executive Board and the Board of Directors are informed about the status and development of compliance at Albin Kistler. Albin Kistler has no pending legal cases or client complaints.

**BZ Bank Aktiengesellschaft** brokers and manages investments in companies. The focus is on companies in Switzerland and Europe. The vast majority of the bank's clients and the target companies for its investment recommendations are located in Switzerland and other countries with a low corruption index. When identifying transactions or business relationships with a higher risk, the bank goes beyond the minimum standards required by law. Due to its business model, BZ Bank Aktiengesellschaft is exposed to increased regulatory risks in the areas of market integrity and suitability. The risks posed by this special business model are countered with suitable measures. Further publicly available information on dealing with legal and regulatory requirements can be found on the bank's website: <https://www.bzbank.ch/portrait/recht/default.asp?userlang=DE>

**Privatbank Bellerive AG** has a strict compliance culture. Compliance with the applicable norms and standards as well as legal requirements and regulations is non-negotiable for the Bank. Privatbank Bellerive does not serve walk-in clients, but knows its clients and their needs thanks to long-standing business relationships. This close contact with its clients enables the bank to understand and verify client orders and transactions. Privatbank Bellerive AG has good corporate governance, promotes independent control activities and avoids conflicts of interest. Its compliance organisation is made up of well-trained and experienced staff who are also dedicated to combating money laundering and the financing of terrorism. Thanks to its close cooperation with Graubündner Kantonalbank, Privatbank Bellerive AG uses effective and efficient transaction monitoring systems. Legally binding documents such as the General Terms and Conditions of Business and Safe Custody Regulations, execution principles, information on dealing with any conflicts of interest or on the Financial Services Act and the information sheet entitled "Disclosure of Client Data" can be found on Privatbank Bellerive AG's website: <https://www.bellerivebanking.ch/dokumente/>

## Chapter 10: Data protection, data security and cybersecurity

### 10.1 Relevance of the topic for Graubündner Kantonalbank and its holding companies

As a result of their business activities, banks and asset managers hold particularly sensitive information about their clients, employees, business partners and suppliers. In particular, this includes personal data, i.e. all information relating to an identified or identifiable person. Banks and asset managers in Switzerland are therefore legally subject to the revised Data Protection Act valid from 1 September 2023. Banks are also subject to other specific requirements, in particular bank-client confidentiality.

Protection against unauthorised access and transparency about the purpose of data processing are part of **data privacy**, i.e. responsible handling of personal data. **Data security** is the practical method of protecting digital information against unauthorised access, damage or theft throughout its entire life cycle. **Cybersecurity** is primarily concerned with protecting computer systems, networks and data from cyber attacks, data breaches and other types of cyber threats from the internet.

Any data breach or data security or cybersecurity incident entails very high reputational, financial and regulatory risks for banks and asset managers. According to the Risk Monitor 2023 of the Swiss Financial Market Supervisory Authority FINMA, more than 50 cyber attacks per year were reported to FINMA in 2022 and 2023. The relevance of the topic is correspondingly high for Graubündner Kantonalbank and its holding companies, and the preventive protective measures taken are correspondingly comprehensive. This issue affects Graubündner Kantonalbank itself, its IT provider Inventx, to which Graubündner Kantonalbank has outsourced its IT operations, the holding companies Privatbank Bellerive AG and BZ Bank Aktiengesellschaft, for which Graubündner Kantonalbank acts or will act as an outsourcing partner to varying degrees, the holding company Albin Kistler AG which also works on the Inventx IT platform, and all suppliers and business partners with whom data is exchanged.

### 10.2 Ambition of Graubündner Kantonalbank

Graubündner Kantonalbank does its best to implement appropriate technical and organisational measures to prevent attacks on electronic services such as e-banking and the bank's internal network and, if necessary, to respond appropriately, in other words, to successfully ward off such attacks as quickly as possible. On the other hand, it is important to protect client data, assets and transactions as best as possible. In doing so, the current threat situation should be kept in mind at all times and the bank's own infrastructure should be continuously tested for vulnerabilities and further developed if necessary.

### 10.3 Current approach of Graubündner Kantonalbank

Graubündner Kantonalbank has robust IT infrastructure. This creates a very good level of security that meets the usual standards in the sector and takes account of regulatory requirements as well as Graubündner Kantonalbank's current ambition.

#### 10.3.1 Comprehensive regulations in internal directives

Internal directives of Graubündner Kantonalbank on data protection, IT security, the classification of data and information, the obligation to maintain confidentiality, outsourcing, banking secrecy and general terms of employment define the operational framework for compliance with the currently applicable regulatory requirements in the area of data protection and security. These internal directives generally apply to all persons with access to the bank's IT systems and data. The aforementioned persons are themselves responsible for adhering to the instructions. Supplementary documents and summaries on the intranet serve to provide employees with support. The aforementioned directives and support documents are also discussed in internal data protection training courses.

The electronic communication channels as interfaces between the bank's network and external networks are particularly relevant in terms of data protection. Specific guidelines on internet behaviour, defining and updating passwords and secure e-mail correspondence are therefore defined for employees in an internal directive issued by the bank. Further measures and instructions are in place to prevent unauthorised persons from gaining access to sensitive bank client data or other information in the context of communication within or outside the bank. When talking or working on a computer, the bank's employees are instructed to pay attention to their surroundings. Clients must be unequivocally identified on the phone before they are given any information.

### 10.3.2 Comprehensive awareness-raising and training

All Graubündner Kantonalbank employees with access to bank client data receive training on data protection, IT and data security. Suppliers and agents of the Bank are contractually obliged to train their employees accordingly. Compliance with this obligation is assessed by Graubündner Kantonalbank as part of the control report in accordance with the International Standard on Assurance Engagements 3402 (ISAE 3402) auditing standard and, if there is a lack of information, by way of random sampling. Access by employees of Graubündner Kantonalbank and external service providers to the bank's systems and information is also restricted in accordance with the "need-to-know" principle.

### 10.3.3 Data protection and security aspects of IT projects

In accordance with the established industry standards "Privacy by Default" and "Privacy by Design," Graubündner Kantonalbank takes data protection and security aspects into account in IT projects (including IT solutions and IT services) in all project phases – from requirements analysis, evaluation, development and testing of the implemented solution to the definition of technical and organisational measures and commissioning.

### 10.3.4 Further development of standards

Graubündner Kantonalbank continuously develops its IT security standards in consultation with internal and external security experts. Vulnerabilities are checked in accordance with the security concept, either several times a year or manually and using automated processes in a risk-oriented manner, anomalies are analysed and new measures defined where necessary. The bank calls in specialised external IT companies to check the systems for possible vulnerabilities.

In the field of IT, data protection and cybersecurity, Graubündner Kantonalbank uses a specific tool for its governance and the management of its systems, processing activities, risks and controls. The bank uses the NIST cybersecurity framework as an essential basis for dealing with cyber risks.

All major IT partners have ISO certification and an ISAE control framework. This is audited annually by an external partner. A standardised risk analysis is carried out for all new products/partners as well as for reorganisations and process changes.

### 10.3.5 Data security and protection against unauthorised access

Graubündner Kantonalbank and its partners rely on the best possible technical solutions to guarantee data security and protect themselves against unauthorised access. Abnormal behaviour is automatically identified and reported. Employees also have a reporting obligation in the event of suspicion. If they detect access by unauthorised persons or a loss of data, this must be reported immediately to IT Security, the Chief Information Security Officer or the Data Protection Officer. These persons handle the incidents expertly, check the obligation to report, for example to FINMA or the Federal Data Protection and Information Commissioner, and initiate a report – in accordance with the legal requirements (in particular the Financial Market Supervision and Data Protection Acts) and as part of the internal process. Employees can automatically forward suspicious e-mails to the responsible IT department.

### 10.3.6 Categorisation of sensitive information

Graubündner Kantonalbank categorises sensitive information in three categories: "secret", "confidential" and "internal". Different security precautions apply, depending on the level. This classification makes it easier for employees and the bank to handle information correctly, from receipt and processing to disposal or erasure. Graubündner Kantonalbank has a clear desk policy. If employees leave their workstation even for just a short time, they must protect sensitive data from easy access. On the one hand, lockable office furniture is available for this purpose, and on the other, the screen lock must be activated on the computer. The clean desk policy applies in the same manner as at the office when working from home. The general terms of employment contain corresponding mandatory instructions for all employees.

### 10.3.7 Transparent information on data use

In particular, Graubündner Kantonalbank provides clear and transparent information on the use of personal data in the general data privacy policy and the data privacy policy for employees. The [general data privacy policy](#) of Graubündner Kantonalbank is publicly available to all clients at all times on the bank's website and applies to all business areas. As specified therein, Graubündner Kantonalbank uses client data in accordance with the legal requirements, in particular to fulfil contractual obligations, in the context of its legitimate interest, on the basis of consent or statutory requirements, or in the public interest. It does not rent or sell any personal data to third parties. Under the applicable data protection legislation, clients have the right to information, rectification,

erasure, restriction of processing, objection and the right to data portability with regard to the data concerning them. They also have the right to lodge a complaint with the responsible data protection supervisory authority.

Graubündner Kantonalbank pays attention to data minimisation. The retention period for data and data erasure are governed by the legal provisions and the operational needs of Graubündner Kantonalbank.

### 10.3.8 Responsibilities and resources

The following persons in particular are responsible for data protection and data security at Graubündner Kantonalbank:

- Based on the principles of the risk policy, the **Chief Information Security Officer** has overall responsibility for IT security at Graubündner Kantonalbank. The Chief Information Security Officer sets corresponding guidelines, supports projects and employees in matters relating to IT security, and monitors compliance with and the effectiveness of security measures in a risk-oriented manner.
- **IT Security** is responsible for user and access management in the central IT systems and is the central point of contact for all employees for IT security issues (e.g. phishing). It is also responsible for regularly raising employee awareness of IT security.
- The **Data Protection Officer** is responsible for regulating the handling and monitoring of confidential and critical data. They support projects and employees in matters relating to data protection and is also responsible for regularly reviewing the documents governing the handling of bank client and personal data.

In the year under review, Graubündner Kantonalbank further expanded its resources for data protection and security, and introduced the new positions of Data Protection Officer and Deputy Chief Information Security Officer.

The individuals responsible for data protection and security have extensive experience and expertise in network security, encryption technologies, risk management, data protection and compliance. Close collaboration between the aforementioned persons and regular communication ensure a holistic view and overarching management.

The **IT Security Committee** is made up of more than ten people from various relevant banking areas. It meets at least twice a year and deals with IT security issues and approves significant measures or submits requests to the Executive Board in this regard. The committee reports regularly to the Executive Board on the risk situation.

**Certified external IT providers**, in particular Inventx, ensure that the systems, applications, databases and network components are protected according to the specifications, work reliably, are continuously updated and are regularly checked. Identified cyberattacks are handled in accordance with the defined processes and reported to Graubündner Kantonalbank. The IT providers also ensure that the IT infrastructure, including data, can be restored after an attack.

### 10.3.9 Controls, reporting and ongoing adjustment of the management approach and systems

IT reports system outages, sabotage attempts, cyber risks, identified negligent handling of data and new regulatory requirements to Risk Control every six months. The consolidated risk report is presented to the Executive Board and the Board of Directors. While the Executive Board is responsible for implementing effective measures to ensure compliance with data protection regulations, the Board of Directors has a monitoring role.

Independent, certified external security service providers advise Graubündner Kantonalbank on security issues as required and carry out reviews of security concepts, solution designs and penetration tests of end devices, servers and applications, e-banking and mobile banking on behalf of Graubündner Kantonalbank. Based on internal and external audits, the bank's protective measures are continuously adapted to the changing internal and external environment.

The emergency service of an external security company would support Graubündner Kantonalbank and our IT providers in the event of a major security incident with knowledge, resources and forensic investigations, among other things.

IT security and data protection are also regularly reviewed by the internal and external auditors (e.g. authorisation management or third-party bank secrecy agreements). In the reporting year, Internal Audit carried out a compliance audit with regard to the security provisions of our provider Inventx as well as a system audit with regard to data management and a system audit with regard

to contract management/IT controlling. In the reporting year, the external auditors Ernst & Young critically assessed logical and physical security and information protection. The results are expected in April 2024.

### 10.3.10 Active exchange on participation in expert committees

Graubündner Kantonalbank cultivates a bilateral exchange of information with experts, other industry representatives and authorities in various working groups. The current threat situation is discussed in the Finance Sector of the National Cyber Security Centre Switzerland (NCSC). As a member of the "Information Security Working Group" of the Association of Swiss Cantonal Banks (VSKB), Graubündner Kantonalbank exchanges information with the IT security organisations of other Swiss cantonal and major banks several times a year. The bank is a member of the Swiss Financial Sector – Cyber Security Centre (FS-CSC) founded by the Swiss Bankers Association, where it works together with the other members to further strengthen the prevention, resilience and crisis management of the Swiss financial market. In addition, it is a member of the Association for Corporate Data Protection (VUD), which provides an opportunity to discuss best practices in implementation, form an independent opinion on current data protection issues, and further develop data protection.

## 10.4 Further development of Graubündner Kantonalbank in the reporting year and next steps

### 10.4.1 Implementation of revised Data Protection Act

The revised Data Protection Act and the Data Protection Ordinance entered into force in Switzerland on 1 September 2023. Graubündner Kantonalbank implemented the necessary adjustments on time. For example, the bank's stakeholders will continue to be informed about the use and processing of data. The bank responds to client requests for information in accordance with its legal obligations. This practice is steered via tried-and-tested internal processes. In addition, the data protection directive was revised, formal documents and processes were reviewed and all employees completed data protection training. Data protection impact assessments and erasure concepts were also refined. In addition, agreements with partners were reviewed and expanded and the processes relating to reporting obligations were adjusted. Data security checks were carried out and a bank-wide record of processing activities was drawn up.

The year under review brought further progress in or even the successful completion of several different IT projects in compliance with the industry standards "Privacy by Default" and "Privacy by Design", including several security-specific projects.

### 10.4.2 Ongoing awareness raising

In 2023, Graubündner Kantonalbank carried out various internal campaigns on cyber risks, IT and information security (e.g. phishing, social media, e-mail security, cyber security and cyber risks). As the employees are often used as "gateway" by attackers, raising awareness among the employees is key. A crisis simulation for a cyber-risk scenario was also carried out in the reporting year.

### 10.4.3 Preparation of the implementation of the FINMA Circular on Operational Risks and Resilience

FINMA Circular 2023/1 "Operational risks and resilience – banks" entered into force on 1 January 2024, which, among other things, sets out requirements for the management of risks arising from the handling of critical data. In this context, Graubündner Kantonalbank has, among other things, supplemented the relevant directives, launched the process of identifying and categorising data and reviewed suitable measures to ensure compliance with the principles of confidentiality, integrity and availability in the management of critical data. As part of the implementation of the aforementioned circular, the new cybersecurity and data strategies were drawn up and coordinated with the IT strategy and the requirements of the Data Protection Act.

### 10.4.4 No incidents in the reporting year

In the year under review, Graubündner Kantonalbank did not receive any substantiated complaints relating to breaches of client data protection. Nor were any cases of data theft or loss of client data detected in the reporting year. There were no IT incidents or data breaches at Graubündner Kantonalbank in the year under review that the bank should have reported to the Federal Data Protection and Information Commissioner or FINMA. Graubündner Kantonalbank also did not receive any requests for information under data protection law in the reporting year.

### 10.4.5 Planned measures

In addition to the usual auditing and improvement measures, additional standardised audits (penetration tests, security analyses and security reviews) are planned for 2024. As in the past, awareness-raising measures will be implemented for employees on an ongoing basis.

## 10.5 Current approach of holding companies

Like Graubündner Kantonalbank, Albin Kistler AG works on the Inventx IT platform, which ensures compliance with the high data security standards of the banking industry. Data security is a top priority in risk management. Albin Kistler strives to take advantage of the technical possibilities and thus continuously increase security. Data security is also a top priority in new projects and applications. Because it holds sensitive client data, data protection is and will remain very important for Albin Kistler. With the introduction of the Data Protection Act, the set-up was reviewed and updated. While the new legislation required hardly any changes in terms of the internal handling of data, the corresponding contractual provisions had to be amended for individual partnerships with third-party service providers. In addition, the data privacy policy, which has been in place for years, had to be updated. This data privacy policy provides transparent information on how Albin Kistler handles what data: <https://www.albinkistler.ch/datenschutzerklaerung>

Like Albin Kistler AG, **BZ Bank Aktiengesellschaft** currently works on the Inventx platform. The migration to Graubündner Kantonalbank will take place on 1 July 2024, which will then act as outsourcing partner. In the area of data protection and data security (including cybersecurity), the same requirements and the same approach will then apply as at Graubündner Kantonalbank (see above). The bank's data privacy policy provides transparent information on how it handles what data: [https://www.bzbank.ch/files/download/Datenschutzerklaerung-2023-05-24\\_GER.pdf](https://www.bzbank.ch/files/download/Datenschutzerklaerung-2023-05-24_GER.pdf)

Graubündner Kantonalbank is already acting as outsourcing partner for **Privatbank Bellerive AG**. Privatbank Bellerive conducts employee training on legal and regulatory issues every year. This includes raising end users' awareness of IT security in general and cyber risks and cyber attacks in particular. In 2023, Privatbank Bellerive did not receive any complaints about breaches of client data protection. No cases of data theft or loss of client data were identified. There were no IT incidents or breaches of data security that needed to be reported to the Federal Data Protection and Public Information Commissioner or the Swiss Financial Market Supervisory Authority FINMA. The bank's data privacy policy provides transparent information on how it handles what data: <https://www.bellerivebanking.ch/wp-content/uploads/2023/04/Datenschutzerklaerung-PBB.pdf>

## Chapter 11: Other sustainability topics

### 11.1 Regional supply of financial services

With its 10 regional offices and more than 30 branches, Graubündner Kantonalbank has a presence throughout the canton of Graubünden. The nearest branch or head office can be reached by all residents throughout the canton within around an hour. This allows Graubündner Kantonalbank to continue providing its clients with first-class advice and simple and personal access to financial services and products locally or in their vicinity.

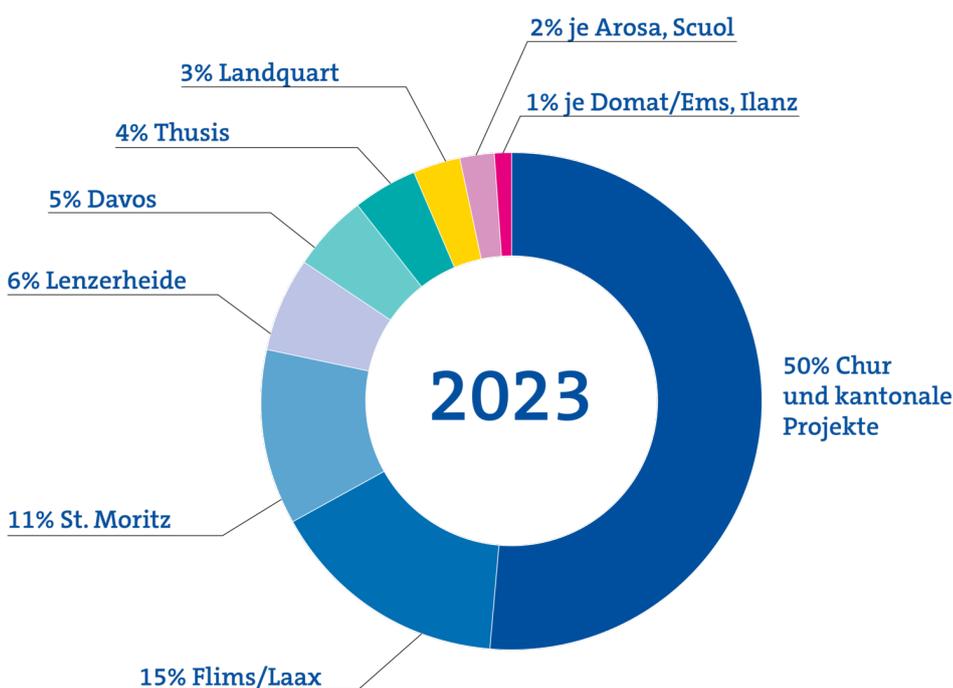
In doing so, it also takes account of regional diversity in the canton and promotes or offers decentralised jobs throughout the canton. In its branches, the bank prefers to employ staff who are associated with the region in question through their language or their family. At the same time, Graubündner Kantonalbank provides easy access to financial services and products with its digital services in remote locations. This hybrid approach comprising local personal advice and the complementary digital service provides unrestricted access to the entire range of products and services offered by Graubündner Kantonalbank. The bank is thus in a position to provide the population of the canton of Graubünden with financial services far into the peripheral regions.

Tourism (hotels, restaurants, mountain railways) is very important in the canton of Graubünden and makes a significant contribution to the canton's economic output. Graubündner Kantonalbank has its own tourism financing centre and is the partner of first choice for the many employees of this important sector.

### 11.2 Local commitment and local partnerships related to culture, sport, social issues and the local economy

As a leading company and important employer in the canton, Graubündner Kantonalbank underlines its social responsibility by providing significant support for local projects. Over the past 20 years, around CHF 50 million was allocated to around 10,000 projects. This underscores the bank's long-term commitment to supporting initiatives that sustainably enrich cultural, sporting and social life in the canton of Graubünden.

A particular focus is placed on the preservation and promotion of culture and tradition in the canton, particularly in the Romansh and Italian context. This is reflected in many supported projects that help to preserve the diversity and uniqueness of the regional culture. In 2023, Graubündner Kantonalbank continued this tradition by supporting 611 projects with around CHF 3.5 million. Half of the funds allocated will go to the Chur region or are related to cantonal projects. The remaining 50% is distributed across the different regions of Graubünden (see chart).



### 11.2.1 Long-term partnerships

Together with its long-standing sponsorship partners such as [Hockey Club Davos \(HCD\)](#), [Open Air Lumnezia](#), [GKB FUSSBALLCUP](#), [GKB SPORTKIDS](#) and [GKB HOCKEYSCHULE](#) the bank will strive to achieve even more for the canton in the future. We spend around CHF 900,000 on this every year.

Other partnerships that Graubündner Kantonalbank has supported for years include Origen, the Kunstmuseum Chur, Kammerphilharmonie Graubünden and Theater Chur. The bank has also been involved in the Graubünden Business Forum for around 20 years. Most of these partnerships have been supported since their launch. A total of more than CHF 500,000 is being made available for these partnerships.

### 11.2.2 Giacometti special exhibition at the Kunstmuseum Chur

Graubündner Kantonalbank has been a partner of the Kunstmuseum Chur for more than 25 years. With its annual contribution, the bank enables the Bündner Kunstmuseum to curate attractive temporary exhibitions. In 2023, the Kunstmuseum dedicated a special exhibition to local artist Augusto Giacometti. In addition to the renovated Villa Planta housing its collection, the Kunstmuseum has had a new building for the presentation of temporary exhibitions since 2016. In recent years, the Bündner Kunstmuseum has made a name for itself in the Swiss museum landscape with an own profile for its collection and temporary exhibitions.

### 11.2.3 Working for the mountain forests

In 2022, Graubündner Kantonalbank continued its long-standing commitment to preserving the protective function of Graubünden's mountain forests, already celebrating its tenth anniversary in this initiative. In collaboration with the Mountain Forest Project, the bank gave 60 young people a meaningful summer job, 30 of whom worked in the forests of Chur and Ilanz. Another 30 young people supported forestry experts in Küblis and Bergün by creating footpaths, erecting wildlife protection fences and taking care of the young forest.

Graubündner Kantonalbank's commitment goes beyond just working in the forest. In addition to the enjoyment of working in nature, there is also a special focus on teaching young people the importance of an intact mountain forest. This not only protects against natural hazards, but also forms an important habitat for a diverse range of flora and fauna. Through such initiatives, the bank plays an active role in promoting environmental sensitivity and raising awareness of nature conservation among the next generation.

### 11.2.4 The art collection – and what it can do

The art collection of Graubündner Kantonalbank now comprises around 1,700 works, with a focus on contemporary art by living artists with a connection to Graubünden. The focus here is on the concept of support and the idea of ensuring the continuity of creative activity. Acquisitions are made through galleries located here, among others, in order to also support their commitment. The artworks held in the collection beautify reception halls, meeting rooms and offices. However, they are also a medium with other components that should not be underestimated: art is always something to talk about and promotes communication, both internally and with clients. And art is the expression of those who think differently, which is why an open dialogue with art can be inspiring and promote one's own creativity – and ideally reveal new perspectives and paths.

### 11.2.5 Voluntary work by Graubündner Kantonalbank

Sustainability, proactive responsibility and a commitment to the community are at the heart of volunteer work carried out in cooperation with various institutions in the canton of Graubünden. Employees of Graubündner Kantonalbank spend one working day per year working on social projects. Examples of these include excursions to the Therapieion children's home, mobile phone courses with Procap or participation in events organised by the Alzheimer Association, insieme Cerebral Graubünden or Stiftung am Rhein. Volunteer work also includes outings in the great outdoors, such as active involvement in the Mountain Forest Project.

## 11.3 Operational ecology and sustainable procurement

Graubündner Kantonalbank aims to continuously reduce its ecological footprint while taking economic criteria into account through consistent operational sustainability management. Graubündner Kantonalbank not only aims to comply with the applicable laws on energy and ecology, but also to perform significantly better than the statutory parameters. In terms of operational environmental indicators, Graubündner Kantonalbank aims to be among the ten best banks in Switzerland.

The first priority is to avoid and reduce negative environmental impacts. Graubündner Kantonalbank intends to reduce its absolute operational greenhouse gas emissions by 40% and its direct energy consumption by 25% by 2025 compared with the reference year 2010. In cooperation with the Swiss foundation myclimate, the total greenhouse gas emissions that have not yet been eliminated through our own measures will only be offset as a second priority. For the past two years, emissions have been offset through a local project run by the forest cooperative Waldgenossenschaft Prättigau/Davos that is certified annually by myclimate. Graubündner Kantonalbank has been offsetting its direct CO<sub>2</sub> emissions since 2015.

In the medium term, Graubündner Kantonalbank aims to reduce its direct and indirect CO<sub>2</sub> emissions as far as possible by applying the climate protection guidelines of the 2015 UN Climate Change Conference. These efforts are aimed at helping limit global warming long-term to no more than 2 degrees Celsius compared to pre-industrial levels. An overview of the quantitative and qualitative targets in operational sustainability management and the status of target achievement can be found in the table "[Financial and sustainability goals](#)".

### 11.3.1 Ecological operation

Graubündner Kantonalbank strives for gradual and continuous progress in the field of operational ecology with a view to achieving the defined overarching objectives. The pro rata targets derived as annual planning values are compared with actual values in a standardised reporting process. The success of the measures introduced in previous years is reviewed and specific measures are defined for the coming years with a view to future objectives. Overall responsibility for operational ecology lies with the Head of Infrastructure, who is supported internally by specialists in procurement and energy management as well as by various environmental managers at the regional offices and branches.

### 11.3.2 General requirements and guidelines

Graubündner Kantonalbank has also issued requirements and guidelines for internal processes that have an impact on the environment (construction, operation, procurement), which are designed to help conserve environmental resources as much as possible. New buildings, for example, are constructed in accordance with the Minergie-P standard and refurbishments are brought as close as possible to the Minergie standard. Environmental improvements should be implemented consistently if repayment is to be completed within half of the technical life span.

### 11.3.3 Broad-based awareness promotion and practical training

Graubündner Kantonalbank also strives to conserve environmental resources and reduce their consumption by raising employee awareness of environmental issues and interrelationships. This is done via the employee magazine "Capricorn" and the intranet. New pathways are to be defined in the next few years that will make it possible to do this in a more targeted way.

All employees responsible for operations at Graubündner Kantonalbank are instructed on the ecological operation of the building facilities as required. This, too, is to be optimised further in the coming years with an eye to building up a general knowledge base that can be used productively in specific operational situations. There is a regular exchange between the specialists at head office and the environmental managers at the regional offices and branches. On-site visits to all buildings are made by the specialists from head office at least every two years.

### 11.3.4 Operational ecology key figures

|   | Unit                        | Base year (2010)           | 2022              | 2023                  | in %         |
|---|-----------------------------|----------------------------|-------------------|-----------------------|--------------|
| <b>Energy consumption</b>                           | <b>MJ</b>                   | <b>32,247,859</b>          | <b>26,802,547</b> | <b>24'601'183</b>     | <b>-23.7</b> |
| Electricity from non-renewable sources              | MJ                          | 8,396,130                  | 0                 | 0                     | -100         |
| Electricity from renewable sources                  | MJ                          | 13,323,655                 | 15,835,851        | 13'974'759            | 4.9          |
| Natural gas   | MJ                          | 5,005,559                  | 364,727           | 311'389               | -93.8        |
| Heating oil   | MJ                          | 5,522,515                  | 3,174,862         | 2'459'151             | -55.5        |
| District heating (mainly from waste incineration)   | MJ                          | 0                          | 7,253,728         | 7'658'409             | -            |
| Biomass   | MJ                          | 0                          | 173,380           | 103'172               | -            |
| Share of renewable energy                           | %                           | 41                         | 73                | 73                    | 78.2         |
| Energy intensity                                    | MJ pro FTE                  | 39,135                     | 35,126            | 30'837                | -21.2        |
| <b>Business travel</b>                              | <b>km</b>                   | <b>415,766</b>             | <b>417,828</b>    | <b>559'998</b>        | <b>34.7</b>  |
| Rail transport                                      | km                          | 59,200                     | 88,789            | 98'559                | 66.5         |
| Road transport                                      | km                          | 356,566                    | 329,040           | 431'739 <sup>1)</sup> | 21.1         |
| Short-haul flights                                  | km                          | 0                          | 0                 | 0                     | -            |
| Long-haul flights                                   | km                          | 0                          | 0                 | 29'700 <sup>2)</sup>  | -            |
| <b>Material consumption</b>                         | <b>kg</b>                   | <b>174,902</b>             | <b>89,186</b>     | <b>79'998</b>         | <b>-54.3</b> |
| Fresh fibre paper                                   | kg                          | 88,449                     | 5,911             | 6'649                 | -92.5        |
| Recycled paper                                      | kg                          | 86,453                     | 83,275            | 73'349                | -15.2        |
| Percentage of recycled paper in total               | %                           | 49                         | 93                | 92                    | 87.1         |
| <b>Water consumption (drinking water)</b>           | <b>m<sup>3</sup></b>        | <b>20,773</b>              | <b>16,905</b>     | <b>16'184</b>         | <b>-22.1</b> |
| <b>Waste and recycling</b>                          | <b>t</b>                    | <b>214</b>                 | <b>200</b>        | <b>199</b>            | <b>-6.9</b>  |
| Waste for incineration                              | t                           | 23                         | 54                | 40                    | 76.1         |
| Waste for recycling                                 | t                           | 191                        | 146               | 159                   | -16.9        |
| Other waste   | t                           | 0                          | 0                 | 0                     | -            |
| Recycling rate                                      | %                           | 89                         | 73                | 80                    | -10.5        |
| <b>Wastewater (public sewage)</b>                   | <b>m<sup>3</sup></b>        | <b>20,000<sup>3)</sup></b> | <b>13,720</b>     | <b>13'132</b>         | <b>-34.3</b> |
| <b>Direct and indirect greenhouse gas emissions</b> | <b>tCO<sub>2</sub>e</b>     | <b>1,615</b>               | <b>616</b>        | <b>562</b>            | <b>-65.2</b> |
| Direct greenhouse gas emissions (Scope 1)           | tCO <sub>2</sub> e          | 695                        | 258               | 208                   | -70          |
| Indirect greenhouse gas emissions (Scope 2)         | tCO <sub>2</sub> e          | 425                        | 68                | 68                    | -83.9        |
| Indirect greenhouse gas emissions (Scope 3)         | tCO <sub>2</sub> e          | 495                        | 290               | 286                   | -42.3        |
| Greenhouse gas emissions intensity                  | kgCO <sub>2</sub> e pro FTE | 1,961                      | 807               | 708                   | -63.9        |

1 Road transport: since 2023, the three company cars have also been included.  
 2 Flights: flights have been recorded since 2023.  
 3 Waste water: estimate, only recorded as of the 2012 sustainability report (2012: 20,923 cubic metres)

#### Notes on the calculation of key figures

The above key figures relate to the operations of Graubündner Kantonalbank and are based on VfU Tool Version 2010 (update April 2011). The emissions and energy input factors were based on what is currently the most comprehensive database: ECOINVENT of ETH Zurich (V2.01, autumn 2009). This means that the last update 2022 v1.1 has not yet been taken into account. However, a control calculation using this update has shown that the greenhouse gas emissions listed above for 2023 would be even lower with the current version. A corresponding comprehensive adjustment, together with a new reporting tool, is expected to be made in 2025.

The key figures are based on our own measurements (energy consumption at head office), our own data collection (road and rail transport, waste, paper consumption) and supplier/landlord invoices (mainly regional offices and branches). Where possible, the corresponding recording period is the calendar year of the financial year. Where this is not possible (business-related delayed reports from external and internal data suppliers), the last reported 12-month period is used.

At Graubündner Kantonalbank, water is only used for personal use and for cooling purposes (re-cooling air conditioning + data centre, emergency cooling of data centre, emergency diesel power cooling); only water from the public municipal utilities is used. With the exception of water for re-cooling, wastewater goes into the public sewers and from there to the wastewater treatment plants. All Graubündner Kantonalbank locations are connected to public wastewater treatment plants. The wastewater specifications defined by their operators are strictly adhered to.

### 11.3.5 Developments and measures in the reporting year

Direct energy consumption fell by 8% compared to the previous year. This was primarily due to the reduction of space at the branch offices.

Greenhouse gas emissions also fell significantly again, namely by 9% compared to the previous year, meaning that in the area of operational ecology, Graubündner Kantonalbank was responsible for just 35% of the CO<sub>2</sub>e emissions for 2010. As in recent years, certificates are purchased for the remaining emissions, thereby supporting high-quality Swiss climate protection projects. The continuous reduction in emissions results from the gradual switch to climate-neutral energy sources and the energy-optimised refurbishments of buildings and technical infrastructure, such as at the headquarters on Engadinstrasse. The general reduction in energy consumption also had a positive impact on greenhouse gas emissions.

The ongoing process of digitisation also resulted in a further reduction in paper consumption (-10% year-on-year). This trend is likely to continue in the coming years.

At 92%, the proportion of recycled paper of total paper consumption remains high.

A negative development from an environmental point of view was recorded for business travel (+34%). To a lesser extent, this is attributable to company cars and air traffic, which are now also included in the calculation. There was also an increase for business-related reasons. As before, Scope 3 emissions do not include commuter traffic. A basis for calculating commuter traffic in the future is currently being developed and the data is being collected. To this end, the kilometres driven per vehicle type are recorded and the corresponding greenhouse gas emissions are calculated. These emissions should then also be taken into account when the meta goals are redefined.

### 11.3.6 System limits

For material consumption, Graubündner Kantonalbank only measures the use of paper. Scope 3 emissions, i.e. indirect greenhouse gas emissions in the upstream and downstream value chain, currently do not include commuter traffic as a significant source of emissions associated with banking services and products (see the sections "[Sustainable lending business](#)" and "[Sustainable investment business](#)").

### 11.3.7 Sustainable procurement

In the interests of sustainable procurement and as an institution with deep roots in the canton, Graubündner Kantonalbank exerts a wide range of direct and indirect influences on the regional economy. As a bank for the people of Graubünden, it is not only a major employer in the canton, but also acts as a client through the targeted purchase of products and services. This takes place in the context of banking operations, marketing and cooperation with partner companies.

In its role as a client of local industry and as a reliable business partner, Graubündner Kantonalbank meets this responsibility with clear and transparent guidelines for procurement, partner management and marketing ([gkb.ch/nachhaltigkeit](http://gkb.ch/nachhaltigkeit)). When selecting partners and suppliers, the bank attaches particular importance to regionality, economic criteria and the partners' commitment to the principles of sustainable business. The bank's policy also defines criteria for the purchase of products and promotional items with the aim of minimising the impact on the environment and society. Compliance with environmental and social principles, as enshrined in the policy, is required both for existing suppliers and service providers and for new contracts.

long-standing business relationships with Swiss providers. They are mainly service providers (software and data providers), pension funds and companies from the local construction industry. In the reporting year, the supply chain was not fully screened with regard to child labour. In the case of obvious services such as software providers or data providers who are also based in the US (almost 1% of turnover), child labour can be considered unproblematic and can be largely excluded. In 2024, system adjustments will be made to allow the capture of all necessary information on the supply chain. In addition to new suppliers, the required confirmations that child labour is not being used are also obtained from existing suppliers.

In the reporting year, the procurement volume of Graubündner Kantonalbank amounted to around CHF 89.1 million (previous year: CHF 91 million). This amount was distributed among the following priority areas:

| Areas   | 2023                    | 2022                  | 2021                  |
|---|-------------------------|-----------------------|-----------------------|
| Information technology                          | 50 %                    | 47 %                  | 45 %                  |
| Office operations and building equipment        | 22 %                    | 26 %                  | 29 %                  |
| Services in various areas incl. marketing       | 28 %                    | 26 %                  | 27 %                  |
| Cleaning, office supplies, furniture, machinery | 0 %                     | 2 %                   | 0 %                   |
| <b>Total procurement</b>                        | <b>CHF 89.1 million</b> | <b>CHF 91 million</b> | <b>CHF 89 million</b> |

### 11.3.8 Next steps and planned further development

Graubündner Kantonalbank will focus on reducing its direct energy consumption at its head office in the next few years. Currently, the offices, including the technical equipment, are being refurbished.

Over the next two years, the current sustainability reporting system will be switched to a new system. The aim is to further automate and in particular speed up the entries and calculations, enabling controlling and measures to be carried out and implemented more quickly. In addition, all key figures should be collected at Group level, i.e. including all majority holdings.

Furthermore, energy consumption and greenhouse gas emissions in the bank buildings should be reduced through refurbishments (e.g. switching from fossil fuel to climate-neutral heating systems) and operational energy optimisations. When it comes to business travel, the switch to public transport is to be expanded. New meta goals for the following year (after 2025) will also be determined and the corresponding reduction pathways defined.

### 11.3.9 Current approach of holding companies

**Albin Kistler AG** obtains 100% green electricity from 100% in-house production from ewz (Elektrizitätswerk der Stadt Zürich) at its headquarters in Zurich.

Absolute annual electricity consumption has been more or less stable since 2020, while energy intensity per employee (FTE) has been declining since 2020.

|                       | 2023 <sup>1</sup> | 2022   | 2021   | 2020   |
|-----------------------|-------------------|--------|--------|--------|
|                       | kWh               | kWh    | kWh    | kWh    |
| Total consumption     | 52,991            | 52,705 | 52,095 | 52,661 |
| Total consumption/FTE | 1,305             | 1,394  | 1,439  | 1,483  |
| FTEs (average)        | 40.6              | 37.8   | 36.2   | 35.5   |

<sup>1</sup> as at 30.09.2023

Absolute paper consumption at Albin Kistler has also been more or less stable since 2020, while declining per employee and per client.

|                      | 2023 <sup>1</sup> | 2022    | 2021    | 2020    |
|----------------------|-------------------|---------|---------|---------|
| Printed pages        | 281,000           | 308,000 | 264,000 | 272,000 |
| Printed pages/FTE    | 6,921             | 8,148   | 7,293   | 7,662   |
| Printed pages/client | 181               | 210     | 202     | 243     |
| FTEs (average)       | 40.6              | 37.8    | 36.2    | 35.5    |
| Number of clients    | 1,555             | 1,465   | 1,305   | 1,119   |

<sup>1</sup> as at 30.09.2023

Albin Kistler has introduced various measures designed to reduce paper consumption in the future. In particular, major development steps in the area of IT and digitisation should have a supportive effect in the future. Thanks to a new online portal, clients will be able to choose in future to receive almost all correspondence digitally.

The structure and organisation of **BZ Bank Aktiengesellschaft** make provision for the conservative use of natural resources. Catering for employees is provided on-site. This avoids travelling time and journeys. The bank does not have air conditioning on its premises. Both the building and the furnishings are designed for long-lasting use. The building in which the bank is renting offices has been heated by gas since 2020, following the replacement of an oil-fired heating system. Of the electrical energy used by BZ Bank, 86.2% came from hydropower in 2022. Electricity consumption is continuously reduced by replacing electrical appliances with new, state-of-the-art and energy-efficient purchases.

**Privatbank Bellerive AG** works primarily digitally and thus minimises paper consumption. The bank's printers are set to double-sided printing by default. The bank obtains its beverages in reusable glass bottles. Primarily local suppliers are taken into account when making purchases. The bank's premises are heated by an environmentally friendly gas heating system; the windows are triple-glazed. Electricity consumption is to be reduced by gradually switching to LED lights. All employees are given an information sheet on sustainable conduct.

## 11.4 Dealing with our stakeholders

As a sustainable company, openness to dialogue with and transparency vis-à-vis all stakeholders – clients, the general public, investors and employees – are a matter of course at Graubündner Kantonalbank and part of its value management programme. Once again in the year under review, the bank actively initiated and intensified discussions with various partners and stakeholders with a view to driving forward the transformation into a sustainable economic, social and ecological society.

### 11.4.1 Employee-employer relations

The Staff Council (PEKO) of Graubündner Kantonalbank is actively involved in the employee-employer relationship in order to represent the interests of employees. The PEKO has co-determination rights, but no decision-making powers. It pursues several objectives, including strengthening co-determination rights, promoting co-responsibility, creating a positive working climate and establishing up-to-date conditions for an efficient company.

The PEKO meets once a month to discuss current operational issues and the concerns of the workforce. The decision-making process is executed in close collaboration with the Head of Human Resources (HR) and the Executive Board. Annual and semi-annual meetings with the Head of HR and the CEO serve to exchange ideas.

Communication takes place bilaterally with employees, who can also send suggestions and questions to a specific e-mail address. In 2023, the PEKO dealt with occupational health management (OHM) and conducted an employee survey. The PEKO's recommendation regarding the salary proposal is submitted to the Executive Board and the Strategy Committee of the Board of Directors at the end of each financial year.

### 11.4.2 Sustainability as a focal topic at the strategy meetings of the Board of Directors and Executive Board

The 2023 strategy meeting of the Board of Directors and the 2023 strategy workshop of the Executive Board focused on sustainability. Sustainability has been an integral part of the overall bank strategy of Graubündner Kantonalbank since 2021 and is one of the ten strategic fields of action (with the highest priority). Over the past three years, the bank has worked intensively on the

topic of sustainability, initiating and implementing various projects and measures. At the strategy meeting, the vision and positioning of the strategic field of action were reviewed and reaffirmed. The goals and key performance indicators were also discussed and confirmed. Based on the roadmap for the further development of this topic, gaps in the positioning with regard to ambition, objectives and KPIs were identified and measures for filling these gaps were derived.

### 11.4.3 Master's thesis: SME sustainability survey

Small and medium-sized enterprises (SMEs) are an important client segment of Graubündner Kantonalbank. The pressure for greater sustainability is constantly growing, including for SMEs. Due to their characteristics, however, these companies face a number of challenges in their transformation towards more sustainability. In order to provide this client group with the best possible support during the transformation process, Graubündner Kantonalbank commissioned the master's thesis "Enterprise transformation towards sustainability – expectations of Swiss SMEs of banks" in the year under review. Around 300 companies took part in the survey. In addition to the requirements for how the bank can support SMEs as a partner, the feedback also provided important insights into the challenges and potential risks.

### 11.4.4 Practical partnership with the joint master's programme Digital Communication and Creative Media Production at the Graubünden University of Applied Sciences and the University of Fribourg

The degree program offers a unique combination of in-depth communication science knowledge and specific media-technical implementation measures for digital communication. The course is characterised by the strong links between theory, technology and practice: students acquire and deepen their knowledge of communication science about the characteristics, opportunities and challenges of the digital society. Creative and technical solutions for successful communication are developed together with industry partners. Graubündner Kantonalbank is a partner of this master's programme, alongside other national and regional companies. That enables it to ensure that the course of study retains its strongly practical focus and industry involvement. Not only does this partnership enable Graubündner Kantonalbank to position itself as a potential employer prior to students' graduation, but this also helps the bank cultivate its close ties to the realm of academic research and gives it access to potential specialists.

## 11.5 Politics and regulation

Graubündner Kantonalbank is committed to a comprehensive and sustainable financial approach based on internationally recognised initiatives and standards. Through targeted memberships in key organisations, the bank not only underscores its commitment to sustainable practices, but also opens up opportunities for valuable knowledge transfers and the exchange of valuable experience through extensive networks.

Participation in global initiatives such as the United Nations Sustainable Development Goals (SDGs), the Paris Agreement, the UN Global Compact, UN PRI and GRI is an integral part of our sustainability strategy. These initiatives not only provide a global framework for sustainable development, but also oblige Graubündner Kantonalbank to make an active contribution to the achievement of these goals.

### 11.5.1 National and cantonal regulations

The [Swiss Bankers Association](#) (SBA) has issued new self-regulations for the inclusion of sustainability criteria in investment and mortgage advice. The new guidelines define binding sustainability-related specifications for asset management, investment and mortgage advisory services. By including ESG (environment, social and governance) aspects in investment discussions and raising the topic of energy efficiency in advisory meetings with property owners, the financial sector is making an important contribution towards the achievement of the Paris climate goals and is also helping to strengthen Switzerland as a leading hub for sustainable finance.

The [Asset Management Association Switzerland](#) (AMAS) is setting higher standards for the quality and transparency of sustainability-related collective assets with new self-regulation in the area of sustainable finance. The self-regulation, which entered into force on 30 September 2023 and is complementary to the self-regulation of the SBA, defines the requirements for the organisation of a financial institution and for product design and disclosures to investors. With free self-regulation, AMAS is strengthening the Swiss financial centre in domestic as well as foreign terms in the area of sustainable finance. As a member of AMAS, Graubündner Kantonalbank is obliged to implement this self-regulation.

The national Climate and Innovation Act was passed in June 2023 and states that Switzerland should become climate-neutral by 2050. To achieve this goal, the Federal Government is planning measures such as replacing oil, gas and electric heating with climate-friendly heating (CHF 2 billion in support). Companies in the industrial and commercial sectors that use innovative technologies for climate-friendly production will benefit from subsidies amounting to CHF 1.2 billion.

In 2019, the government of the canton of Graubünden was commissioned with the mandate "Green Deal für Graubünden – using climate protection as an opportunity" to present a comprehensive action plan containing specific and effective measures for climate protection and adaptation as well as their financing. The current Climate Fund Act and amendments to other existing laws implement these mandates and form the second stage of the "Green Deal für Graubünden" action plan.

### 11.5.2 Knowledge exchange and networks

Graubündner Kantonalbank's membership of organisations such as [Swiss Sustainable Finance \(SSF\)](#), [Asset Management Association Switzerland \(AMAS\)](#) and others not only provides a platform for transferring knowledge, but also promotes the exchange of key experiences. These interactions help deepen our understanding of sustainable financial practices and continuously improve our strategies.

### 11.5.3 Clear positioning

Thanks to these deliberately selected memberships and consistent alignment with international standards, Graubündner Kantonalbank is clearly positioning itself in the financial industry and vis-à-vis its stakeholders. Our participation in associations such as the [Association of Swiss Cantonal Banks \(VSKB\)](#) and the [Swiss Bankers Association \(SBA\)](#) enables us to exert influence and actively promote sustainable framework conditions. In a constantly changing political and regulatory environment, Graubündner Kantonalbank is proactively striving to continuously adapt its business practices. This approach not only minimises compliance risks, but also builds trust among our stakeholders and underscores our commitment to responsible and sustainable corporate governance.

### 11.5.4 Participation in initiatives and standards

- **Sustainable Development Goals (SDGs).** The United Nations (UN) defined 17 Sustainable Development Goals (SDGs) within the scope of the 2030 Agenda. They represent a global plan for promoting lasting peace, prosperity, and the protection of our planet. With the sustainability strategy it formulated, Graubündner Kantonalbank intends to make an active contribution toward achieving the UN's development goals.
- **Paris Agreement.** Signed in 2015, the "Paris Agreement" aims to limit average global warming to well below 2 degrees Celsius above pre-industrial levels. Graubündner Kantonalbank took this goal into consideration when preparing its sustainability strategy.
- **UN Global Compact.** The UN Global Compact is the world's largest corporate social responsibility initiative. The UN Global Compact envisions an inclusive and sustainable global economy based on ten universal principles in the areas of human rights, environment, labour standards and anti-corruption. Graubündner Kantonalbank has been a participant of the UN Global Compact since 2021.
- **UN Principles for Responsible Investment (UN PRI).** The aim of the Principles for Responsible Investment is to understand the impact of sustainability on investors and to help signatories incorporate these issues into their investment decision-making processes. Graubündner Kantonalbank is committed to the principles of the UN PRI regarding responsible investment policies and signed them in 2021.
- **Global Reporting Initiative (GRI).** The GRI is the world's leading standard in the area of sustainability reporting. Graubündner Kantonalbank prepares its reports in accordance with these specifications and has been preparing its sustainability report in line with the GRI Standards 2021 since 2021.
- **Paris Agreement Capital Transaction Assessment (PACTA).** The PACTA Climate Test has shown regularly since 2017 how climate-friendly the Swiss financial market invests. Graubündner Kantonalbank will take part in the next test again and have its investment portfolio and financing portfolio analysed.

### 11.5.5 Memberships of associations and organisations

- **Association of Swiss Cantonal Banks (VSKB).** VSKB is an association that unites Switzerland's 24 cantonal banks. It safeguards the shared interests of and promotes cooperation between its members. This association enables Graubündner Kantonalbank to exert its influence both directly and indirectly and advocate for sustainable framework conditions. The CEO of Graubündner Kantonalbank is a member of the VSKB Board of Directors.
- **Swiss Bankers Association (SBA).** The SBA is the umbrella organisation of banks in Switzerland and reflects the interests of the entire Swiss financial centre. The SBA represents Swiss banks vis-à-vis politicians, industry and the public.
- **Swiss Sustainable Finance (SSF).** The goal of SSF is to establish Switzerland as a leading centre for sustainable financial services. More than 60 organisations – including financial service providers, investors, research organisations and the public sector – have joined together to promote social and environmental issues in investment and financing. Graubündner Kantonalbank has been a member of SSF since 2021.
- **Asset Management Association Schweiz (AMAS).** The members of AMAS promote optimal frameworks for Swiss asset management as well as for the production and distribution of investment funds. They are also committed to addressing issues related to sustainable finance

with a focus on the investment sector. Not only has Graubündner Kantonalbank been a member of AMAS since 2021, but it is also involved in the "ESG Sub-group" task force.

- **Myclimate.** The myclimate – The Climate Protection Partnership non-profit foundation is an international climate protection organisation with Swiss roots. Founded in 2002 as a spin-off of ETH Zurich, myclimate is currently one of the world's leading providers of voluntary carbon offset measures. Graubündner Kantonalbank has been a partner of myclimate for many years.
- **Öbu – Association for Sustainable Business Management.** Öbu is the Swiss network for sustainable business management and promotes an awareness of economic, environmental and social responsibility in business. Öbu promotes the practical implementation of advanced sustainability standards, works with its members on an economy of the future and is committed to supporting the basic conditions necessary for that economy to develop. Graubündner Kantonalbank has already been a member of this network for more than ten years.
- **Swisscleantech.** Swisscleantech is committed to a CO<sub>2</sub>-neutral Switzerland, a future-proof supply of electricity and business models of the future. In these areas, the association identifies future challenges at an early stage and actively proposes solutions to the political arena. Graubündner Kantonalbank became a member of this association in 2023.
- **Energiespar-Alliance.** The Energiespar-Alliance brings together organisations that support efforts to ensure the security of supply in winter. These organisations take voluntary steps that enable them to use energy in a more efficient and sparing manner. By committing to the energy saving alliance, the organisations reaffirm their determination to join forces. As a member of the energy saving alliance, Graubündner Kantonalbank's voluntary measures help ensure that the energy supply is ensured for as long as possible. This alliance aims to prevent any shutdowns from becoming necessary and also the need for new regulations to the greatest extent possible.

## Chapter 12: About this report

### 12.1 Reporting period

Unless stated otherwise, all information in this annual sustainability report of Graubündner Kantonalbank refers to the calendar year. For certain key figures in operational ecology, the last twelve months reported are used as a reference period if reports from external and internal data suppliers were delayed for business-related reasons. The reporting period for the sustainability reporting is therefore largely the same as for the consolidated financial reporting of Graubündner Kantonalbank.

The 2023 Sustainability Report was published together with the 2023 Annual Report on 15 March 2024.

### 12.2 System limits

The sustainability management system and most of the data disclosed are currently limited to the operations of Graubündner Kantonalbank (parent company). Qualitative reporting includes the holding companies Albin Kistler AG in Zurich, BZ Bank Aktiengesellschaft in Wilen bei Wollerau and Privatbank Bellerive AG in Zurich. Exceptions are the tables on the consolidated volume of loans in the section on sustainable lending and the overview of all employees by region (group view).

### 12.3 Restatements

Compared to the sustainability reports of previous years, there were no restatements due to organisational adjustments. Information on the individual Group companies is presented under specific topics. Full consolidation is pending for 2024. In the area of operational sustainability, adjustments were made to the scope of the business travel database. Further information can be found in [section 11.3.5](#).

### 12.4 External audit

Graubündner Kantonalbank's sustainability reporting has not been subjected to an external audit. The financial reporting (consolidated financial statements and separate financial statements) was audited by the external auditor Ernst & Young Ltd. The auditor's report explains the duties and responsibilities of the Board of Directors in connection with the preparation and audit of the financial reporting (see audit reports on the consolidated financial statements and the separate financial statements).

### 12.5 Contacts for questions about sustainability reporting

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# GRI Content Index

| Statement of use   | Graubündner Kantonalbank has reported in accordance with the GRI Standards for the period January 2023 to December 2023.  |  |          |
|--|---|--|----------|
| GRI 1 used   | GRI 1: Foundation 2021  |  |          |
| Applicable GRI Sector Standard(s)  | GRI G4 Financial Services Sector Disclosures 2013   |  |          |
| GRI Standard / other source  | Disclosure  | Location / Information   | Omission |
| <b>General disclosures</b>   |   |  |          |
| GRI 2: General Disclosures 2021  | 2-1 Organizational details  | <a href="#">Anhang zur konsolidierten Jahresrechnung: 1. Angaben zur Firma</a>                           |          |
|  |   | <a href="#">Corporate Governance Bericht: 1. Konzernstruktur und Eigentümer</a>                          |          |
|  |   | <a href="#">Corporate Governance Bericht: 2. Kapitalstruktur</a><br><a href="#">Geschäftstellen</a>      |          |
|  | 2-2 Entities included in the organization's Sustainability Report:ing   | <a href="#">Sustainability Report: 12.2 System limits</a>  |          |
|  |   | <a href="#">Anhang zur konsolidierten Jahresrechnung: 2.2 Konsolidierungsgrundsätze</a>                  |          |
|  | 2-3 Reporting period, frequency and contact point   | <a href="#">Sustainability Report: 12.1 Reporting period</a>   |          |
|  |   | <a href="#">Sustainability Report: 12.5 Contacts for questions about sustainability reporting</a>        |          |
|  | 2-4 Restatements of information   | <a href="#">Sustainability Report: 12.3 Restatements</a>   |          |
|  | 2-5 External assurance  | <a href="#">Sustainability Report: 12.4 External audit</a>   |          |
|  | 2-6 Activities, value chain and other business relationships  | <a href="#">GKB Kennzahlen Konzern</a>   |          |
|  |   | <a href="#">Strategie: Geschäfts- und Betriebsmodell</a>   |          |
|  |   | <a href="#">Anhang zur konsolidierten Jahresrechnung: 1. Angaben zur Firma</a>                           |          |
|  |   | <a href="#">Sustainability Report: 11.3.7 Sustainable procurement</a><br><a href="#">Geschäftstellen</a> |          |
|  | 2-7 Employees   | <a href="#">Sustainability Report: 8.3 Current approach of Graubündner Kantonalbank</a>                  |          |
|  | 2-8 Workers who are not employees   | No disclosure possible in the reporting year.  |          |
| 2-9 Governance structure and composition   | <a href="#">Corporate Governance Bericht: 3. Bankrat</a>  |  |          |
| 2-10 Nomination and selection of the highest governance body                     | The nomination and selection procedure for the Board of Directors of Graubündner Kantonalbank is managed by the government of the Canton of Graubünden in accordance with the following guidelines: |  |          |
|  | <a href="#">BR 938.200 Law on the Graubündner Kantonalbank: Articles 14; 15; 24</a>   |  |          |
|  | <a href="#">BR 710.400 Ordinance on the Implementation of Public Corporate Governance for the Canton of Graubünden: Article 9</a>   |  |          |
| 2-11 Chair of the highest governance body  | <a href="#">Corporate Governance Bericht: 3.1 Mitglieder des Bankrats</a>   |  |          |
| 2-12 Role of the highest governance body in overseeing the management of impacts | <a href="#">Corporate Governance Bericht: 3.4 Interne Organisation</a>  |  |          |
|  | <a href="#">Corporate Governance Bericht: 3.5 Kompetenzregelung</a>   |  |          |
|  | <a href="#">Corporate Governance Bericht: 3.6 Informations- und Kontrollinstrumente gegenüber der Geschäftsleitung</a>  |  |          |
|  | <a href="#">Corporate Governance Bericht: 8. Kontrollorgane</a>   |  |          |
|  | <a href="#">Anhang zur konsolidierten Jahresrechnung: 3. Risikomanagement</a>   |  |          |
| 2-13 Delegation of responsibility for managing impacts                           | <a href="#">Offenlegungsbericht: Operationelle Risiken Disclosure Report 2023 is published at the same time as the Annual Report.</a>   |  |          |
|  | <a href="#">Corporate Governance Bericht: 3.5 Kompetenzregelung</a><br><a href="#">Corporate Governance Bericht: 3.6 Informations- und Kontrollinstrumente gegenüber der Geschäftsleitung</a>       |  |          |
| 2-14 Role of the highest governance body in Sustainability Report:ing            | <a href="#">Corporate Governance Bericht: 3.4.1 Aufgabenteilung im Bankrat</a>  |  |          |
| 2-15 Conflicts of interest   | <a href="#">Code of Conduct of Graubündner Kantonalbank</a>   |  |          |

|   |  |  |
|---|--|--|
|   |  | Graubündner Kantonalbank fact sheet on dealing with potential conflicts of interest  |
| 2-16 Communication of critical concerns                           |  | Corporate Governance Bericht: 3.6 Informations- und Kontrollinstrumente gegenüber der Geschäftsleitung   |
| 2-17 Collective knowledge of the highest governance body          |  | Corporate Governance Bericht: 3.1 Mitglieder des Bankrats<br>Corporate Governance Bericht: 3.4 Interne Organisation  |
| 2-18 Evaluation of the performance of the highest governance body |  | The Government of the Canton of Graubünden supervises the Bank Council of Graubündner Kantonalbank. See Article 24 in BR 938.200 Law on the Graubündner Kantonalbank   |
| 2-19 Remuneration policies  |  | Corporate Governance Bericht: 5.1 Entschädigungen an amtierende Organmitglieder<br>Corporate Governance Bericht: 5.2 Entschädigungen an ehemalige Organmitglieder<br>Corporate Governance Bericht: 5.3 Organdarlehen               |
| 2-20 Process to determine remuneration                            |  | Corporate Governance Bericht: 5.1.2 Entschädigung Bankrat, Inhalt und Festsetzungsverfahren  |
| 2-21 Annual total compensation ratio                              |  | Sustainability Report: 8.3.4 Diversity and equal pay analysis  |
| 2-22 Statement on sustainable development strategy                |  | Geschäftsbericht: Vorwort des Bankpräsidenten und des CEO<br>Sustainability Report: Chapter 1: Foreword<br>Sustainability Report: Chapter 2: Sustainability strategy and governance  |
| 2-23 Policy commitments   |  | Code of Conduct of Graubündner Kantonalbank<br>Geschäftsbericht: Vorwort des Bankpräsidenten und des CEO<br>Sustainability Report: Chapter 1: Foreword<br>Sustainability Report: Chapter 2: Sustainability strategy and governance |
| 2-24 Embedding policy commitments                                 |  | Code of Conduct of Graubündner Kantonalbank<br>Sustainability Report: Chapter 2: Sustainability strategy and governance  |
| 2-25 Processes to remediate negative impacts                      |  | Sustainability Report: 8.3.10 Reporting systems for suspicions or complaints (internal and external)<br>Sustainability Report: 9.3.6 Reporting systems for suspicions or complaints (internal and external)                        |
| 2-26 Mechanisms for seeking advice and raising concerns           |  | Sustainability Report: 8.3.10 Reporting systems for suspicions or complaints (internal and external)<br>Sustainability Report: 9.3.6 Reporting systems for suspicions or complaints (internal and external)                        |
| 2-27 Compliance with laws and regulations                         |  | Sustainability Report: 9.3.9 No incidents, legal or suspected cases in the reporting year  |
| 2-28 Membership associations                                      |  | Sustainability Report: 11.5.4 Participation in initiatives and standards<br>Sustainability Report: 11.5.5 Memberships of associations and organisations  |
| 2-29 Approach to stakeholder engagement                           |  | Sustainability Report: 11.4 Dealing with our stakeholders<br>Sustainability Report: 11.5 Politics and regulation   |
| 2-30 Collective bargaining agreements                             |  | No employees of Graubündner Kantonalbank or its affiliated companies are subject to a collective agreement.  |

**Material topics**

|                             |  |  |
|-----------------------------|--|--|
| GRI 3: Material Topics 2021 | 3-1 Process to determine material topics | Sustainability Report: 5.1 Sustainability impact analysis  |
|                             | 3-2 List of material topics              | Sustainability Report: 5.2 Results of the 2023 impact analysis   |
| <b>Sustainable Lending</b>  |  |  |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics        | Sustainability Report: 6.1 Relevance of the topic for Graubündner Kantonalbank and its holding companies |
|                             |  | Sustainability Report: 6.2 Ambition of Graubündner Kantonalbank  |
|                             |  | Sustainability Report: 6.3 Current approach of Graubündner Kantonalbank                                  |
|                             |  | Sustainability Report: 6.4 Further development and next steps  |

|  |   |   |
|--|---|---|
| GRI G4 Financial Services Sector Disclosures 2013                  | G4-HR1 Human rights clauses and human rights screening in lending operations  | Sustainability Report: 6.3.6 Consideration of social and environmental risks in corporate lending   |
|  | G4-FS6 Breakdown of lending business by region, size of entity and sector   | Sustainability Report: 6.3.6 Consideration of social and environmental risks in corporate lending   |
|  | G4-FS7 Lending business with specific social benefits   | Graubündner Kantonalbank currently has no significant lending business with special social benefits.  |
|  | G4-FS8 Lending business with specific environmental benefits  | Sustainability Report: 6.3.1 Financing of green buildings<br>Sustainability Report: 6.3.3 Financing of renewable energy sources                         |
| <b>Sustainable Investing</b>                                       |   |   |
| GRI 3: Material Topics 2021  | 3-3 Management of material topics   | Sustainability Report: 7.1 Relevance of the topic for Graubündner Kantonalbank and its holding companies  |
|  |   | Sustainability Report: 7.2 Ambition of Graubündner Kantonalbank   |
|  |   | Sustainability Report: 7.3 Current approach of Graubündner Kantonalbank   |
|  |   | Sustainability Report: 7.4 Further development in the reporting year and next steps<br>Sustainability Report: 7.5 Current approach of holding companies |
| GRI G4 Financial Services Sector Disclosures 2013                  | G4-HR1 Human rights clauses and human rights screening in lending operations  | Sustainability Report: 7.3 Current approach of Graubündner Kantonalbank   |
|  | G4-FS7 Lending business with specific social benefits   | Graubündner Kantonalbank currently has no investment business with special social benefits.   |
|  | G4-FS8 Lending business with specific environmental benefits  | Graubündner Kantonalbank currently has no investment business with special ecological benefits.   |
|  | G4-FS10 Interaction on environmental and social issues with companies held in the institution's portfolio           | Sustainability Report: 7.4 Further development in the reporting year and next steps   |
|  | G4-FS11 Assets subject to positive and negative environmental or social screening                                   | Sustainability Report: 7.3.3 ESG investment solutions   |
| <b>Employer attractiveness and employee training and education</b> |   |   |
| GRI 3: Material Topics 2021  | 3-3 Management of material topics   | Sustainability Report: 8.1 Relevance of the topic for Graubündner Kantonalbank and its holding companies  |
|  |   | Sustainability Report: 8.2 Ambition der Graubündner Kantonalbank  |
|  |   | Sustainability Report: 8.3 Current approach of Graubündner Kantonalbank   |
|  |   | Sustainability Report: 8.4 Further development and next steps<br>Sustainability Report: 8.5 Current approach of holding companies                       |
| GRI 401: Employment 2016   | 401-1 New employee hires and employee turnover  | Sustainability Report: 8.3.9 Employer brand, new hires and staff turnover   |
|  | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees            | The company benefits at Graubündner Kantonalbank are identical for all full-time and part-time employees.   |
|  | 401-3 Parental leave  | Sustainability Report: 8.3.9 Employer brand, new hires and staff turnover   |
| GRI 403: Occupational Health and Safety 2018                       | 403-1 Occupational health and safety management system  | Sustainability Report: 8.3.3 Occupational health management (OHM)   |
|  | 403-2 Hazard identification, risk assessment, and incident investigation  | Graubündner Kantonalbank currently has no systematic hazard identification, risk assessment or investigation of incidents.                              |
|  | 403-3 Occupational health services  | Graubündner Kantonalbank does not currently have any in-house occupational health services.   |
|  | 403-4 Worker participation, consultation, and communication on occupational health and safety                       | Sustainability Report: 11.4.1 Employee-employer relations   |
|  | 403-5 Worker training on occupational health and safety   | Sustainability Report: 8.3.3 Occupational health management (OHM)   |
|  | 403-6 Promotion of worker health  | Sustainability Report: 8.3.3 Occupational health management (OHM)   |
|  | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Sustainability Report: 8.3.3 Occupational health management (OHM)   |

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|---|--|---|
|   | 403-8 Workers covered by an occupational health and safety management system               | All Graubündner Kantonalbank employees are covered by occupational health management. Employees of affiliated companies and all employees who are not employees but whose work and/or workplace is controlled by Graubündner Kantonalbank or one of its affiliated companies are not covered. |
|   | 403-9 Work-related injuries  | Sustainability Report: 8.3.3 Occupational health management (OHM)   |
|   | 403-10 Work-related ill health   | Sustainability Report: 8.3.3 Occupational health management (OHM)   |
| GRI 404: Training and Education 2016  | 404-1 Average hours of training per year per employee                                      | Sustainability Report: 8.3.1 Education  |
|   | 404-2 Programs for upgrading employee skills and transition assistance programs            | Sustainability Report: 8.3.1 Education  |
|   |  | Sustainability Report: 8.3.2 Starting a career with Graubündner Kantonalbank  |
|   |  | Sustainability Report: 8.5 Current approach of holding companies  |
|   | 404-3 Percentage of employees receiving regular performance and career development reviews | At Graubündner Kantonalbank, annual performance appraisal meetings are generally held between line managers and employees.  |
| GRI 405: Diversity and Equal Opportunity 2016   | 405-1 Diversity of governance bodies and employees   | Sustainability Report: 8.3.4 Diversity and equal pay analysis   |
|   | 405-2 Ratio of basic salary and remuneration of women to men                               | Sustainability Report: 8.3.4 Diversity and equal pay analysis   |
| GRI 406: Nondiscrimination 2016   | 406-1 Incidents of discrimination and corrective actions taken                             | Sustainability Report: 9.3.9 No incidents, legal or suspected cases in the reporting year   |
| <b>Compliance in the areas of money laundering, competitive behavior and tax compliance</b> |  |   |
| GRI 3: Material Topics 2021   | 3-3 Management of material topics  | Sustainability Report: 9.1 Relevance of the topic for Graubündner Kantonalbank and its holding companies  |
|   |  | Sustainability Report: 9.2 Ambition der Graubündner Kantonalbank  |
|   |  | Sustainability Report: 9.3 Current approach of Graubündner Kantonalbank   |
|   |  | Sustainability Report: 9.4 Further development of Graubündner Kantonalbank in the reporting year and next steps   |
|   |  | Sustainability Report: 9.5 Current approach of holding companies  |
| GRI 205: Anticorruption 2016  | 205-1 Operations assessed for risks related to corruption                                  | Sustainability Report: 9.3 Current approach of Graubündner Kantonalbank   |
|   |  | Sustainability Report: 9.5 Current approach of holding companies  |
|   | 205-2 Communication and training about anti-corruption policies and procedures             | Sustainability Report: 9.3.7 Ongoing awareness-raising and practical training   |
|   |  | Sustainability Report: 9.5 Current approach of holding companies  |
|   | 205-3 Confirmed incidents of corruption and actions taken                                  | Sustainability Report: 9.3.9 No incidents, legal or suspected cases in the reporting year   |
| GRI 206: Anticompetitive Behavior 2016  | 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices      | Sustainability Report: 9.3.9 No incidents, legal or suspected cases in the reporting year   |
| Own standard  | Legal proceedings for insider trading and market manipulation                              | Sustainability Report: 9.3.9 No incidents, legal or suspected cases in the reporting year   |
| Own standard  | Establishments that have been audited for risks in connection with untaxed client funds    | Sustainability Report: 9.3 Current approach of Graubündner Kantonalbank   |
| Own standard  | Communication and training on policies and procedures to avoid untaxed client money        | Sustainability Report: 9.3.7 Ongoing awareness-raising and practical training   |
| Own standard  | Confirmed cases of untaxed client assets and measures taken                                | Sustainability Report: 9.3.9 No incidents, legal or suspected cases in the reporting year   |
| <b>Data protection and data security incl. Cybersecurity</b>                                |  |   |
| GRI 3: Material Topics 2021   | 3-3 Management of material topics  | Sustainability Report: 10.1 Relevance of the topic for Graubündner Kantonalbank and its holding companies   |
|   |  | Sustainability Report: 10.2 Ambition of Graubündner Kantonalbank  |
|   |  | Sustainability Report: 10.3 Current approach of Graubündner Kantonalbank  |
|   |  | Sustainability Report: 10.4 Further development of Graubündner Kantonalbank in the reporting year and next steps  |

Sustainability Report: 10.5 Current approach of holding companies

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GRI 418: Customer Privacy 2016

418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

Sustainability Report: 10.4.4 No incidents in the reporting year

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## OR Content Index

Index zur Berichterstattung über nichtfinanzielle Belange gemäss OR (Art. 964) und VSoTr

| Topic  | Sub-topic   | Place of declaration   | Conformity with other standards (GRI, TCFD) |
|--|---|--|---|
| Business model   |   | Strategie: Geschäfts- und Betriebsmodell   | GRI 2-1, 2-6                                |
|  |   | Anhang zur konsolidierten Jahresrechnung: 1. Angaben zur Firma   |   |
| Environmental matters  | Materiality / risks   | Sustainability Report - Sustainable lending business: 6.1 Relevance of the topic for Graubündner Kantonalbank and its holding companies    | GRI 3-3                                     |
|  |   | Sustainability Report - Sustainable investment business: 7.1 Relevance of the topic for Graubündner Kantonalbank and its holding companies | GRI 3-3                                     |
|  |   | Sustainability Report - Material topics: 5.2 Results of the 2023 impact analysis   | GRI 3-3                                     |
|  | Concept / management approach   | Sustainability Report - Sustainable lending business: 6.3 Current approach of Graubündner Kantonalbank                                     | GRI 3-3                                     |
|  |   | Sustainability Report - Sustainable investment business: 7.3 Current approach of Graubündner Kantonalbank                                  | GRI 3-3                                     |
|  |   | Sustainability Report - Sustainable investment business: 7.5 Current approach of holding companies   | GRI 3-3                                     |
|  |   | Sustainability Report: 11.3 Operational ecology and sustainable procurement  |   |
|  | Carbon dioxide targets  | Sustainability Report - Chapter 4: Financial and sustainability goals  | GRI 3-3                                     |
|  |   | Sustainability Report - Sustainable lending business: 6.2 Ambition of Graubündner Kantonalbank   | GRI 3-3                                     |
|  |   | Sustainability Report - Sustainable investment business: 7.2 Ambition of Graubündner Kantonalbank  | GRI 3-3                                     |
|  | Other objectives  | Sustainability Report - Chapter 4: Financial and sustainability goals  | GRI 3-3                                     |
|  |   | Sustainability Report - Sustainable lending business: 6.2 Ambition of Graubündner Kantonalbank   | GRI 3-3                                     |
|  |   | Sustainability Report - Sustainable investment business: 7.2 Ambition of Graubündner Kantonalbank  | GRI 3-3                                     |
|  | Due diligence check   | Sustainability Report: 5.1 Sustainability impact analysis  | GRI 3-1                                     |
|  |   | Anhang zur konsolidierten Jahresrechnung: 3. Risikomanagement  | GRI 3-3                                     |
|  | Measures taken  | Sustainability Report - Sustainable lending business: 6.3 Current approach of Graubündner Kantonalbank                                     | GRI 3-3                                     |
|  |   | Sustainability Report - Sustainable investment business: 7.3 Current approach of Graubündner Kantonalbank                                  | GRI 3-3                                     |
|  |   | Sustainability Report - Sustainable investment business: 7.5 Current approach of holding companies   | GRI 3-3                                     |
|  |   | Sustainability Report: 11.3.5 Developments and measures in the reporting year  |   |
|  | Performance indicators  | Sustainability Report: 6.3.6 Consideration of social and environmental risks in corporate lending  | G4-FS6                                      |
| Sustainability Report: 6.3.1 Financing of green buildings          |   | G4-FS8   |   |
| Sustainability Report: 6.3.3 Financing of renewable energy sources |   | G4-FS8   |   |
| Sustainability Report: 7.3.3 ESG investment solutions              |   | G4-FS11  |   |
| Sustainability Report : 11.3.4 Operational ecology key figures     |   |  |   |
| Sustainability Report : 11.3.7 Sustainable procurement             |   |  |   |
| Effectiveness check  | Sustainability Report : 11.3.9 Current approach of holding companies                                      |  |   |
|  | Sustainability Report - Sustainable lending business: 6.3 Current approach of Graubündner Kantonalbank    | GRI 3-3  |   |
|  | Sustainability Report - Sustainable investment business: 7.3 Current approach of Graubündner Kantonalbank | GRI 3-3  |   |
|  | Sustainability Report - Sustainable investment business: 7.5 Current approach of holding companies        | GRI 3-3  |   |

Sustainability Report: 11.3 Operational ecology and sustainable procurement

| Sustainability Report: 11.3 Operational ecology and sustainable procurement |                               |  |                |
|---|-------------------------------|--|----------------|
| Social matters  | Materiality / risks           | Sustainability Report - Sustainable lending business: 6.1 Relevance of the topic for Graubündner Kantonalbank and its holding companies  | GRI 3-3        |
|   |                               | Sustainability Report - Sustainable investment business: 7.1 Relevance of the topic for Graubündner Kantonalbank and its holding companies   | GRI 3-3        |
|   |                               | Sustainability Report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence: 9.1 Relevance of the topic for Graubündner Kantonalbank and its holding companies | GRI 3-3        |
|   |                               | Sustainability Report - Data protection, data security and cybersecurity: 10.1 Relevance of the topic for Graubündner Kantonalbank and its holding companies                                       | GRI 3-3        |
|   | Concept / management approach | Sustainability Report - Sustainable lending business: 6.3 Current approach of Graubündner Kantonalbank   | GRI 3-3        |
|   |                               | Sustainability Report - Sustainable investment business: 7.3 Current approach of Graubündner Kantonalbank  | GRI 3-3        |
|   |                               | Sustainability Report - Sustainable investment business: 7.5 Current approach of holding companies   | GRI 3-3        |
|   |                               | Sustainability Report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence: 9.3 Current approach of Graubündner Kantonalbank                                  | GRI 3-3, 205-1 |
|   |                               | Sustainability Report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence: 9.5 Current approach of holding companies   | GRI 3-3, 205-1 |
|   |                               | Sustainability Report - Data protection, data security and cybersecurity: 10.3 Current approach of Graubündner Kantonalbank  | GRI 3-3        |
|   |                               | Sustainability Report - Data protection, data security and cybersecurity: 10.5 Current approach of holding companies   | GRI 3-3        |
|   |                               | Sustainability Report: 11.1 Regional supply of financial services  |                |
|   |                               | Sustainability Report: 11.2 Local commitment and local partnerships related to culture, sport, social issues and the local economy   |                |
|   |                               | Sustainability Report: 11.3.7 Sustainable procurement  |                |
|   | Objectives                    | Sustainability Report - Chapter 4: Financial and sustainability goals  | GRI 3-3        |
|   |                               | Sustainability Report - Sustainable lending business: 6.2 Ambition of Graubündner Kantonalbank   | GRI 3-3        |
|   |                               | Sustainability Report - Sustainable investment business: 7.2 Ambition of Graubündner Kantonalbank  | GRI 3-3        |
|   |                               | Sustainability Report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence: 9.2 Ambition of Graubündner Kantonalbank  | GRI 3-3        |
|   |                               | Sustainability Report - Data protection, data security and cybersecurity: 10.2 Ambition of Graubündner Kantonalbank  | GRI 3-3        |
|   | Due diligence check           | Sustainability Report: 5.1 Sustainability impact analysis  | GRI 3-1        |
|   |                               | Anhang zur konsolidierten Jahresrechnung: 3. Risikomanagement  | GRI 3-3        |
|   | Measures taken                | Sustainability Report - Sustainable lending business: 6.3 Current approach of Graubündner Kantonalbank   | GRI 3-3        |
|   |                               | Sustainability Report - Sustainable investment business: 7.3 Current approach of Graubündner Kantonalbank  | GRI 3-3        |
|   |                               | Sustainability Report - Sustainable investment business: 7.5 Current approach of holding companies   | GRI 3-3        |
|   |                               | Sustainability Report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence: 9.3 Current approach of Graubündner Kantonalbank                                  | GRI 3-3, 205-2 |
|   |                               | Sustainability Report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence: 9.5 Current approach of holding companies   | GRI 3-3        |
|   |                               | Sustainability Report - Data protection, data security and cybersecurity: 10.3 Current approach of Graubündner Kantonalbank  | GRI 3-3        |

|                               |   |  |
|-------------------------------|---|--|
|                               | Sustainability Report - Data protection, data security and cybersecurity: 10.5 Current approach of holding companies  | GRI 3-3                                    |
|                               | Sustainability Report: 11.2 Local commitment and local partnerships related to culture, sport, social issues and the local economy                                    |  |
|                               | Sustainability Report: 11.3.7 Sustainable procurement   |  |
| Performance indicators        | Sustainability Report: 6.3.6 Consideration of social and environmental risks in corporate lending   | G4-FS6                                     |
|                               | Sustainability Report: 7.3.3 ESG investment solutions   | G4-FS11                                    |
|                               | Sustainability Report: 9.3 Current approach of Graubündner Kantonalbank   | GRI 205-1                                  |
|                               | Sustainability Report: 9.5 Current approach of holding companies  | GRI 205-1, 205-2                           |
|                               | Sustainability Report: 9.3.9 No incidents, legal or suspected cases in the reporting year   | GRI 2-27, 205-3, 206-1, 406-1              |
|                               | Sustainability Report: 10.4.4 No incidents in the reporting year  | GRI 418-1                                  |
|                               | Sustainability Report: 11.2 Local commitment and local partnerships related to culture, sport, social issues and the local economy                                    |  |
|                               | Sustainability Report: 11.3.7 Sustainable procurement   |  |
| Effectiveness check           | Sustainability Report - Sustainable lending business: 6.3 Current approach of Graubündner Kantonalbank  | GRI 3-3                                    |
|                               | Sustainability Report - Sustainable investment business: 7.3 Current approach of Graubündner Kantonalbank   | GRI 3-3                                    |
|                               | Sustainability Report - Sustainable investment business: 7.5 Current approach of holding companies  | GRI 3-3                                    |
|                               | Sustainability Report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence: 9.3 Current approach of Graubündner Kantonalbank     | GRI 3-3                                    |
|                               | Sustainability Report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence: 9.5 Current approach of holding companies            | GRI 3-3                                    |
|                               | Sustainability Report - Data protection, data security and cybersecurity: 10.3 Current approach of Graubündner Kantonalbank   | GRI 3-3                                    |
|                               | Sustainability Report - Data protection, data security and cybersecurity: 10.5 Current approach of holding companies  | GRI 3-3                                    |
|                               | Sustainability Report: 11.2 Local commitment and local partnerships related to culture, sport, social issues and the local economy                                    |  |
|                               | Sustainability Report: 11.3.7 Sustainable procurement   |  |
| Employee matters              |   |  |
| Materiality / risks           | Sustainability Report - Employer attractiveness and employee training and education 8.1 Relevance of the topic for Graubündner Kantonalbank and its holding companies | GRI 3-3                                    |
| Concept / management approach | Sustainability Report - Employer attractiveness and employee training and education 8.3 Current approach of Graubündner Kantonalbank                                  | GRI 3-3, 403-1, 403-4, 403-5, 403-6, 403-7 |
|                               | Sustainability Report - Employer attractiveness and employee training and education 8.5 Current approach of holding companies   | GRI 3-3                                    |
|                               | Sustainability Report: 11.4.1 Employee-employer relations   | GRI 3-3                                    |
| Objectives                    | Sustainability Report - Chapter 4: Financial and sustainability goals   | GRI 3-3                                    |
|                               | Sustainability Report - Employer attractiveness and employee training and education 8.2 Ambition of Graubündner Kantonalbank  | GRI 3-3                                    |
| Due diligence check           | Sustainability Report: 5.1 Sustainability impact analysis   | GRI 3-1                                    |
|                               | Anhang zur konsolidierten Jahresrechnung: 3. Risikomanagement   | GRI 3-3                                    |
| Measures taken                | Sustainability Report - Employer attractiveness and employee training and education 8.3 Current approach of Graubündner Kantonalbank                                  | GRI 3-3, 403-5                             |
|                               | Sustainability Report - Employer attractiveness and employee training and education 8.5 Current approach of holding companies   | GRI 3-3                                    |

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|                               | Sustainability Report: 11.4.1 Employee-employer relations  | GRI 3-3, 403-4          |
| Performance indicators        | Sustainability Report - Employer attractiveness and employee training and education 8.3 Current approach of Graubündner Kantonalbank       | GRI 2-7                 |
|                               | Sustainability Report: 8.3.1 Education   | GRI 404-1, 404-2, 404-3 |
|                               | Sustainability Report: 8.3.2 Starting a career with Graubündner Kantonalbank   | GRI 404-2               |
|                               | Sustainability Report: 8.5 Current approach of holding companies   | GRI 404-2               |
|                               | Sustainability Report: 8.3.3 Occupational health management (OHM)  | GRI 403-9, 403-10       |
|                               | Sustainability Report: 8.3.4 Diversity und Lohnvergleichsanalyse   | GRI 405-1, 405-2        |
|                               | Sustainability Report: 8.3.9 Employer brand, new hires and staff turnover  | GRI 401-1, 401-3        |
|                               | Sustainability Report: 9.3.9 No incidents, legal or suspected cases in the reporting year  | GRI 406-1               |
| Effectiveness check           | Sustainability Report - Employer attractiveness and employee training and education: 8.3 Current approach of Graubündner Kantonalbank      | GRI 3-3                 |
|                               | Sustainability Report - Employer attractiveness and employee training and education: 8.5 Current approach of holding companies             | GRI 3-3                 |
|                               | Sustainability Report: 11.4.1 Employee-employer relations  | GRI 3-3                 |
| Respecting human rights       |  |                         |
| Materiality / risks           | Sustainability Report: 6.3.6 Consideration of social and environmental risks in corporate lending  | GRI 3-3                 |
|                               | Sustainability Report - Sustainable investment business: 7.1 Relevance of the topic for Graubündner Kantonalbank and its holding companies | GRI 3-3                 |
|                               | Sustainability Report: 11.3.7 Sustainable procurement  | GRI 3-3                 |
| Concept / management approach | Sustainability Report: Foreword  | GRI 3-3                 |
|                               | Sustainability Report - Sustainable investment business: 7.3 Current approach of Graubündner Kantonalbank                                  | GRI 3-3, G4-HR1         |
|                               | Sustainability Report - Sustainable investment business: 7.5 Current approach of holding companies   | GRI 3-3, G4-HR1         |
|                               | Sustainability Report: 11.3.7 Sustainable procurement  | GRI 3-3                 |
| Objectives                    | Sustainability Report: 6.3.6 Consideration of social and environmental risks in corporate lending  | GRI 3-3                 |
|                               | Sustainability Report - Sustainable investment business: 7.2 Ambition of Graubündner Kantonalbank  | GRI 3-3                 |
| Due diligence check           | Sustainability Report: 5.1 Sustainability impact analysis  | GRI 3-1                 |
|                               | Anhang zur konsolidierten Jahresrechnung: 3. Risikomanagement  | GRI 3-3                 |
|                               | Sustainability Report: 6.3.6 Consideration of social and environmental risks in corporate lending  | GRI 3-3, G4-HR1         |
|                               | Sustainability Report - Sustainable investment business: 7.3 Current approach of Graubündner Kantonalbank                                  | GRI 3-3, G4-HR1         |
|                               | Sustainability Report - Sustainable investment business: 7.5 Current approach of holding companies   | GRI 3-3, G4-HR1         |
|                               | Sustainability Report: 11.3.7 Sustainable procurement  | GRI 3-3                 |
| Measures taken                | Sustainability Report - Sustainable investment business: 7.3 Current approach of Graubündner Kantonalbank                                  | GRI 3-3                 |
|                               | Sustainability Report: 6.3.6 Consideration of social and environmental risks in corporate lending  | GRI 3-3                 |
| Performance indicators        | Sustainability Report - Sustainable investment business: 7.3 Current approach of Graubündner Kantonalbank                                  | G4-HR1                  |
|                               | Sustainability Report: 6.3.6 Consideration of social and environmental risks in corporate lending  | G4-HR1                  |
| Effectiveness check           | Sustainability Report - Sustainable investment business: 7.3 Current approach of Graubündner Kantonalbank                                  | GRI 3-3                 |
|                               | Sustainability Report - Sustainable investment business: 7.5 Current approach of holding companies   | GRI 3-3                 |
|                               | Sustainability Report: 11.3.7 Sustainable procurement  | GRI 3-3                 |

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| Combating corruption                                  | Materiality / risks  | Sustainability Report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence: 9.1 Relevance of the topic for Graubündner Kantonalbank and its holding companies | GRI 3-3   |  |
|   | Concept / management approach  | Sustainability Report: Foreword  | GRI 3-3   |  |
|   |  | Sustainability Report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence: 9.3 Current approach of Graubündner Kantonalbank                                  | GRI 3-3, 205-1  |  |
|   |  | Sustainability Report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence: 9.5 Current approach of holding companies   | GRI 3-3, 205-1  |  |
|   | Objectives   | Sustainability Report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence: 9.2 Ambition of Graubündner Kantonalbank  | GRI 3-3   |  |
|   | Due diligence check  | Sustainability Report: 5.1 Sustainability impact analysis  | GRI 3-1   |  |
|   |  | Anhang zur konsolidierten Jahresrechnung: 3. Risikomanagement  | GRI 3-3   |  |
|   | Measures taken   | Sustainability Report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence: 9.3 Current approach of Graubündner Kantonalbank                                  | GRI 3-3, 205-2  |  |
|   |  | Sustainability Report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence: 9.5 Current approach of holding companies   | GRI 3-3, 205-2  |  |
|   | Performance indicators   | Sustainability Report: 9.3.9 No incidents, legal or suspected cases in the reporting year  | GRI 205-3   |  |
|   | Effectiveness check  | Sustainability Report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence: 9.3 Current approach of Graubündner Kantonalbank                                  | GRI 3-3   |  |
|   |  | Sustainability Report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence: 9.5 Current approach of holding companies   | GRI 3-3   |  |
|   | Due diligence and transparency regarding minerals and metals from conflict areas | Supply chain policy  | Sustainability Report - Sustainable investment business: 7.3.1 ESG approach of Graubündner Kantonalbank |  |
|   |  |  | Sustainability Report: 7.4.3 Due diligence in relation to minerals and metals                           |  |
|   |  | Sustainability Report - Sustainable investment business: 7.5 Current approach of holding companies   |   |  |
| Risk assessment                                       |  | Sustainability Report: 7.4.3 Due diligence in relation to minerals and metals  |   |  |
| Due diligence and transparency regarding child labour | Supply chain policy  | Sustainability Report: 11.3.7 Sustainable procurement  |   |  |
|   | Risk assessment  | Sustainability Report: 11.3.7 Sustainable procurement  |   |  |

