

Sustainability- and Climate Report 2024

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Sustainability- and climate report 2024

Table of content

3	Sustainability report
4	- Foreword
5	- Sustainability strategy and governance
10	- Sustainability ratings
11	- Financial and sustainability goals
12	- Material topics
13	- Sustainable lending business
20	- Sustainable investment business
29	- Employer attractiveness and employee training and education
42	- Compliance in the areas of money laundering, competitive behaviour and tax acquiescence
48	- Data protection, data security and cybersecurity
58	- Other sustainability topics
61	Climate report
62	- Introduction to climate issues
63	- Governance
64	- Climate strategy
74	- Risk management
77	- Metrics, target achievement and measures
88	Appendix
91	About this report
93	GRI Content Index
101	OR Content Index

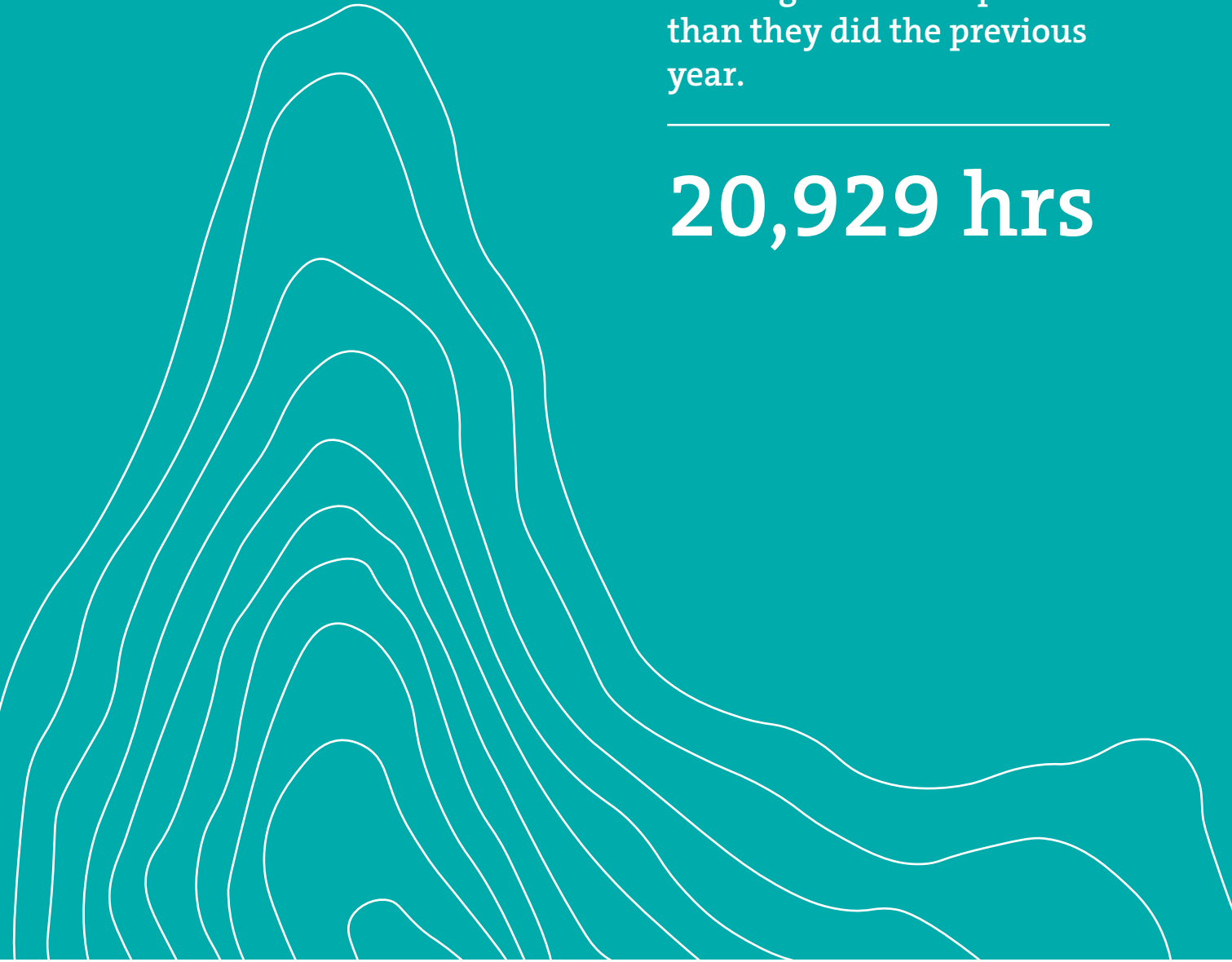
Sustainability & Climate Report.

“Social sustainability means shaping a society in which everyone has the opportunity to flourish, regardless of origin, gender or social status. A sustainably oriented company invests in the people supporting it. It creates a working environment in which respect, equal opportunities and collaboration are promoted.”

Martina Müller-Kamp
Head of Market Services business unit

Our employees spent
19% more hours on ongoing
training and development
than they did the previous
year.

20,929 hrs



Foreword

Reducing and eliminating carbon emissions (especially CO₂) in business and everyday life are key elements in limiting global warming. Graubündner Kantonalbank wants to **contribute to the decarbonisation of the economy**. This is why it committed itself to the **net-zero 2050** target four years ago. In the Climate Report, the Bank explains what measures need to be taken to achieve this objective and what climate-related opportunities and risks arise for the company.

In 2024 the Bank took **further initiatives to position itself as an attractive employer**. Demographic change and the shortage of skilled workers are accentuating the need to present ourselves as attractive to the best employees. GKB has carried out comprehensive **training and awareness-raising measures for all four generations** in the company to make it easier for them to **enter the future-proof world of work**. Positive experiences show that these investments are paying off.

The sustainable development of GKB must be clear to all stakeholders. Transparency is therefore very important. The Bank has been reporting in accordance with GRI Standards since the 2021 financial year. It also supports the ten principles of the United Nations Global Compact on human rights, labour standards, environmental protection and anti-corruption. In its annual progress report, the Bank describes the measures it is taking to continuously improve and integrate these principles into its business strategy, corporate culture and day-to-day operations. GKB is also committed to actively communicating with all stakeholders.

An overview of the ambitions, the milestones for 2024 and the outlook for 2025 can be found in the section entitled.

➤ Sustainability as a strategic field of action

Graubündner Kantonalbank is firmly committed to "the best future ever" in and for Graubünden. That is its vocation.



Daniel Fust
CEO



Peter Fanoni
Chairman of the BoD

Sustainability strategy and governance

Thinking and acting sustainably is part of consistently implementing the vision and strategy of GKB. We promote the quality of life in the region and the economic area of Graubünden with clear guidelines within the dimensions 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 GKB. In 2010, meta targets for 2025 were set for the Bank's own operations, most of which have already been achieved. 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 have been refining the strategy further on an ongoing basis. 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. As in previous years, the main focus in the year under review was on further developing the sustainability approach in the financing and investment business. Graubündner Kantonalbank will continue to focus here in the years ahead. 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.

Governance

As the supreme governing body of GKB, the **Board of Directors** is responsible for supervising and controlling management, the strategic direction, the risk policy of the Bank and the basic regulatory structure of the Bank – including with regard to sustainability and climate matters. The Board of Directors has organised its duties into committees, which act as preparatory bodies. With regard to sustainability and climate matters, the Strategy Committee is responsible for integrating these into the strategic direction, while the Audit and Risk Committee prepares the relevant financial risks for the attention of the Board of Directors as a whole. The committees have no direct decision-making authority.

The **Executive Board** of GKB is responsible for operational implementation of the strategic direction set by the Board of Directors, as well as the requirements with regard to sustainability and climate matters. It is responsible for implementing the risk policy. The three-line model is used to monitor and manage risks, including sustainability and climate-related financial risks. The first line comprises the earnings-oriented areas. The second line consists of independent control functions, namely Risk Controlling and Compliance. Internal auditing is the third line.

The Executive Board is supported by the **Sustainability Office** in operational implementation of the sustainability strategy, including climate issues. It assumes a coordinating role, provides impetus in sustainability and climate matters through various projects and acts as a point of contact for operational issues.

The Sustainability Office heads the **Sustainability Committee**, on which all the Bank's business areas are represented. The Committee ensures regular dialogue between the individual departments. It provides information on legal and regulatory developments in sustainability and climate matters. The Committee supports the Sustainability Office in developing the necessary basis for decision-making for the attention of the Executive Board. Via the Sustainability Committee, the Sustainability Office coordinates the implementation of measures relating to sustainability and climate and regularly reviews progress.

From the 2025 financial year onwards, the Executive Board and the Strategy Committee of the Board of Directors will receive a report twice a year on the current status of implementation of the sustainability strategy, including climate issues. Based on this, the Executive Board initiates any corrective and follow-up measures in climate-related matters.

Under the leadership of the Chief Risk Officer (CRO), **Risk Controlling** is responsible for monitoring and reporting on all material risks. Risk Controlling also ensures that climate-related financial risks are integrated as risk drivers into GKB's risk management system. It submits a risk report on the Bank's risk situation to the Executive Board, the Audit and Risk Committee and the Board of Directors on a quarterly basis. In the event of extraordinary developments in the Bank's risk situation, the Board of Directors and the Executive Board are informed immediately by the CRO.

Supervisory Board		Approves the sustainability strategy (incl. climate issues), annual sustainability reporting and climate report, sets the risk policy (incl. climate-related risks)
	Audit and Risk Committee	Advice on risk tolerance, limit system, limit compliance and risk trends, including climate risks
	Strategy Committee	Offers advice on the Bank's strategy, incl. sustainability and climate issues
Executive Board		Devises the sustainability strategy and sets targets (incl. climate issues), implements rules on managing climate-related risks and opportunities
	Risk Controlling	Handles risk management across the Bank, incl. management of climate-related risks
	Sustainability Office	Handles sustainability issues (incl. climate issues) for the Bank as a whole, following the rules set by the Executive Board
	Sustainability Committee	Manages sustainability topics (incl. climate issues) in an interdisciplinary body

Sustainability strategy

Graubündner Kantonalbank's sustainability strategy encompasses all three dimensions of sustainability – environmental, social and economic sustainability. Based on the sustainability strategy, the Bank has set itself four strategic goals:

- Positioning as a sustainable company: Strengthening the Bank's positioning as a sustainable company in the eyes of all stakeholders.
- UN Development Goals (SDGs): Supporting the UN Sustainable Development Goals by applying the goals relevant to the Bank.
- Paris Climate Agreement 2015: Limiting man-made global warming to well below 2°C by 2050 compared to pre-industrial levels in the financing and investment business.
- GKB sustainability rating AA from MSCI ESG

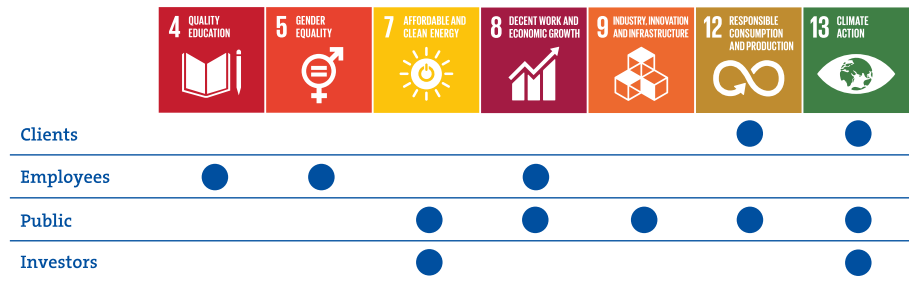
In 2024 GKB started to comprehensively revise its sustainability strategy so that it can incorporate more comprehensive measures and targets with corresponding metrics. The revised sustainability strategy is to be published in 2025.

Sustainable Development Goals (SDGs) relevant to Graubündner Kantonbank

GKB 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 Kantonbank 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 GKB were derived from the Strategy 2021–2025 and the ten strategic fields of action. The Bank has ensured that the goals selected reflect the holistic approach of GKB (economic, environmental and social dimensions). It has also ensured that all GKB stakeholders (clients, employees, the general public, investors) are taken into account. The SDGs relevant to GKB were examined in the year under review. The analysis revealed that GKB cannot directly make a significant contribution to SDG 10 ("reduce inequality"). As a result, it was decided to no longer make SDG 10 a relevant goal for the Bank.

The following chart shows the seven SDGs of relevance to GKB:



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

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

- The ESG training course launched in summer 2023 in collaboration with the Lucerne University of Applied Sciences and Arts (HSLU) (ESG stands for environmental, social and governance) for all client advisors continued in the year under review. The second part of the training was held in physical format in spring 2024, with content tailored to the individual target groups. The ESG training covers not only the content required by the regulator, but also links this content to the Bank's advisory approach at a practical level and, in doing so, broadens our employees' sustainability skills in the area of investment advisory services.
- In 2020 GKB and the University of Applied Sciences Graubünden (FHGR) developed a two-stage certificate course on General Management and Digital Transformation, and launched it in 2021. The course has proven itself and was opened to other companies in the year under review. In this way, GKB is helping its employees to prepare for the digital transformation and be ready to cope with the changing demands with new knowledge and skills. The Bank is also helping to alleviate the shortage of skilled workers. The fifth course with FHGR and other companies will start in January 2025.
- With the support of HSLU, an e-learning course was developed and implemented for the entire workforce in the reporting year. The aim was to teach the basics of sustainability and the associated regulatory requirements. Employees were also made aware of the issue of greenwashing.
- Offering 86 (previous year: 84) traineeships in the year under review, GKB once again made a significant contribution to high-quality education.
- GKB 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 2024, 51 (previous year: 19) further education programmes of this nature were successfully concluded.
- Based on the training concept and a survey of trainees, the training activities at GKB were once again awarded the "Great Place to Start" label in May 2024.
- GKB supports senior citizens in their day-to-day banking business, including with advice and services. The Bank also organises courses and keynote speeches in partnership with Pro Senectute.

- GKB offers a free banking package for children aged 7 to 14 in the form of [GKB Gioia Kids](#). This helps children to look after their own money independently. In this way, they can learn how to handle money and take responsibility at an early age.
- The cantonal banks are jointly committed to the general financial education of young people in Switzerland: through FinanceMission at schools, through [jugendbudget.ch](#) at home and through [MoneyHaxx](#) for teenagers.
- An [education initiative](#) was launched by the cantonal banks in the year under review. They are committed to educating children and young people around the world through a jointly supported investment solution.

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

- GKB offers attractive, family-friendly working conditions, promotes diversity and has a balanced salary policy.
- Through the measures initiated, GKB is specifically promoting broader diversity. These include increasing the proportion of women elected to the "Futura" Talent Board and deliberately monitoring individual career paths.
- GKB embraces [diversity and inclusion](#). A project team was set up in 2023 to further promote this approach. In the initial phase, the team was able to collect promising ideas for increasing the proportion of women in management and promote networking around the topic, and implemented its first ideas in 2024.

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

- GKB has issued two green bonds totalling CHF 300 million. In doing so the Bank is further demonstrating its commitment to sustainability in financing. The net proceeds from the green bonds will be used for green buildings, hydropower plants and renewable energies. The framework conditions were reviewed during the reporting year and developed further, with the aim of being able to float another green bond next year.
- GKB has been using electricity exclusively from renewable sources for its own operations since 2013.
- The hydrogen production plant at the Reichenau hydropower plant is setting new standards with regard to Switzerland's sustainable energy future. The plant came into operation in the year under review, with GKB supporting this innovative, sustainable energy production as a financing partner.

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 103.7 million in the reporting year (previous year: CHF 103.5 million), which equates to CHF 506.00 per resident (previous year: CHF 511.00 per resident).
- GKB offers comprehensive financial and advisory services for local businesses, focuses on sustainable value creation and creates added value for the regional economy. Around 60% of private individuals and business clients in the canton have a banking relationship with GKB.
- GKB 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.

- GKB is a member of various associations and organisations committed to a CO₂-neutral Switzerland, a sustainable electricity supply and the business models of the future. Further information on this topic can be found in the section "[Politics and regulation](#)".
- Through the [INNOZET Foundation](#), which was established by GKB 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.

SDG goal 12: Ensure sustainable consumption and production patterns.

- Employees' expertise and their commitment to the clients of GKB enable the Bank to take its advisory responsibility seriously and encourage companies to embrace sustainable corporate governance.
- GKB promotes the sale of sustainable products and services, particularly in the area of investment, and is steadily expanding its range of sustainable products. Sustainable investment products are generally the recommended standard at GKB.
- 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 have been actively applied in advisory services since 1 January 2024.
- GKB attaches great importance to promoting sustainability criteria in procurement. Above a certain level of turnover, suppliers of the Bank must sign sustainability guidelines. Additional sustainability provisions also apply to promotional items, events and construction.

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

- Graubündner Kantonalbank's investment business has long been fully geared towards sustainability (further details can be found in the section entitled "[Sustainable investment business](#)"). In 2021 an initial reduction pathway was defined for the investment business based on the Paris Climate Agreement. More information on this topic can be found in the overview table "[Financial and sustainability goals](#)".
- In the financing business, the Green Deal action plan served as a first marker. The first step here is the energy-related refurbishment of residential buildings. Sustainability in the financing business is a high priority for GKB in the coming years.
- GKB has significantly reduced its environmental impact from operations in recent years and continues to do so. Since 2015, the Bank has been offsetting the remaining emissions. In the year under review, as in the two previous years, offsetting was carried out via the appropriately certified project "Climate-optimised forest management in the canton of Graubünden". From 2025 onwards, GKB will permanently store a portion of its GHG emissions in recycled concrete in collaboration with the Swiss company neustark.
- In the reporting year, GKB integrated climate concerns into its Sustainability & Climate Report, which is based on the framework of the Task Force on Climate-related Financial Disclosures (TCFD) and the Ordinance on Climate Disclosures. The core elements are the science-based reduction pathway and the transition plan. This plan shows the measures with which the goals are to be achieved. In 2024 GKB was focused on setting interim goals – on the financing side for residential real estate and on the investment side for its own equity and bond funds.

Sustainability ratings

The sustainability of Graubündner Kantonalbank is assessed by a number of leading rating agencies. In the year under review, the Bank was rated B+ (previously B-) by InRate and A (previously AA) by MSCI ESG. Other sustainability ratings are listed in the overview below and remain unchanged compared to the previous year.

Rating agency	Current rating	Scale	Date of report	Basis
MSCI ESG	A	AAA to CCC	8/28/2024	2023 Annual Report and Sustainability Report
Sustainalytics (Morningstar)	Medium	Negligible low med high severe	10/1/2024	2023 Annual Report and Sustainability Report
InRate	B+	A+ to D-	9/17/2024	2023 Annual Report and Sustainability Report
ISS ESG	C-	A+ to D-	9/25/2024	2023 Annual Report and Sustainability Report
ethos	B+	A+ A- B+ B- C excl.	11/26/2024	2023 Annual Report and Sustainability Report

Financial and sustainability goals

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

The first seven goals are linked to the economic dimension and support efforts on 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.

	Target 2025 ¹⁾	2024	2023	2022
Income ratio of fee business [Group]	45 %	37.8 %	36.4 %	39.5 %
Productivity (cost/income ratio II) [Group]	<55 %	50.4 %	48.8 %	51.9 %
Equity (CET 1 ratio) [Group]	17.5–22.5 %	18.8 %	18.7 %	19.3 %
Outperformance (compared to ten-year government bonds) [Group]	> 3 %	7.9 %	7.8 %	7.0 %
Share of mortgages granted in other cantons (real estate market diversification)	>15 % and <50 %	28.9 %	26.7 %	26.7 %
Payout of parent house (payout ratio) to the owners (residents of the canton)	50–70 %	49.5 %	49.2 %	49.8 %
Accumulated net new money 2021–2025 [Group]	CHF 3 billion	CHF 2.8 billion	CHF 2.8 billion	CHF 3.3 billion
GKB sustainability rating AA from MSCI-ESG	AA	A	AA	AA
Paris-aligned 2050 in investment business with a reduction in CO ₂ emissions of at least 35 % by 2030 for GKB funds and asset management mandates (premium mandates)	33 % ²⁾	0 % ²⁾	0 % ²⁾	0 % ²⁾
Reduction of CO ₂ emissions on existing residential mortgage portfolio	-12.5 % ct underlying	35 kg/m ² p.a. (underlying ³⁾)	37 kg/m ² p.a. (underlying ³⁾)	39 kg/m ² p.a. (underlying ³⁾)
Keeping lending volume low for large and syndicated loans that violate sustainability criteria	<1 % of total client lending limits	0.0 % of total client lending limits (basis: annual financial statements 2023)	0.4 % of total client lending limits (basis: annual financial statements 2022)	0.27 % of total client lending limits (basis: annual financial statements 2021)
Total energy consumption of bank (underlying: 2010)	< 75 % (ct underlying)	74 %	73 %	83 %
Reduction of internal GHG emissions (underlying: 2010)	< 60 % (ct underlying)	33 %	35 %	38 %
Percentage of renewable energy of total energy consumption	Min. 80 %	75 %	72 %	73 %
Kununu employer rating	≥ 4.5	4.5	4.5	4.5

1 The targets will be reviewed as part of the 2026–2030 strategy cycle

2 Assets (on a defined reduction pathway); the Bank invests in its mandates in own and third-party funds. There are too few products available on the market for a pure decarbonisation approach. The further expansion of know-how on the topic of climate has shown that asset managers are moving towards engagement and transition. The current target will be replaced by the engagement target defined in the climate report in 2025.

3 Adjusted underlying

Material topics

Analysis of sustainability impact

As a starting point, GKB 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 assessment and analysis of the impact with the support of internal specialists. GKB then had the twelve potential topics identified reviewed and rated by experts from Inrate, a Swiss rating agency specialising in sustainability.

In 2023 the topics were reviewed in terms of double materiality. Double materiality refers on the one hand 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 changes to the result of the materiality analysis associated with the review in 2023 were explained in detail in the [Sustainability Report 2023 \(section 5.1\)](#).

The materiality analysis was not updated for this Sustainability Report, i.e. the material topics and their respective impact intensity classification remained unchanged compared to 2023.

Material reporting topics

The impact analysis carried out internally in 2023 and reviewed by ECO:FACT resulted in the following ten material sustainability topics for GKB (in order of decreasing impact intensity):

- 1) **Sustainable lending business**
- 2) **Sustainable investment business**
- 3) **Employer attractiveness and employee training and education**
- 4) **Compliance in the areas at money laundering, competitive behaviour and tax acquiescence**
- 5) **Data protection 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**

Comprehensive reporting in accordance with GRI standards is provided on the following pages for the five material sustainability topics with the highest impact intensity. This includes a comprehensive explanation of relevance for each topic based on its impact on society, the environment and the economy. The report also addresses the following aspects: GKB's ambition for the topic concerned, the management approach which the Bank is currently applying to the topic concerned, and the planned next steps to further develop this management approach. This is followed by a shorter report on the other five sustainability topics that have a lower impact intensity.

In the GKB double materiality analysis climate issues have not previously been identified as a separate material topic, as the various aspects had been integrated into the other material topics. This approach has enabled the Bank to address climate-related aspects in a targeted manner in the various thematic areas in which they play a key role. However, with the increasing importance of the topic in disclosures, climate concerns were once again removed from the material topics and transferred to a separate section of the Sustainability Report. Accordingly, climate issues are not mentioned as a separate material topic; however, they are discussed in detail immediately after the other material topics.

A new materiality analysis is planned for 2025.

Sustainable lending business

Relevance of the topic for Graubündner Kantonalbank and its associated companies

The lending business is GKB's largest business area in terms of financial volume and net interest income. By granting mortgages and loans, GKB exerts a direct positive or negative influence on the environment and society. The same applies to the pricing of 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, a 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 via the lending and pricing policy for 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 to environmental pollution.

In terms of sustainability, a bank has the following potential effects in its lending policy: It determines and evaluates the ecological and social impact of client activities or investments to be financed. It takes these into account in its lending and pricing policy as well as in its risk management. It also informs its clients proactively and transparently as part of the process about the benefits of its sustainable financing products as well as about its sustainability criteria as part of its lending and pricing policy. In doing so, a bank sends signals on the financial markets and makes allowance for its incentive effect.

Ambition of Graubündner Kantonalbank

The building sector is responsible for a significant share of the country's GHG emissions. For this reason and due to its large scope of business, GKB attaches great importance to its mortgage business being climate-friendly. GKB places particular emphasis on providing its clients with comprehensive advice and raising their awareness of energy efficiency and value preservation.

When granting corporate and syndicated loans, GKB ensures that the activities and projects financed meet its sustainability standards and goals as closely as possible. Here too, GKB aims to contribute to efforts to reduce GHG 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.

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

Current approach of Graubündner Kantonalbank

Mortgage advice to promote energy efficiency and value retention

Since January 2024, owners of older properties in need of refurbishment have been informed of offers and points of contact for energy-related refurbishments (long-term value preservation) during consultations. The aim is to raise clients' awareness of energy efficiency and value preservation and to contribute to the sustainable development of the building portfolio. In terms of new business, all residential properties have been reviewed for their energy efficiency and GHG emissions since spring 2024. Since the introduction of the energy efficiency assessment and systematic data collection at the beginning of the second quarter of 2024, around 2,500 properties (as at 31 December 2024) have been assessed by GKB.

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 promotes the financing of energy-efficient 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 value of their property, reduce GHG 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 tax and pension planning support to a predefined extent.

Emissions of financed properties

GKB is guided by the Paris Climate Agreement as its overarching objective in order to achieve the net-zero target by 2050. In 2021 GKB commissioned IAZI AG to carry out an independent estimate of indirect GHG emissions for the first time; these emissions are related to real estate financed by the Bank's mortgage loans (residential construction) (known as Scope 3 GHG emissions). Financed GHG emissions from the mortgage portfolio in the residential construction segment of GKB amounted to 253,000 tonnes of CO₂ equivalents (CO₂e) as at 30 June 2024. This corresponds to an estimated average value of 35 kg CO₂e per m² of energy reference area (ERA) and year (as at 30 June 2023, this figure was 37 kg CO₂e per m² ERA per year). The average for single-family and multi-family homes is 39 and 38 kg CO₂e per m² ERA and year respectively. Financed condominium units reported 28 kg CO₂e per m² ERA and year.

As part of its climate strategy, GKB set science-based targets for financed GHG emissions in residential real estate in 2024. A corresponding reduction pathway shows how GKB intends to achieve this (see the Sustainability & Climate Report). It stipulates that GKB will reduce its emissions by 39% by 2030 (compared to the base year 2023).

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. GKB also finances production plants in hydropower, solar power, wind power and district heating.

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 medium-sized or large-scale 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.

Wind energy

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

District heating and energy systems

Graubündner Kantonalbank grants loans for the construction, refurbishment or refinancing of plants for the production and distribution of thermal energy. This relates to both district heating and energy 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. Using exclusively local wood for heating has a significantly lower impact on the climate. The CO₂ 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. Energy 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, GKB attaches importance to the use of predominantly local wood. 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 projects in Switzerland.

Financing the lending business by issuing green bonds

By launching green bonds GKB is promoting the environmentally friendly modernisation of existing electricity production facilities in Graubünden based on renewable energy. Green bonds are also intended to help maintain the attractiveness of Graubünden as a business location and contribute to the indirect reduction of GHG emissions. GKB intends to use the proceeds of the issues to finance and/or refinance energy-efficient properties and the generation of renewable energies.

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 will be commissioned to review the allocation of loans by Graubündner Kantonalbank and prepare an annual report on compliance with the criteria by all green bonds issued by GKB. For refinancing purposes, the Bank issued two green bonds in 2021 and 2022 with a total volume of CHF 300 million.

The buildings financed by Graubündner Kantonalbank through these two green bonds comprise 423 owner-occupied homes. The difference in annual GHG emissions between the financed properties and the reference properties is estimated to be 340 tonnes of CO₂e per year.

The green bonds not only finance particularly climate-friendly buildings, but also support hydropower plants that together have expected average annual production of 2,400 GWh of hydropower. Compared to the Swiss electricity mix, this results in lower CO₂ emissions (a difference of 55,500 tonnes of CO₂e per year). The share of GHG emissions attributable to the green bond is 17% or 9,334 tonnes of CO₂e.

Details are provided in the annual Green Bond Reporting as at 30 June. The last report published in October 2024 is available on the [website](#).

Financing of start-ups with sustainable, innovative product solutions

GKB is involved in financing start-ups offering sustainable, innovative product solutions through the [INNOZET Foundation](#) of Graubünden, which it established. In addition to contributing foundation capital, GKB also provides the foundation's office, which reviews incoming financing applications, prepares them for presentation and submits them to the Board of Trustees for assessment. INNOZET supports sustainable and plausible business ideas with a focus on technology and tourism for Graubünden companies 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. 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.

In recent years a total of 59 applications from start-ups in Graubünden have been assessed, of which 11 projects receive financial support, five of which are directly related to sustainability.

Sustainability in the corporate client business

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 loan agreements of GKB 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

Breakdown of the corporate client business as at 31 December 2024

	2024 in CHF 1,000	2023 in CHF 1,000
Agriculture, forestry and fisheries	204,428	199,763
Mining, quarrying	15,107	15,820
Manufacturing	691,149	715,375
Energy and water supply	670,971	625,356
Construction	335,690	311,352
Trade and repair of automobiles	124,965	126,398
Wholesale and retail trade	275,400	279,131
Transport and storage	355,976	296,762
Hospitality industry	879,969	843,973
Information and communication	56,270	53,662
Financial and insurance services	2,507,081	2,819,160
Real estate	3,582,495	3,425,031
Services	443,546	469,580
Public administration, education	205,528	184,507
Health and social services	381,601	390,775
Total corporate client business	10,730,175¹	10,756,645
Private households	13,957,356	13,206,783
Total loans	24,687,530	23,963,428

1 of which 76 % covered

Composition of the corporate clients business as at 31 December 2024

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

	2024 in CHF 1,000	Number of companies	2023 in CHF 1,000	Number of companies
1–9 employees	4,290,931	2,595	5,011,622	2,363
10–49 employees	2,372,218	491	2,346,307	516
50–249 employees	1,047,590	106	1,092,159	122
≥ 250 employees	1,583,369	115	1,511,136	105
without specification	1,436,066	1,240	795,421	1,403
Total corporate client lending business	10,730,175	4,547	10,756,645	4,509

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, the domicile must be 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 (see below).

- **Exclusion of controversial economic sectors:** GKB rules out loans to companies involved in manufacturing controversial weapons. Percentage thresholds are also set for companies that generate a certain proportion of their revenue from conventional weapons (threshold ≥15%), tobacco (≥15%), coal mining (≥5%), thermal coal (≥15%), unconventional oil and gas (≥5%), pornography (≥5%) or gambling¹ (≥20%). If a company's revenue from these activities exceeds the specified thresholds, the company will not receive a loan. Likewise, no loans are granted to companies with thermal coal reserves of more than 1 billion tonnes.
- **Exclusion of controversial business practices:** If a company violates applicable UN conventions or standards (e.g. on human rights and corruption), it will not receive a loan until it meets international standards again. 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 a company is involved in one or more very serious controversies regarding its business practices.

- **Exclusion of ESG laggards:** An additional criterion for lending is the exclusion of companies with very high ESG risks. The Bank bases this on MSCI ratings. Companies that have an MSCI ESG rating of CCC or B are referred to as "laggards" and are excluded from lending by GKB.

¹ Companies that have been licensed by the Swiss Confederation are not excluded.

The exclusion criteria are reviewed on an ongoing basis and further developed in line with current market standards. As at 1 January 2024, the Bank removed nuclear energy as an exclusion criterion at the level of the entire Bank. This means that GKB no longer generally excludes affected companies from its lending activities. Financing of replacement investments and, in addition, all investments aimed at maintaining the safety of Swiss nuclear power plants are now permitted. However, the financing of the development or construction of new nuclear power plants and the granting of loans to renovate or refinance existing nuclear power plants outside Switzerland are excluded. As a result, the refinancing of existing Swiss nuclear power plants is no longer subject to a revenue threshold of 20%.

GKB's risk policy stipulates that loans to major clients and syndicated clients in breach of the three sustainability criteria specified may not exceed 1% of total client lending limits. Financing for subsidiaries of generally excluded groups that produce or promote sustainable goods is not counted against 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 loan portfolio of GKB with major clients and syndicated borrowers as at 30 June 2024 showed the following: No borrower in a syndicated loan in which GKB is involved had a red flag. In addition, the revenue limits for controversial business areas were not breached by any exposures, and no borrower showed any high ESG risks (an MSCI ESG rating of B or CCC).

The current **lending policy for small and medium-sized corporate clients** does not allow loans to be granted when 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. Graubündner Kantonalbank put the system requirements for the credit check in place in the year under review, but there is currently not yet any structured recording of governance, social and environmental risks. In addition, sustainability-related criteria are not yet 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 2024

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

	2024	2023
	in CHF 1'000	in CHF 1'000
Graubünden	16,859,422	16,165,024
Zurich	2,931,678	2,852,639
Eastern Switzerland (excluding Graubünden)	1,060,494	1,206,783
Northwestern Switzerland	1,151,615	1,041,302
Mittelland region	825,182	867,433
Foreign countries	558,996	626,332
Central Switzerland	706,392	623,250
Ticino	308,106	290,870
Lake Geneva region	285,644	289,795
Total loans	24,687,530	23,963,428

The reference area for the breakdown into different regions was established 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.

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 lending policy of Graubündner Kantonalbank is also part of the training, certification and recertification process (at least every three years). As part of this, client advisors receive further training on topics such as climate change, the sustainability strategy of Switzerland, the canton of Graubünden and GKB as well as the transition to a lower-carbon economy.

Further development and next steps

In 2025, Graubündner Kantonalbank will further develop its sustainability approach in the lending business in the following areas:

Further development of the mortgage business

In future, climate risks will also be recorded and taken into account in the lending and pricing policy of the mortgage business. GKB laid the foundations for this in 2024: a model will be used to differentiate between sustainable and unsustainable properties. The way this science-based reduction pathway is put into practice will be of great importance in the coming year. As part of this, GKB will review and further develop its range of sustainable real estate financing products in the coming year in order to meet client needs even better.

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. GKB will also examine in depth the extent to which these sustainability-related risks can be included in the definition of credit conditions and the valuation of collateral (pledged assets).

Several academic papers supervised by GKB have shown that business clients particularly want needs-based advisory services. GKB plans to meet this need in the form of information events, an information portal and tool-supported sustainability advice. These measures serve as an introduction to sustainability for business clients. GKB therefore launched an in-house project in 2024 and began designing a corresponding offering.

In order to calculate the emissions of the corporate loan portfolio, Graubündner Kantonalbank joined the Partnership for Carbon Accounting Financials (PCAF) in 2024 and familiarised itself with the emissions database. The Bank intends to carry out initial calculations in the coming year. In the medium term, it is also planned to publish these in the Sustainability & Climate Report.

Sustainable investment business

Relevance of the topic for Graubündner Kantonalbank and its associated companies

The investment business is the second-largest business area at GKB after lending. 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. Anyone who does not include sustainability aspects or impacts on the environment and society in their investment decisions ignores the associated risks, opportunities and consequences. Since society demands responsible behaviour and supervisory authorities increasingly specify sustainable practices, risks such as these can have an impact on financial costs and on a company's balance sheet and profit performance as a result. These include risks arising from unsustainable activities as well as costs and risks associated with the transition to 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. When it comes to sustainable investments, it is therefore not only issues such as environmental pollution, biodiversity and climate change that need to be taken into account, but also the way companies are run (corporate governance) and social criteria such as diversity, human rights and child labour.

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, banks and asset managers 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.

Ambition of Graubündner Kantonalbank

GKB 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 ESG risks and seize ESG opportunities. Based on this conviction, investment solutions and products with a focus on sustainability have been an integral part of the overall investment business of Graubündner Kantonalbank since 2020.

Through its activities in the investment business, GKB aspires to make a contribution toward a sustainable future. In doing so, the Bank is guided by Swiss and international initiatives aimed at achieving the goals of the Paris Climate Agreement and other international agreements signed by Switzerland to promote sustainability within the real economy.

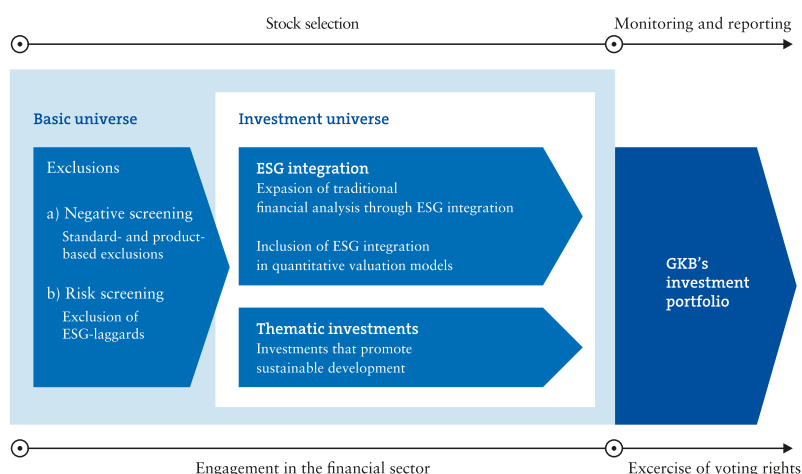
The key performance indicator for sustainable investment business can be found in the table "Financial and sustainability goals".

Current approach of Graubündner Kantonalbank

Graubündner Kantonalbank's sustainability approach in its investment business complies with the self-regulations in the area of sustainable finance of the Swiss Bankers Association (SBA) and the Asset Management Association Switzerland (AMAS). The approach is also 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 objectives such as the Paris Climate Agreement or the International Convention on Biological Diversity also serve as a guiding principle and a way of prioritising the investment strategy.

Dealing with sustainability opportunities and risks in investment decisions and advice

GKB holistically implements sustainable investing as part of its investment business. ESG criteria are incorporated into the investment process at different junctures. First, the Bank uses ESG criteria to define the investment universe (exclusions) and takes ESG-related opportunities and risks into account as supplementary information in its investment assessments and portfolio development. Second, ESG criteria are taken into account when making specific investment decisions and are incorporated into risk management, portfolio construction and investment advice. Clear and transparent reporting on the ESG performance of individual client portfolios and own investment funds as well as active dialogue with companies and providers of third-party funds also enjoy high priority.



GKB's sustainable investment concept is applied to all investment universes of the Bank – both in the asset management and advisory business. Different approaches are used to assess sustainability, depending on whether companies and bond issuers or collective investment vehicles (investment funds/ETFs) of third-party providers are being assessed. These approaches are summarised briefly below:

Assessment of sustainability risks for companies and bond issuers

GKB takes a three-step approach to defining the sustainable investment universe, applying common sustainability approaches such as exclusions, best-in-class/positive screening approach, ESG integration, stewardship (exercise of voting rights and engagement) and thematic investments.

As a first step, exclusion criteria prevent investments from being made in companies or countries that do not meet the basic minimum criteria from the outset. Certain sectors and companies whose business practices or activities violate predefined standards and values or are assessed as having an increased risk are excluded. Companies that are involved in very serious controversies (MSCI ESG controversies red flag) are excluded. For standards-based criteria, standards from several national and international organisations are used, such as the UN Global Compact (UNGC), the OECD Guidelines for Multinational Enterprises (OECD), the UN Guiding Principles on Business and Human Rights and the labour standards of the International Labor Organization (ILO). Companies that are active in certain business areas viewed critically by the Bank are also excluded. For example, companies related to controversial weapons and tobacco production are fundamentally excluded. For certain business activities, such as conventional weapons, thermal coal, unconventional oil and gas, pornography, gambling or distribution and sale of tobacco products, companies are excluded if the share of their business activities in these areas exceeds predefined thresholds. The exclusion criteria are continuously developed in line with current market standards and are published on the [website](#).

In a second step, GKB carries out a positive screening based on sustainability criteria with regard to the sustainability performance of companies and countries. An issuer's sustainability performance is considered sound if it has been rated at least BB by MSCI ESG. Positive screening ensures that the management of financially material sustainability topics is at least average in an industry comparison.

In a third step, further sustainability aspects are integrated into the investment process and the traditional financial analysis. Equity analysis is carried out in several stages as part of a quantitative and qualitative process. The quantitative analysis is based on a multi-factor model that includes a specially developed ESG score in addition to economic criteria such as quality, momentum or valuation. Bonds are analysed on the basis of a qualitative assessment of economic criteria, such as creditworthiness and valuation, as well as an assessment of ESG risks based on the MSCI ESG ratings of the issuers and other sustainability factors. MSCI data are complemented by further sources of information such as publicly available ESG ratings from other rating agencies and media reports.

Graubündner Kantonalbank's sustainable investment concept for direct investments currently covers equities, bonds and gold. Other asset classes, such as derivatives, are considered unrated and account for a negligible proportion of the Bank's investment strategy.

Issuers (corporates and countries) that do not have an MSCI ESG rating are generally excluded from the sustainable investment universe and are classified as unrated. This does not apply to bond issuers headquartered in Switzerland and included in the Swiss Bond Index ESG AAA-BBB. This principle may be deviated from within the cantons and municipalities, hospitals, railway infrastructure and energy utilities segments. Within the Swiss Bond Index AAA-BBB, these bonds account for around 6% of the market capitalisation.

Assessment of sustainability risks for investment funds from third-party providers

The sustainability assessment of third-party investment products is based on a comprehensive quantitative and qualitative analysis process. It assesses whether an investment fund's sustainability approach meets the relevant regulatory sustainability requirements and is compatible with GKB's understanding of ESG. As part of the due diligence on investment funds, the Bank relies on publicly available information, information determined or provided directly by the fund's asset manager as part of due diligence, and data from external providers such as MSCI ESG to assess the sustainability approaches applied.

Although the GKB exclusion criteria for direct investments (see above) cannot be applied to funds from third-party providers on a one-to-one basis, when it comes to controversial business activities and compliance with global standards, funds are only included in the sustainable investment universe if they cumulatively meet the following minimum requirements.

No investments making up more than 3% of the total volume of the fund that:

- show a breach of the requirements of the UN Global Compact;
- have very serious controversies;
- relate to controversial weapons;
- relate to nuclear weapons; or
- have a connection to tobacco.

GKB's sustainable investment concept for assessing ESG risks for third-party funds currently covers the traditional asset classes of equities and bonds as well as real estate, gold and private markets. Other asset classes are considered unrated.

As a rule, the asset management and investment advice provided by GKB are based on the sustainable investment universe and exclude other investments. However, if a client wishes to invest due to specific needs in a region or a theme in which no suitable sustainable products are currently available, GKB also uses non-sustainability-related third-party products. The Bank classifies such products as investments not related to sustainability.

Transparency on the sustainability characteristics of investment portfolios

Graubündner Kantonalbank attaches great importance to providing clients with detailed information about the Bank's sustainability approach and how it is implemented within their portfolios. To this end, the Bank provides transparent information on its website about its [sustainability approach in the investment business](#), its clarification of clients' ESG preferences and its range of [sustainable investment solutions](#) tailored to clients' preferences. The Bank is also continuously expanding its sustainability reporting in the asset statement.

Investment stewardship approach

Graubündner Kantonalbank firmly believes that investment stewardship is fundamental to having a sustainable impact on investments and promoting sustainable corporate governance. Investment stewardship includes **exercising voting rights** and **engaging in a dialogue with companies**.

Exercise of voting rights: Voting rights within the GKB funds are exercised by the fund management companies (Swisscanto Fondsleitung AG or the management company Swisscanto Asset Management International S.A.). Swiss and international corporate governance rules, Swisscanto's own principles and renowned sustainability standards serve as the basis for exercising voting rights. In the case of third-party funds, GKB is actively committed to ensuring that shareholder voting rights are exercised in the interests of sustainability by preferably selecting only sustainable funds that exercise their voting rights and thus have a corresponding voting policy.

Dialogue with companies: GKB maintains an active dialogue with providers of third-party funds, is a member of Climate Action 100+ and has commissioned Ethos to conduct a dialogue with companies on controversial ESG topics. The aim of this dialogue is to encourage companies to improve their environmental, social and governance practices.

Engagement in associations and initiatives

GKB is engaged in leading organisations and sustainability initiatives in Switzerland such as Swiss Sustainable Finance (SSF), the Asset Management Association Switzerland (AMAS) and the Association of Swiss Cantonal Banks (ASCB) in order to promote better industry-wide ESG practices.

Training and further education

In order to implement the sustainability approach developed for the investment business along the individual process steps in the Investment Centre and in client advisory services, GKB ensures that the necessary expertise is available within the responsible units by means of training and further education. The Investment Centre provides ongoing training for employees in matters of sustainability (e.g. Certified ESG Analyst (CESGA) or CFA ESG). The Bank's Sustainability Committee provides ongoing training courses led by Human Resources (HR) to ensure that client advisors are qualified to implement sustainability in line with current internal and regulatory requirements.

Consideration of ESG preferences

Graubündner Kantonalbank uses a questionnaire to determine the ESG preferences of private and professional clients in investment advice and asset management and creates a client-specific ESG profile based on this. The Bank distinguishes between three ESG profiles: "Neutral", "ESG" and "ESG plus". The definitions of the individual [ESG profiles](#) are provided on the website.

In terms of investment advice, the Bank offers its clients a comprehensive range of products tailored to their individual ESG preferences. In asset management, the offering is limited to sustainable mandate solutions up to an investment volume of CHF 3 million, geared towards the "ESG" profile. This offer is suitable for clients with an ESG profile of "Neutral" or "ESG". There is currently no standardised product offering tailored to clients with an "ESG plus" preference. For mandates with individual client requirements (GKB Exclusive Mandate and GKB Individual Mandate Institutional), the Bank also offers investment solutions for assets of more than CHF 3 million that can be tailored to all ESG profiles of the Bank. Further information on [sustainable investment solutions](#) can be found on the [website](#).

Developments in the reporting year

Target achievement 2024

In the year under review, intensive work was carried out on the climate strategy for the assets managed by Graubündner Kantonalbank. With the support of an external expert, the Investment Centre and other sustainability experts at the Bank discussed the topic in several workshops. Specific measures and goals will be published together with the climate strategy in the first [Climate Report](#) of GKB. These replace the goals previously set in the [Financial and sustainability goals](#) section.

The Bank has also completed implementing the requirements of the Swiss self-regulatory framework Sustainable Finance 1.0 issued by the Swiss Bankers Association (SBA) and the Asset Management Association Switzerland (AMAS). Since early 2024 the Bank has been clarifying new clients' ESG preferences using a questionnaire and drawing up the client-specific ESG profile on this basis. For investment solutions taken out before 1 January 2024, the Bank has classified clients in terms of ESG preference on the basis of the service provided in the past and informed them of this in writing. In addition, the sustainability concept has been further refined and documented in internal instructions. The Bank published sustainability reports for its [investment and retirement funds](#) for the first time for the respective products at the end of September 2024.

For asset management mandates of Swiss pension funds, GKB prepared a report that is aligned with the ESG reporting standards of the Swiss Pension Fund Association (ASIP) for the first time in the reporting year. Clients are still in the early stages of interpreting the individual metrics and taking them into account in their own sustainability strategy. The Bank will support pension funds in this regard in future.

The goal of disclosing the Swiss Climate Scores for the Bank's first funds in the year under review was not achieved. The data fields relevant for a calculation were not provided by MSCI ESG until late summer 2024. In addition, a revised version 2.0 of the Swiss Climate Scores entered into force on 1 January 2025. Graubündner Kantonalbank has therefore decided not to publish version 2.0 Swiss Climate Score Reports for its funds until 2025.

In June 2024 the SBA published version 2.0 of the "Guidelines for financial service providers on the integration of ESG preferences and ESG risks and the prevention of greenwashing in investment advice and portfolio management". GKB has already done in-depth work on the necessary adjustments to its sustainability-oriented investment solutions in the areas of investment advice and asset management. Due to more stringent reporting requirements for asset management mandates, the expansion of sustainability reporting in the Bank's asset statement has been postponed until 2025.

GKB once again took part in the federal government's PACTA climate compatibility test in 2024, having done so already in 2022. The test included the Group's own financial assets, GKB's own funds and the asset management mandates. The Bank used the results of the test to explore further optimisation potential in its investment solutions and products.

By signing the six principles of the UN PRI, GKB has undertaken to report annually on its responsible investment activities. The Bank prepared its first report in the year under review.

GKB further expanded its sustainability expertise in asset management in the reporting year by creating two new positions. The Bank was able to recruit two sustainability experts with a primary focus on topics such as climate change.

Further developments in the sustainable investment concept

GKB now also subjects the asset classes of physical gold and private markets to a sustainability review and classifies these investments according to the attributes "ESG-compliant," "non-ESG-compliant" and "unrated". This was due to the further development of the internal standards and increased transparency with regard to sustainable selection criteria.

In the reporting year the Bank intensively addressed the recommendations of the Net Zero Investment Framework (NZIF) of the Institutional Investors Group on Climate Change (IIGCC) and laid the foundations for the future management of climate risks in its investment portfolios. As part of its climate strategy presented in the [Sustainability & Climate Report](#), the Bank has defined initial qualitative and quantitative targets, such as an engagement target for its own bond and equity funds. As part of this the Bank has joined the Climate Action 100+ investor initiative and commissioned Ethos to conduct a dialogue with companies on its behalf in the areas of the environmental, social and sustainable corporate governance practices. By stepping up engagement activities, the Bank is pursuing an indirect path to reducing financed GHG emissions.

As at 1 January 2024, the Bank removed nuclear energy as an exclusion criterion at the level of the entire Bank. This means that GKB no longer fundamentally excludes affected companies from its investment activities. The Bank avoids investments in companies that develop, build and/or operate new nuclear power plants. In addition, the Bank is now completely excluding tobacco producers from the sustainable investment universe. For other tobacco-related business activities, such as tobacco retailers or suppliers of tobacco products, a maximum revenue threshold ($\geq 5\%$) continues to apply.

In addition, GKB replaced the ESG factor "MSCI ESG Score" with its own specially developed ESG score as part of the quantitative equity analysis. The new factor incorporates KPIs from the three ESG areas of environment, society and sustainable corporate governance and aims to dynamically improve the risk/return profile of the GKB equity analysis model, taking into account the most relevant ESG criteria.

Since the start of July 2024 the Bank has relied on the services of Ethos Services SA for its engagement activities. Ethos conducts a dialogue with selected companies on behalf of GKB on topics such as climate protection, nature and biodiversity, working conditions, human rights and corporate governance. In Switzerland, Ethos systematically engages in dialogue with the top 150 companies in the Swiss Performance Index. For international companies, the focus is on large-cap

companies with exposure in the thematic areas mentioned above. In 2024 the Bank also joined the Climate Action 100+ investor initiative, which is committed to ensuring that the world's largest GHG emitters take action against climate change.

On 5 December 2024 the Asset Management Association Switzerland (AMAS) called on Swiss companies to introduce strong corporate governance and international sustainability standards and to contribute to a climate-neutral economy. As an AMAS member, Graubündner Kantonalbank supports this call.

As part of the selection process for sustainable third-party funds, the Bank defined minimum requirements with regard to global standards and controversial business activities in the year under review. Third-party sustainability-related funds are only classified as "ESG compliant" if they meet certain thresholds for UN Global Compact violations, very serious controversies, and controversial weapons and tobacco.

In terms of asset management, in the year under review GKB specified that at least two-thirds of assets must be invested in investments that meet the Bank's criteria for holistic, sustainable business practices. In principle, the Bank strives to invest all its assets sustainably. However, a maximum of one-third of assets may be invested in investments that do not meet the sustainability criteria defined by GKB and are therefore not part of the sustainable investment universe. The primary reason for this is that not enough ESG data are yet available in all asset classes and sustainable investment products are not yet available for certain client groups (e.g. clients domiciled in Italy) in some regions or thematic areas.

Own funds

All of the Bank's own funds, amounting to around CHF 3.8 billion, are managed in accordance with the GKB sustainability policy and are therefore considered to be funds with a sustainability focus.

GKB has committed itself to disclosure as defined by Art. 8 of the EU Sustainable Finance Disclosure Regulation (SFDR) for all of its own funds that are registered and authorised for distribution in EU markets. For sustainable funds established under Swiss law, the Bank meets the self-regulatory requirements on transparency and disclosure for sustainability-related collective assets of the Asset Management Association Switzerland (AMAS).

Asset management mandates

GKB started converting its asset management mandates to the Bank's sustainable investment concept in mid-2020.

The Bank offers **standardised, sustainability-oriented asset management mandate solutions** such as [premium mandates](#), [basic mandates](#) and [investment savings plans](#). Implementation within the premium and basic mandates is largely carried out with sustainable investment funds. The Bank distinguishes between five different investment strategies. With the savings plans, the Bank also offers clients the opportunity to systematically build up assets to finance for their future plans. Clients pay a regular savings contribution they can afford into an investment account. The Bank automatically invests the assets in the sustainable strategy funds of GKB every week in accordance with the strategy selected. At the end of 2024, 99.8% of the volume of standardised asset management mandates was managed in accordance with Graubündner Kantonalbank's sustainability approach. The remaining mandates (0.2%) relate to a mandate solution that is no longer actively offered.

The Bank also offers its clients **individual mandate solutions** for an investment volume of CHF 3 million or more, such as [exclusive mandates](#) or [individual mandates for institutional clients](#). Unless otherwise instructed by the client, mandates with individual client requirements are managed in accordance with the Bank's sustainability approach. Mandates that are to be managed in a "Neutral" manner according to the ESG profile are classified as mandates not related to sustainability. Despite the lack of specific client requirements, the Bank predominantly relies on investments from its sustainable investment universe for such mandates. At the end of 2024, the proportion of sustainable exclusive mandates was 92.5% and sustainable individual mandates for institutional clients was 52.2%. These figures were lower in the reporting year than in previous years, as the Bank now makes the classification on the basis of the contractually agreed sustainability requirements and no longer on the basis of implementation by the Bank. In future, GKB aims to increase the proportion of sustainability-related mandates by raising client awareness.

Pension assets (vested benefits and pillar 3a)

The Bank offers its clients suitable ESG-oriented investment solutions in combination with a 3a retirement savings account. The focus falls on own actively managed sustainable retirement and strategy funds. The Bank also offers its clients pension products from third-party providers. The majority of these are passively managed retirement funds. Clients can opt for investment advice or independent management via the Gioia 3a app. Further information is available at gkb.ch/wertschriftensparen.

Investment advisory

The advisory investment universes (equities, bonds and investment funds/ETFs) include, wherever possible, only investments that meet the Bank's sustainability requirements. However, the Bank has no direct influence over which investments clients hold in their portfolios. In the case of advisory portfolios, clients make their own investment decisions based on the investment advice they receive. At the end of 2024, 68.2% of advisory portfolios were invested in sustainable investments and 13.1% in non-sustainable investments. As part of its advisory activities, the Bank shows its clients appropriate switch options to reduce this figure. The remaining 18.7% relates to investment categories that are not rated in terms of sustainability by either MSCI ESG or GKB. A large proportion relates to real estate. The Bank only classifies such investments in terms of sustainability if they are part of the Bank's recommended list.

Volume and trend in sustainability-related investment solutions

	2024	2023	2022	2021	2020
Own funds with a sustainability focus					
Volume (CHF million)	3,808	3,083	2,877	3,119	2,181
Share of total for GKB funds	100 %	100 %	100 %	100 %	100 %
Standardised, sustainability-oriented asset management mandates					
Number of mandates	14,082	12,872	12,081	10,413	8,270
Volume (CHF million)	2,917	2,537	2,392	2,616	2,134
Share of total standardised asset management mandates (in %)	99.8 %⁵	99.6 %	99.4 %	99.2 %	94.9 %
Exclusive mandates with a sustainability focus					
Number of mandates	59	55	57	59	57
Volume (CHF million)	322	281	331	390	337
Share of total exclusive mandates (in %)	92.5 %⁵	100 %	100 %	100 %	100 %
Individual mandates with a sustainability focus for institutional clients					
Number of mandates	49	65	67	n.a.	n.a.
Volume (CHF million)	1,110	1,760	1,640	n.a.	n.a.
Share of total individual mandates for institutional clients (in %)	52.2 %⁵	100 %	100 %	n.a.	n.a.
Advisory mandates					
Share of sustainable investments	68.2 %	n.a.	n.a.	n.a.	n.a.
Share of unsustainable mandates	13.1 %	n.a.	n.a.	n.a.	n.a.
Share of unrated investments	18.7 %	n.a.	n.a.	n.a.	n.a.

1 Since summer 2020, only GKB's sustainable investment policy has been applied to the GKB investment funds. All own funds are admitted for public distribution.

2 In principle, the Bank offers its clients standardised mandate solutions with a focus on sustainability. The Bank currently only manages one mandate solution not related to sustainability, which is no longer actively offered.

3 In the context of its advisory activities, GKB endeavours to demonstrate the benefits of sustainable investment solutions to its clients, to support them in formulating their individual sustainability strategies, and to accordingly further develop the range of sustainable investment solutions.

4 The Bank can only influence decisions relating to these investments indirectly. The Bank's advisory activities focus on an investment universe that meets its sustainability requirements. The units in non-sustainable investments or non-rated investments are therefore attributable to decisions made by clients that deviate from GKB's advisory recommendations.

5 In 2024, the Bank adapted the method for classifying sustainability-related investment solutions to the requirements of the "Guidelines for financial service providers on the integration of ESG preferences and ESG risks and the prevention of greenwashing in investment advice and portfolio management". For this reason, the 2024 figures cannot be compared to the figures from previous years.

Own money and the Bank's occupational pension plans

GKB bases its own investments on sustainable principles and also takes ESG criteria into account. In doing so, the Bank is guided by the ESG approach described above. In future, the Bank will measure annually how the financed emissions of the Bank's own investments are trending 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.

Expanding the sustainable product range

The Bank launched two new sustainable fund products in the reporting year. One of these is the GKB Kantonalbank (LU) Climate Leaders Global Equities fund. This fund aims to achieve long-term capital growth by investing in innovative companies that are at the forefront of the achievement of climate targets in their industry. The GKB Kantonalbank (LU) Government Bonds World ESG fund closed a further gap in the range of own sustainable investment funds. Both funds are classified as SFDR Article 8 funds.

Customisation options are added to the range of standardised premium mandates. Depending on their needs, clients can select options such as individual stocks, private markets and sustainability. The sustainability option contains a basket of sustainable thematic funds focusing on sustainable thematic areas such as renewable energy, climate change, biodiversity and natural capital or the circular economy. In terms of asset management, the Bank thus offers clients for whom sustainability is very important an adequate range of products tailored to their ESG preferences.

Training employees in the investment business

In spring 2024, all investment advisors at GKB took part in a one-day in-depth ESG workshop. The workshop was organised by the Bank in collaboration with the Lucerne University of Applied Sciences and Arts (HSLU). The focus was on topics such as improving advisory expertise by proactively addressing sustainability issues, exchanging experiences in determining ESG preferences, and raising awareness of the topic of greenwashing.

In another one-day workshop, advisors of institutional clients and the trustees of the Bank's own pension plan were made aware of why sustainability is of key importance for pension funds and which advisory and investment solutions GKB can use to support the needs of Swiss pension funds in a targeted manner. The workshop was presented by the Bank's internal sustainability specialists together with external speakers from the pension fund and asset management industry.

Outlook

From 2025 onwards Graubündner Kantonalbank will record the **climate risks in its investment business** and take them into account in investment assessments and portfolio construction. In doing so, the Bank uses selected key figures to identify, measure and evaluate climate-related opportunities and risks.

The Bank also intends to increase its **engagement** in convincing companies to work towards achieving the net-zero target. The increased engagement activities are in line with the engagement threshold target applying to the Group's own bond and equity funds from 1 January 2025. This stipulates that the Bank will invest at least 80% of these funds by 2030 in companies that are either already on a net-zero pathway in terms of their financed GHG emissions (Scope 1 and 2) or for which corresponding engagement activities are carried out. In addition, the Bank intends to define an alignment goal in line with the recommendations of the Net Zero Investment Framework (NZIF) for all its own funds and asset management solutions in the coming years.

In 2025 GKB will implement the further developed versions of the **self-regulations** in sustainable finance of the Swiss Bankers Association (SBA) and the Asset Management Association Switzerland (AMAS). The core element of the further developed versions of these self-regulations is the definition of a uniform minimum standard for the conditions under which selected investment products and services can be described as sustainable. One of the prerequisites is the definition of an explicit sustainability goal.

In conjunction with the implementation of the amendments to the Swiss self-regulations in sustainable finance, GKB will integrate the processes for implementing its sustainability requirements even more closely into tools and systems. In the investment business, **data, systems and tools** are essential for implementing the sustainability strategy. The focus falls on issues such as portfolio management, ESG performance attribution, risk management, sustainability reporting and investment advice.

In the investment and pension business, clients in Switzerland are increasingly aware of sustainable investments and want to tailor their own investment and pension behaviour accordingly for risk reasons or on the basis of personal values. GKB sees this as an opportunity and wants to meet these needs. Over the next two to three years, it will therefore work on continuously developing its **range of sustainable investment products and solutions**.

GKB plans to focus its offering of physical gold bars (1 g to 1 kg) exclusively on sustainable **gold** such as Max Havelaar Fairtrade Gold or Valcambi Green Gold in 2025. In addition, the Bank will prioritise the purchase of sustainable gold funds from third-party providers in its investment advice. The supply of sustainable gold is currently still small. For this reason, the Bank continues to use non-sustainable gold bars in its asset management activities, which are produced by LBMA-certified refineries in Switzerland in accordance with the Responsible Gold Guidance Standard (RGG) of the LBMA.

For 2025, Graubündner Kantonalbank also plans to increase the **transparency** of the ESG risks and characteristics associated with the investment products and solutions on offer:

- The published sustainability reports for all the Bank's own funds will be updated on a monthly basis.
- The Swiss Climate Scores for the Bank's funds will be published.
- ASIP reporting for Swiss pension funds will be further developed.
- Standardised ESG reporting will be integrated into the asset statement for clients with an asset management mandate and for advisory clients.

Current approach of associated companies

Albin Kistler AG focuses on discretionary asset management mandates for private clients and institutional investors. Sustainability criteria are taken into account in investment decisions as part of the systematic investment process by excluding controversial industries, business activities or product categories and in the form of a sustainability analysis. Albin Kistler's exclusion criteria are basically comparable to those of the ESG approach of Graubündner Kantonalbank, but differ slightly in detail. Albin Kistler also relies on data from MSCI ESG for its analyses. More information can be found on the website.

BZ Bank Aktiengesellschaft specialises in equity trading and providing advice on equity investments and participating interests. 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 attractive, long-term, risk-adjusted performance and specialises in actively managed equity portfolios. The bank's offering is limited to tailor-made asset management for private clients with a neutral ESG preference. Mandates are managed in accordance with a uniform ESG approach applicable to all clients, in which ESG factors are an integrated standard component of the bank's investment process. 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. The investment process initially applies various qualitative and quantitative filters. In a second step, the identified equity universe is passed through an ESG filter based on the MSCI ESG rating methodology. The bank only invests in securities with an MSCI ESG rating of at least BBB. Securities with a lower ESG rating are sold unless the bank's investment committee justifies and approves the holding of the securities. Clients who would like to have their investments managed more strictly in terms of ESG can specify this in the asset management contract by way of corresponding client-specific restrictions.

Employer attractiveness and employee training and education

Relevance of the topic for Graubündner Kantonalbank and its associated 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 in a lasting manner.

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

The demographic slump means that almost twice as many representatives of the baby boomer generation take retirement every year in Switzerland than young workers that enter working life. 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 also suffer from talent moving away to economic centres ("brain drain"). It is estimated that 60% of students who come from Graubünden who study outside their canton of origin will not return to their home canton 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 market.

At the same time, analyses by GKB have confirmed the **change in values** between the different generations: meaningfulness is at the centre of the value system of the younger generations. They seek a deeper meaning in their work and want an employer who has a compelling 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. Younger generations see themselves as open and tolerant 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 foundation for their development and participation opportunities. Flexible, family-friendly working conditions (in terms of space and time) in a flat hierarchy provide the stage where they can and wish to showcase their strengths – but this does not mean they do not also want a high level of job security.

In order to position itself in the upcoming employee market with its increasingly challenging job profiles as a result of digital transformation, GKB is taking the change in values into account as the starting point for its strategic HR and management work. The reason for this is that value creation for GKB depends and will continue to depend to a large extent on the quality and commitment of its employees. The attractiveness of GKB as an employer and the training and education of its employees are therefore decisive levers in terms of value creation for the Bank. Given its high strategic importance, this topic has now been repositioned in third place in the Bank's updated materiality analysis.

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**» as one of 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.

Current approach of Graubündner Kantonalbank

As at 31 December 2024, 1,135 people worked in the Group (GKB, Albin Kistler AG, BZ Bank Aktiengesellschaft, Privatbank Bellerive AG), which corresponds to an increase of 4.3%. The headcount growth occurred mainly at GKB, primarily among part-time employees.

Employee structure (Group¹)

	2024	2023	2022	2021
Employees, by region¹				
Number of employees, by region	1,135	1,088	1,052	1,053
– Graubünden	1,057	1,015	981	997
– Other cantons ²	78	73	71	56
– Outside Switzerland	0	0	0	0
Employees (FTEs), by gender	937	897.65	861.48	853.88
– Men	548	527.75	517.26	512.77
– Women	389	369.90	344.22	341.11
Number of permanent employees	1,022	980	946	940
– Graubünden	944	907	875	884
– Other cantons ²	78	73	71	56
– Outside Switzerland	0	0	0	0
Number of temporary employees	113	108	106	113
– Graubünden	113	108	106	113
– Other cantons ²	0	0	0	0
– Outside Switzerland	0	0	0	0
Number of full-time employees	660	652	649	606
– Graubünden	598	593	593	606
– Other cantons ²	62	59	56	n.a.
– Outside Switzerland	0	0	0	0
Number of part-time employees	475	436	403	391
– Graubünden	459	422	388	391
– Other cantons ²	16	14	15	n.a.
– Outside Switzerland	0	0	0	0
Of which part-time employees with non-guaranteed working hours	31	39	57	59
– Graubünden	29	37	55	57
– Other cantons ²	2	2	2	2
– Outside Switzerland	0	0	0	0

1 Board of Directors members are not included

2 Includes the majority shareholdings PBB, AK and BZ Bank

The following table provides further information on the workforce at GKB. The overview shows that the share of part-time employees has increased. Employees are making use of flexible and modern forms of work and are therefore increasingly making use of part-time opportunities.

Employee structure (parent company)

	2024	2023	2022	2021
Number of employees by employment contract¹	1,057	1,015	981	997
Permanent contract	944	907	875	884
– Men	473	449	443	447
– Women	471	458	432	437
Fixed-term contract	113	108	106	113
– Men	56	55	53	61
– Women	57	53	53	52
Number of employees by employment relationship¹⁾	1,057	1,015	981	997
Number of full-time employees	598	593	593	606
– Men	403	402	401	419
– Women	195	191	192	187
Number of part-time employees	459	422	388	391
– Men	126	102	95	89
– Women	333	320	293	302
of which apprentices²	36	34	33	33
– Men	19	14	13	15
– Women	17	20	20	18
of which interns	20	20	33	33
– Men	10	14	13	15
– Women	10	6	20	18
of which hourly wage earners	29	37	55	57
– Men	8	9	9	12
– Women	21	28	46	45

1 Board of Directors members are not included

2 Shown here for 100 % working hours

Education

GKB makes a significant contribution to SDG 4 (quality education). The Bank invests a substantial amount in its most important asset – its employees.

Training and development (parent company)

	Change ¹	2024 ²	2023 ³	2022	2021
Total training hours	19 %	20,929	17,658	7,619	4,758
Training hours per employee and gender	14 %	19.8	17.4	7.8	4.8
– Men	15 %	21.2	18.4	8.8	4.5
– Women	12 %	18.4	16.4	6.7	5.1
Training hours per employee and age group					
< 30 years	80 %	21.9	12.2	n.a.	n.a.
30–50 years	55 %	22.7	14.6	n.a.	n.a.
>50 years	-41 %	12.8	21.5	n.a.	n.a.
Total personnel development expenses (total cost accounting) in CHF thousand	27.4 %	7,155.0	5,617	5,427	5,152
Training and further education (incl. project costs)	26.1 %	2,145.0	1,701	1,686	1,561
Training (apprentices and BEM)	9.4 %	372.0	340	323	340
Further education	27.8 %	1,001.0	783	837	520
In-service further education	24.8 %	554.0	444	368	386
Management development	5.2 %	141.0	134	156	137
Avg. investment in training per employee	18.8 %	2.3	1.97	2.02	1.90

1 Year-on-year change

2 The training hours include all further training that takes place during working hours, excluding online training, specialist conferences and vocational school lessons.

3 Conversion to more precise data source

GKB has a regulatory obligation to regularly train all its employees, including the Executive Board, in various areas. The training courses offered by the Bank are shown in the table below.

Sustainability issue and regulatory requirements	Subject	Department	Periodicity	Mandatory
Regulatory requirements (CDB)	Agreement on the Swiss banks' code of conduct with regard to the exercise of due diligence (CDB)	Whole bank	every 5 years	yes
Investment business	Financial Services Act FIDLEG	Client advisor, investment and pension center	annually	yes
Investment business	Market behaviour rules	Whole bank	annually	yes
Money laundering	Money Laundering Act	Consultants	annually	yes
Sustainability	Fundamentals of sustainability	Whole bank	one-time	yes
Sustainability	Sustainable Finance 1–5	Consultants	one-time	yes
Data protection	General data protection awareness	New employees	one-time	yes
Data protection, cybersecurity	Data protection and security	New employees	one-time	yes
HR (culture)	Leadership seminar	All executives	annually	yes
Data protection	Data protection upgrade training course	Whole bank	annually	yes
Data protection, cybersecurity	Security awareness training	Privileged user	annually	yes
Data protection, cybersecurity	IT security introduction	New employees	one-time	yes
Data protection, cybersecurity	IT security repetition training	Whole bank	annually	yes
Data protection, cybersecurity	Data protection and IT security awareness	Branches, specialist areas and majority shareholdings	one-time	no
Cybersecurity	Lunch seminar on current cyber topics	Whole bank	one-time	no

Digital education initiative

Since 2020, GKB 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 fifth course will start in 2025. Fifty-seven GKB employees have already completed the course.

The further education programme consists of two courses, each comprising six modules. Each module includes three days of face-to-face 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. The training enables GKB to develop and recruit the professional profiles that will be required in the future from within its own ranks.

This training programme was awarded the **Skilly Award** 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.

Sustainability training

The **in-depth workshops on ESG** in client advisory services were completed for the various segments in April 2024.

In addition, an **e-learning course on sustainability** was held Bank-wide for all GKB employees in collaboration with the Lucerne University of Applied Sciences and Arts (HSLU). This taught employees the basics and importance of sustainability. They also gained insights into the diversity of the topic and the regulatory implications.

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. The Futura board provides valuable support for the Bank's move towards new work and meets for discussions with the Executive Board quarterly. It has also become an important tool for strengthening career development and raising the proportion of women in management positions. See also www.gkb.ch/futura.

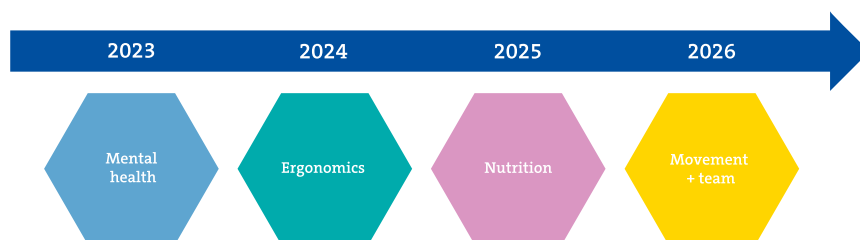
Starting a career with Graubündner Kantonalbank

In August 2024, 25 new apprentices and interns joined GKB, including two for the first time in the new apprenticeship as Digital Business Developer. This makes GKB one of the first training companies in Graubünden to offer this forward-looking, innovative apprenticeship. The focus of the first week of work was on introducing young professionals to the familial yet performance-oriented culture of the Bank.

Based on the training concept and a survey of trainees, the training activities at GKB were once again awarded the "Great Place to Start" label in May 2024. In order to provide apprentices with the best possible support in overcoming challenges in their day-to-day work and private lives, a resilience workshop was held in June 2024 in collaboration with external coaches. Building on this, the resilience concept in training has been updated and expanded.

Occupational health management (OHM)

In 2024 occupational health management (OHM) focused on ergonomics in the workplace. GKB employees received ideas, help and videos from external experts on important topics such as exercise in everyday life, ergonomic sitting and dealing with tension in the back and neck. At the same time, the focal topic of **nutrition** was brought forward for 2025. In 2026 it will be exercise and teamwork.



In May, October and November 2024, three training sessions on the topic of "**First aid for mental health**" were held in collaboration with ensa and the Graubünden network "Healthy together". The aim was to make employees aware of how to deal with people with psychological difficulties. Further training sessions are planned for 2025.

As a responsible employer, Graubündner Kantonalbank offers its employees professional support with both professional and private challenges. In addition to the internal contact persons, employees have access to five trained psychologists and Movis as an external point of contact. Contact can be made with or without the involvement of HR and the line manager. Graubündner Kantonalbank covers the costs of external advice/treatment with the five specialists. The offer is appreciated and used by employees.

Preparations were also under way for the certification process to obtain the **Friendly Work Space** label. The health concept was analysed and assessed with the support of an external consultant. Registration for certification by the Foundation for Health Promotion Switzerland is planned for spring 2025.

The occupational health management offers are available to all direct employees of GKB.

The following table shows the number of lost working days per employee. Overall, the number of days lost has decreased.

Occupational health and safety (parent company)

	2024	2023	2022	2021
Occupational accidents (including minor accidents with no absence from work)¹	n.a.	n.a.	n.a.	n.a.
Days lost per employee	7.0	7.7	7.2	n.a.
– of which sick days	5.8	7.2	6.8	n.a.
– of which accident days	1.2	0.5	0.4	n.a.
– of which work-related accident days	n.a.	n.a.	n.a.	n.a.

¹ Omitted, cannot yet be evaluated separately

Diversity and equal pay analysis

GKB is striving 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. GKB also deliberately monitors career paths and is gradually increasing the proportion of women on the "Futura" Talent Board.

At the end of 2023 GKB set up the **Diversity/Inclusion (D&I)** project team. Following the signing of the Advanced Diversity Charter in the year under review, in a first phase measures to increase the proportion of women in middle and top management were developed and internal and external networking was promoted. The focal topics of this project include a communication campaign, targeted talent management and a diversity empowerment programme. The results of this engagement will be published in early 2025 as part of the Guido Schilling Report.

In the year under review, GKB continued to work on the foundations of the focal topics and initiated additional activities. A Diversity Steering Committee has been established to monitor the D&I targets approved by the Executive Board. Together with the Staff Office for Equal Opportunities for Women and Men, GKB hosted a round table event focusing on gender equality. Partnerships/labels are also being expanded on an ongoing basis. As part of membership of diversity-gr, interaction with other companies was specifically promoted. Further measures for 2025 were developed and prioritised together with the "Futura" Talent Board and the Diversity Steering Committee.

The following overview shows that the proportion of women in management positions has steadily increased over the past few years.

Diversity and equal opportunities (parent company)

	2024	2023	2022	2021
Total number of persons on Supervisory Board, by gender	7	7	7	7
– Men	4	4	4	4
– Women	3	3	3	3
Percentage of persons on Supervisory Board, by gender				
– Men	57 %	57 %	57 %	57 %
– Women	43 %	43 %	43 %	43 %
Total number of ExB members, by age group				
< 30 years	0	0	0	0
30–50 years	1	1	1	1
>50 years	6	6	6	6
Percentage of BoD members, by age group				
< 30 years	0 %	0 %	0 %	0 %
30–50 years	14 %	14 %	14 %	14 %
>50 years	86 %	86 %	86 %	86 %
Total number of ExB members, by gender	5	5	4	4
– Men	4	4	3	3
– Women	1	1	1	1
Percentage of ExB members, by gender				
– Men	80 %	80 %	75 %	75 %
– Women	20 %	20 %	25 %	25 %
Total number of ExB members, by age group				
< 30 years	0	0	0	0
30–50 years	0	1	0	0
>50 years	5	4	4	4
Percentage of ExB members, by age group				
< 30 years	0 %	0 %	0 %	0 %
30–50 years	0 %	20 %	0 %	0 %
>50 years	100 %	80 %	100 %	100 %
Total number of employees in managerial positions, by gender (excl. ExB)	138	130	136	140
– Men	105	102	110	116
– Women	33	28	26	24
Percentage of employees in managerial positions, by gender (excl. ExB)				
– Men	76 %	79 %	81 %	83 %
– Women	24 %	21 %	19 %	17 %

	2024	2023	2022	2021
Diversity and equal opportunities				
Total number of employees in managerial positions, by age group (excl. ExB)				
< 30 years	3	3	3	5
30–50 years	87	83	73	72
>50 years	48	44	56	59
Percentage of employees in managerial positions, by age group				
< 30 years	2 %	2 %	2 %	4 %
30–50 years	63 %	64 %	54 %	51 %
>50 years	35 %	34 %	44 %	45 %
Total number of other employees, by gender				
– Men	420	398	386	392
– Women	494	482	459	465
Percentage of other employees, by gender				
– Men	46 %	45 %	46 %	46 %
– Women	54 %	55 %	54 %	54 %
Total number of other employees, by age group				
< 30 years	273	240	211	231
30–50 years	407	413	397	395
>50 years	234	227	237	231
Percentage of other employees, by age group				
< 30 years	30 %	27 %	25 %	27 %
30–50 years	45 %	47 %	47 %	46 %
>50 years	26 %	26 %	28 %	27 %

GKB last voluntarily underwent an equal pay analysis in 2023. This revealed an absolutely non-discriminatory wage system with no significant wage differences between men and women. As a result, we were once again awarded the "We pay fair" label (as in 2021).

At GKB, the ratio between the highest salary (including profit-sharing) and the median salary (including profit-sharing) is 8.01 (previous year: 7.93). This does not include employees outside the staffing plan or trainees.

New hires, staff turnover and parental leave

Fewer people were hired in 2024, as net turnover decreased compared to the previous year. 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.

Employees hired (parent company)

	Change ¹	2024	2023	2022	2021
Total number²		97	145	94	123
< 30 years	-45 %	40	73	45	67
30–50 years	-25 %	45	60	38	44
>50 years	0 %	12	12	11	12
Rate of new employees, by age group					
< 30 years	-18 %	41 %	50 %	48 %	54 %
30–50 years	12 %	46 %	41 %	40 %	36 %
>50 years	49 %	12 %	8 %	12 %	10 %
Number by gender					
– Men	-18 %	47	57	46	58
– Women	-43 %	50	88	48	65
Rate of new employees, by gender (in percent)					
– Men	24 %	48 %	39 %	49 %	47 %
– Women	-15 %	52 %	61 %	51 %	53 %
by region					
– Graubünden	-33 %	97	145	94	123
– Switzerland		0	n.a.	n.a.	n.a.
– Outside Switzerland		0	n.a.	n.a.	n.a.
Rate of new employees, by region (in percent)					
– Graubünden	0 %	100 %	100 %	100 %	100 %
– Switzerland		0 %	n.a.	n.a.	n.a.
– Outside Switzerland		0 %	n.a.	n.a.	n.a.

¹ Year-on-year change

² Number of employees excluding Board of Directors, junior staff, temporary staff, cleaning staff and part-time janitors

In the year under review, turnover in the <30 age group continued to decline. In addition, more men than women left the company.

Employees who left (parent company)

	Change ¹	2024	2023	2022	2021
		66	75	66	42
Total number of employees who left the company during the reporting period, by age group ²					
< 30 years	-18 %	14	17	19	5
30–50 years	7 %	30	28	20	13
>50 years	-27 %	22	30	27	24
Rate of employees who left the company during the reporting period, by age group (in percent)					
< 30 years	-6 %	21 %	23 %	29 %	12 %
30–50 years	22 %	45 %	37 %	30 %	31 %
>50 years	-17 %	33 %	40 %	41 %	57 %
Total number of employees who left the company during the reporting period, by gender ²					
– Men	-7 %	37	40	35	26
– Women	-17 %	29	35	31	16
Rate of employees who left the company during the reporting period, by gender (in percent)					
– Men	6 %	56 %	53 %	53 %	62 %
– Women	-6 %	44 %	47 %	47 %	38 %
Total number of employees who left the company during the reporting period, by region ²					
– Graubünden	-12 %	66	75	66	42
– Switzerland		0	n.a.	n.a.	n.a.
– Outside Switzerland		0	n.a.	n.a.	n.a.
Rate of employees who left the company during the reporting period, by region (in percent) ²					
– Graubünden	0 %	100.0 %	100 %	100 %	100 %
– Switzerland		0 %	n.a.	n.a.	n.a.
– Outside Switzerland		0 %	n.a.	n.a.	n.a.
Employee turnover (unadjusted turnover, in percent) ³					
– Total	-7 %	7.9 %	8.5 %	8.9 %	6.0 %
Employee turnover (adjusted turnover, in percent) ⁴					
– Total	-7 %	5.9 %	6.4 %	6.7 %	4.1 %

¹ Year-on-year change

² Number of employees excluding Board of Directors, junior staff, temporary staff, cleaning staff and part-time janitors

³ Gross fluctuation includes all types of departures: early and regular retirement, departure at the request of employees, at the request of the bank, death

⁴ Net fluctuation includes employees leaving at the request of employees and the Bank

The rate of employees who returned to work after taking parental leave remains at 100%.

Parental leave (maternity/paternity) (parent company)

	Change ¹	2024	2023	2022	2021
Total number of employees entitled to parental leave, by gender⁴	-1 %	898	907	875	884
– Men	4 %	466	449	443	447
– Women	-6 %	432	458	432	437
Total number of employees who took parental leave, by gender	3 %	37	36⁵⁾	49	n.a.
– Men	67 %	25	15 ⁵⁾	27	n.a.
– Women	-43 %	12	21 ⁵⁾	22	n.a.
Total number of employees who returned to work after taking parental leave during the reporting period, by gender	3 %	37	36⁵⁾	48⁵⁾	
– Men	67 %	25	15 ⁵⁾	27	n.a.
– Women	-43 %	12	21	21	n.a.
Total number of employees who returned to work after parental leave and were still employed 12 months after returning to work, by gender²		n.a.²	34	26	n.a.
– Men		n.a. ²	15	12	n.a.
– Women		n.a. ²	19	14	n.a.
Return to work rate (in percent)³	100 %	100 %	100 %	85 %	n.a.
– Men	100 %	100 %	100 %	100 %	n.a.
– Women	100 %	100 %	100 %	76 %	n.a.
Rate of employees who have taken parental leave in (percent)²		n.a.²	94 %	90 %	n.a.
– Men		n.a. ²	100 %	92 %	n.a.
– Women		n.a. ²	90 %	88 %	n.a.

1 Year-on-year change

2 The key figure for 2024 can only be determined 12 months after the end of the reporting year, i.e. at the end of 2025 (n.a.)

3 Percentage refers to "total number of employees who returned to work after parental leave during the reporting period".

4 Year-on-year change

5 Correction of the basic data

Performance leadership and new pay

Performance leadership is part of our management concept. The participatory approach is central to this model: Performance leadership allows employees to participate in the formulation of objectives as well as the performance assessment, and is based on modern leadership approaches. In line with this, GKB simplified its salary concept in 2023 under the project title "New Pay" and adapted it to the criteria of the new world of work. Further information can be found in the strategic field of action «[Führung und Kultur](#)».

Corporate purpose and change agents

At GKB, client orientation as a topic is once again at the centre of the strategic agenda. In this context, a corporate purpose was developed as part of the strategy development process: Day in and day out, we are committed to "**the best future ever**". The impact of the corporate purpose targets all stakeholder groups, in particular clients, employees and society.

Following the impulse programme to anchor the corporate purpose which took place as part of the launch, management seminars were offered for managers and experts on modern management topics such as **self-management** and **positive leadership**.

At the same time, GKB trained 60 employees as **change agents** who actively support the ongoing transformation process in compliance with the bottom-up principle.

At the start of 2024 GKB received the Skilly Award in the category "Development programme as a whole" for its change agent network. The Association of Bank Employers presents this award for innovative initiatives that promote the development of employee skills.

Regular culture and leadership analysis

In February 2022, GKB 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 evaluation allows conclusions to be drawn with regard to the following strategically relevant topics.

The index values of the 2022 Culture and Leadership Analysis for GKB are 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 "GKB is a very healthy company". Nevertheless, the Bank has identified four areas in which it wants to improve further:

- Visibility and role model function for top management
- New work profile and new work strategy
- Anchoring of corporate purpose and leadership model
- Appreciation towards younger and older employees

In 2024, under the leadership of the "Futura" team, GKB carried out another **change programme** for its employees called **Panorama**, during which all of the Bank's employees were prepared for the future at major group events and the purpose and new work topics were further explored. New managers are offered a **leadership week** every year so that they can prepare for their challenging tasks.

Employer brand and awards

The HR marketing measures that GKB has implemented in recent years are paying off. In the year under review, the Bank was once again honoured with the **"Best Recruiter Award Switzerland" – ranking second overall for all Swiss companies and third in the Germany/Austria/Switzerland region.**

GKB was once again named **the best employer in the "Raiffeisen banks, cantonal banks, regional banks and savings banks" category** by Handelszeitung in 2024. As a training bank, GKB was once again awarded the **"Great Start!" certificate** by Great Place to Work Switzerland in 2024. The "Great Start!" certification provides valuable and credible guidance for interested applicants. It signals a training culture in which apprentices enjoy their work, receive personal and competent support and recommend the company to their friends as a training company.

Reporting systems for suspicions or complaints (internal and external)

Graubündner Kantonalbank is interested in receiving reports about suspected misconduct so that it can remedy the situation swiftly. Employees who file a report do not have to fear any adverse consequences. Graubündner Kantonalbank employees can get in touch with various points of contact for any complaints regarding irregularities, possible illegal or immoral conduct or occupational health and safety.

As part of the informal process, employees have the option of contacting their line managers or, if necessary, the internal contact point responsible, with matters remaining confidential. An anonymous report to the external point of contact is also possible. The aim is to discuss and classify the experience as well as to clarify the next steps.

As part of the formal process, employees can submit an official report to an external reporting office. The external reporting office carries out an initial plausibility check of the report and forwards it to GKB for further action. Once the investigation has been completed, the Complaints Committee decides on the measures and sanctions to be submitted to the Executive Board. Once implemented, the case is closed.

Further development and next steps

In 2025 the 180 managers will be offered another management seminar on the topics of client orientation and positive leadership. The aim is to focus all of the Bank's teams more closely on client needs and to reflect on how they should be managed so that this attitude is always practised in the teams towards all clients – as is the corporate purpose of GKB.

- **Energy:** How strong is the energy in the company? To what extent is it 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?

Finally, in 2025 – as part of the strategy review for 2026–2030 – the strategic field of action of management and culture will be transferred to the **functional strategy Human Resources**.

Current approach of associated companies

Albin Kistler AG has made the working models for its 48 employees more flexible in recent years. It is possible to work from home, purchase additional vacation days and take unpaid leave (up to three months under certain conditions). The employees of Albin Kistler AG 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). Team-building events are an integral part of and make a positive contribution to the corporate culture. Employees (and their family members) also benefit from special conditions for their own asset management mandates and for the banking services of GKB.

Albin Kistler AG embraces a corporate culture of equality. Employees are selected for recruitment and promotion based on their qualifications, experience and professional competence in the areas relevant to their roles. Personal characteristics such as gender, religious beliefs or sexual orientation that are not related to professional performance are not taken into account in decision-making processes. In order to ensure a broad selection of the best possible candidates, job advertisements are always made public.

Remuneration and bonus payments are based on the complexity and responsibility of the function concerned, the quality of work, motivation, results, adherence to corporate values and conduct towards colleagues. Individual incentives and salary increases are defined in agreement with the relevant head of division and approved by the Compensation Committee. All employees go through six-monthly development reviews, which are intended to show how their personal performance, development potential and prospects are assessed and appreciated, and give them the opportunity to express their views.

In 2024 Albin Kistler grew by a net 4.0 full-time equivalents. In addition to employing a successor for two departures, four new positions (3.8 full-time equivalents) were created and two existing positions were expanded by 10% each. As at 31 December 2024 Albin Kistler had 48 employees with a full-time equivalent of 45.8.

BZ Bank Aktiengesellschaft sees itself as the team of its employees. The bank's team is small, with 12 employees (11.4 FTEs), but it has efficient decision-making processes. 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 and enjoy free, freshly prepared meals every day. When they get together every day, all employees are informed of the bank's current business and kept abreast of market developments on an ongoing basis.

Privatbank Bellerive AG allows all 15 employees to work from home one day a week, enabling them to perform their duties in an environmentally and employee-friendly manner. Privatbank Bellerive offers attractive working conditions thanks to its fair and market-oriented salary structure, its centrally located workplaces, excellent public transport links and other fringe benefits. The company is characterised by flat hierarchies, direct communication channels, open discussion and a culture of dealing with mistakes constructively. Part-time working models are possible and are taken up by employees. Staff turnover is correspondingly low.

Compliance in the areas of money laundering, competitive behaviour and tax acquiescence

Relevance of the topic for Graubündner Kantonalbank and its associated 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 [Cantonal Act on Graubündner Kantonalbank](#). In addition, the business practices of every bank, including the associated 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. Furthermore, as part of legal and fair business practices, a bank in Switzerland must use suitable means to ensure as far as possible that it does not aid tax evasion or similar activities such as aggressive tax avoidance and that its clients domiciled in Switzerland or abroad pay tax on their assets. The associated 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 GKB's reputation and indirectly on its market position and value. Given the important market position of GKB 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 serious risk scenario 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 GKB and its associated companies.

Ambition of Graubündner Kantonalbank

Graubündner Kantonalbank complies with legal, professional and internal regulations. The Bank only conducts transactions that comply with recognised ethical principles and are deemed responsible from a business perspective. GKB 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.

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 GKB, 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.

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 GKB**, 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 the **GKB Beitragsfonds** to support and promote culture, sport, social issues (social and charitable 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 (CDB). 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.

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).

Compliance function and risk control as a second line

GKB's second line of defence is a compliance organisation that is independent of its earnings-oriented business activities. Its responsibilities, organisational position and internal reporting in general are described in note [3 Risk management](#) to the consolidated financial statements and in the Corporate Governance Report in note [3.4 Internal organisation](#).

At Graubündner Kantonalbank, the second line of defence is strengthened by risk control that is independent of business processes. Its responsibilities, organisational position and internal reporting in general are described in note [3 Risk management](#) to the consolidated financial statements and in the Corporate Governance Report in note [3.4.2 Committees](#).

In accordance with FINMA Circular 2013/8 "Market conduct rules", GKB carries out a **risk analysis** of market conduct whenever necessary but at least once a year and uses this analysis to define any organisational measures that may be required. The corresponding analysis in the year under review revealed no need for any measures (as in the previous year). 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. in the event of a change of strategy), appropriate measures are derived.

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 Chairman. 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"](#).

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 "Governance bodies"](#) 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.

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.

The data protection officer of GKB is the first point of contact for questions or other concerns relating to data protection. Clients also have the right to lodge a complaint with the Federal Data Protection and Information Commissioner (FDPIC).

Clients of GKB can report suspected misconduct or breaches of financial market law to FINMA at any time.

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.

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 (CDB) 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 training days were once again held as face-to-face courses in the year under review. 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.

Regular reviews of management systems

Internal Audit regularly reviews compliance with directives and processes in the areas of money laundering, competitive behaviour and tax acquiescence.

The methods, procedures and processes of the specific FATCA/QI/AEOI Governance & Compliance Programme of GKB 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. Compliance with the requirements for the qualified intermediary (QI) regime was also checked in 2023 as part of a QI periodic review by the independent audit service provider PQ Solutions GmbH. No significant deficiencies were identified.

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 2024 (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), GKB was not aware of any significant breaches of laws and regulations, nor were any criminal or public law proceedings initiated against GKB and/or its employees in the areas of corruption, money laundering, tax acquiescence or competitive and market conduct (insider trading, market manipulation). In the year under review (as in the previous year), the Bank was not ordered to pay any significant fines or non-monetary penalties.

As no incidents were identified in the year under review (as in the previous year), no measures were taken. Likewise, no relevant fines or non-monetary sanctions were imposed on GKB in the year under review (as in the previous year) for material breaches of laws and regulations. "Material breaches of laws and regulations" exist if the guarantee of irreproachable business conduct would be called into question.

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.

Current approach of associated companies

Albin Kistler AG is engaged in wealth management and asset management. It uses direct mandates and its own funds, but does not hold any client funds in custody. The internal compliance culture is characterised by strict and clear corporate governance and an ethical corporate culture. This is reflected not only in the values practised and the conduct of all employees, but also in established management and decision-making structures, robust compliance concepts, internal directives and documentation, clearly defined processes and control measures and regular reporting to the executive board, the board of directors and GKB. Control and escalation measures are integrated into the operational processes and are monitored as necessary by Risk & Compliance. Albin Kistler AG ensures compliance with regulatory requirements through a broad directive concept on compliance, market conduct and safeguarding investor interests, including dealing with conflicts of interest, combating money laundering and terrorist financing (AML), risk management and ICS, cross-border activities, offering financial services, portfolio management and best execution, outsourcing as well as IT and business continuity.

Due to the business model, corporate culture, investment policy, client structure and long-standing, very closely managed client relationships, the risk of money laundering and corruption is relatively low. Nevertheless, Albin Kistler AG has a comprehensive AMLA concept consisting of an AMLA directive, an AMLA risk analysis updated annually, a comprehensive score card for assessing business relationships and established processes and controls for identifying and analysing potentially high-risk business relationships and transactions.

Albin Kistler AG assesses the suitability and appropriateness of investment strategies for its clients on the basis of client segmentation in accordance with the Financial Services Act (FinSA) and the clients' risk capacity and risk tolerance. The assessment is based on a detailed questionnaire on the situational circumstances of the individual clients.

Since 2024, clarifications for the assessment of business relationships and individual situation and risk analysis (KYC) have been fully integrated and comprehensively mapped and documented in the client relationship management system, enabling effective and complete monitoring at all times. The entire client base is also checked on a monthly basis with regard to money laundering risks using external data. This external database also contains information about any corruption risks.

The recording and monitoring of investment restrictions and the processing of stock exchange transactions in accordance with best execution principles are governed by the Portfolio Management Directive. To prevent active breaches of investment restrictions, the impact of investment restructuring on investment portfolios is simulated and reviewed before being actually implemented. Investment restrictions are also stored in the portfolio management system, so transactions that would cause breaches are automatically blocked. Transaction processing is also subject to the dual control principle ensured by the software systems prior to actual execution.

Compliance with capital adequacy requirements and reporting obligations is checked every month using capital adequacy calculations and checklists on circumstances that may potentially need to be disclosed and reported to the Executive Board as part of the risk and compliance reporting.

Albin Kistler AG delegates tasks related to operating and developing IT infrastructure and preparing data. In addition, real estate fund administration is delegated to a third-party service provider. Delegated tasks are monitored by Operations (IT) and Risk & Compliance (real estate fund administration).

The various duties and obligations in Risk & Compliance at Albin Kistler AG (including the money laundering unit) are carried out by a total of four people (three FTEs) with the necessary expertise. All compliance employees regularly undergo further training at external courses, seminars and industry events to ensure they are always up to date with the latest developments. Several internal compliance training sessions per year also ensure that all employees are always familiar with

regulatory requirements and potential risks. Reporting by Risk & Compliance to the executive board and the board of directors takes place on a monthly basis and is clearly regulated to ensure appropriate communication on the current status of relevant topics and regulatory developments.

It has been stipulated that the executive board and the board of directors must be informed of material breaches, misconduct, operational deficiencies and any complaints in connection with this reporting. The reporting and activities of Risk & Compliance are discussed in the monthly executive board meetings. Albin Kistler AG is audited twice a year by the GKB internal audit unit.

Albin Kistler AG does not tolerate crimes such as corruption, bribery and tax offences in any way, but is also not exposed to them due to its business model, internal governance and environment. Board-based decision-making generally does not allow for significant decisions by individual employees, which makes self-enrichment and opportunistic behaviour impossible. Albin Kistler AG does not currently have any pending or potential legal cases or client complaints. Albin Kistler AG is affiliated with the Ombudsman for Financial Service Providers (OFSP).

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 applies higher standards than the minimum 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 of the special business model are taken into account when defining appropriate measures. Further publicly available information on how legal and regulatory requirements are handled can be found on the bank's website.

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. PBB does not offer investment advice, only asset management services.

Privatbank Bellerive AG has good corporate governance, promotes independent control activities and avoids conflicts of interest. PBB is a member of the Swiss Bankers Association – thus also affiliated with the Banking Ombudsman – and complies with its self-regulation. Regular checks are carried out in line with the compliance control plan, which is updated annually. The Compliance Officer discusses compliance breaches immediately and promptly with the CEO, and at the latest at the weekly meeting with the executive board. In the event of material compliance breaches (e.g. with a major external impact and corresponding reputational risks or FINMA measures), the chairman of the board of directors or, if necessary, the Head of Legal & Compliance at GKB must be informed immediately. PBB's compliance organisation consists of well-trained and experienced staff who are also dedicated to combating money laundering and terrorist financing. The Compliance Officer reports directly to the executive board via the CEO.

Thanks to its close collaboration with GKB, Privatbank Bellerive AG uses effective and efficient transaction monitoring systems and has consolidated the measures implemented in 2024. This took place in the context of exchanges with GKB and through the training and development programme, which focuses on specific topics. Privatbank Bellerive AG also observes GKB's compliance requirements and is guided by the parent company's code of conduct. The employees of Privatbank Bellerive AG are obliged to comply with laws, regulations and internal bank directives. Compliance with these requirements must be confirmed by employees once a year. The training of employees (including the executive board) takes place as part of the regular annual training and development programme, through ad hoc compliance information by email and at the weekly market and management meeting. The board of directors is informed of new legal and regulatory developments at its quarterly meetings. Privatbank Bellerive AG has no outsourcing agreements with other companies apart from GKB.

There were no breaches of laws or regulations at Privatbank Bellerive AG during the reporting period. Privatbank Bellerive AG also did not pay any fines in the reporting period. Furthermore, there are no confirmed incidents of corruption at Privatbank Bellerive AG, nor are there any legal proceedings for anti-competitive behaviour or anti-trust or monopoly practices.

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.

Data protection, data security and cybersecurity

Relevance of the topic for Graubündner Kantonalbank and its associated 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 FINMA's Risk Monitor 2024, the number of reported cyberattacks increased 30% year-on-year. The relevance of the topic is therefore correspondingly high for GKB and its associated companies, and the preventive protective measures taken are correspondingly comprehensive. This issue affects GKB itself, its IT provider Inventx, to which GKB has outsourced its IT operations, the associated companies Privatbank Bellerive AG and BZ Bank Aktiengesellschaft, for which GKB acts as an outsourcing partner to varying degrees, the associated company Albin Kistler AG which also works on the Inventx IT platform, and all suppliers and business partners with whom data are exchanged.

Ambition of Graubündner Kantonalbank

On the one hand, GKB 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, in the event of an attack, to respond appropriately, in other words, to successfully ward off such attacks as quickly as possible. On the other, it is important to protect client data, assets and transactions as best as possible. 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.

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.

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 are intended to provide support to employees. These directives and supporting documents also form part of the internal data protection training.

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 email 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 telephone or when making contact via other communication channels before any information is disclosed to them.

Comprehensive awareness-raising and training

All employees of GKB receive training on data protection and IT and data security at least once a year. People with more extensive access rights receive more in-depth training. Suppliers and agents of the Bank are contractually obliged to train their employees accordingly. GKB verifies compliance with this obligation by strategic partners as part of the control report in accordance with the International Standard on Assurance Engagements 3402 (ISAE 3402). Access by employees of GKB and external service providers to the Bank's systems and information is also restricted in accordance with the "need-to-know" and "need-to-do" principles.

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 the requirements analysis, evaluation, development and testing of the implemented solution to the definition of technical and organisational measures and commissioning.

Further development of standards

GKB 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, GKB 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.

Key IT partners have ISO 27001 certification and an internal control system. Graubündner Kantonalbank receives an annual control report in accordance with ISAE 3402 prepared by an external auditor that reports on the audit of the partner's internal control system.

Data security and protection against unauthorised access

GKB 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. They process the incidents professionally, check if they need to be reported, for example to FINMA, the Federal Office of Cyber Security or the Federal Data Protection and Information Commissioner, and initiate any report. Reports are made in accordance with the legal requirements (in particular the Financial Market Supervision Act and the Data Protection Act) and as part of the internal process. Employees can automatically forward suspicious emails to the responsible IT department.

Categorisation of sensitive information

Graubündner Kantonalbank categorises sensitive information in three categories: "secret", "confidential" and "internal". Different security precautions apply, depending on the level. Classification makes it easier to handle the information correctly – from receipt and processing to disposal or erasure. GKB has a clean 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.

Transparent information on data use

Graubündner Kantonalbank provides clear and transparent information on the use of personal data in its [General Privacy Policy](#), the [Web Privacy Policy](#) and the Privacy Policy for Employees in particular. The General Privacy Policy of GKB is publicly available to all clients on the Bank's website at all times and applies to all business areas. As specified therein, GKB uses client data in accordance with the legal requirements, in particular to perform contractual obligations, in the context of its legitimate interests, 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.

GKB strives to minimise data. The retention period for data and data erasure are governed by the legal provisions and the operational needs of GKB.

Responsibilities and resources

The roles listed below in particular are the points of contact for data protection and data security at Graubündner Kantonalbank:

- Based on the principles of the risk policy, **the Chief Information Security Officers** have overall responsibility for IT security at Graubündner Kantonalbank. The Chief Information Security Officers set corresponding guidelines, support projects and employees in matters relating to IT security, and monitor 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 the point of contact for data subjects whose data are processed by Graubündner Kantonalbank and for the Federal Data Protection and Information Commissioner. They are the central person responsible for data protection compliance and operational risks in handling data (e.g. for key data protection risks). This includes training employees, creating/maintaining data protection documents, advising employees on projects and carrying out risk-based and ad hoc controls.

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 cyber risk situation and the key measures taken in cyber security and data protection management.

Certified external IT providers, in particular Inventx AG, ensure that the systems, applications, databases and network components are protected in accordance with the regulatory requirements and the requirements of the Bank, work reliably, are continuously updated and are regularly checked. Identified cyber attacks are handled in accordance with the defined processes and reported to Graubündner Kantonalbank without delay. The IT providers also ensure that the IT infrastructure, including data, can be restored after an attack.

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 GKB. Based on the internal and external audits and the findings of the specialist departments, 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 GKB and its 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 regularly reviewed by Internal Audit.

Active exchange on participation in expert committees

GKB 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 Cybersecurity Centre. As a member of the "Information Security Working Group" of the Association of Swiss Cantonal Banks (VSKB), GKB 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. It is also a member of the Association for Corporate Data Protection (VUD), which focuses on exchanging best practices in the implementation of data protection, forming independent opinions on current data protection issues and further developing data protection.

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

Data protection – technical and organisational measures implemented

Graubündner Kantonalbank wants to create more transparency for its stakeholders and therefore published the [Web Privacy Policy](#) on its website in 2024, updating the general [Privacy Policy](#) from 2023. The Bank responds to client requests for information in accordance with its legal obligations. This practice is steered via tried-and-tested internal processes. New employees are obliged to complete a data protection awareness course. In addition, all Bank employees had to deal with the do's and don't's associated with the use of online translation services, AI tools and communication tools as part of the annual data protection training course. News on the intranet also made employees aware of the risks in the area of data protection. 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 adjusted. Data security checks were carried out and the Bank-wide record of processing activities was updated.

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. For example, the revised PCI Data Security Standard (PCI DSS) which entered into force on 31 March 2024 severely restricted access authorisations to card data and these are now largely pseudonymised. As another example, cyber threats can be detected and addressed even more quickly thanks to the expanded endpoint detection and response service (EDR) and digital risk monitoring.

Ongoing awareness raising

In 2024, Graubündner Kantonalbank carried out various internal campaigns on cyber risks, IT and information security (e.g. phishing, social media, email security, cyber security and cyber risks). As the employees are often used as "gateway" by attackers, raising awareness among the employees is key. In addition, a tabletop exercise was held in the year under review to test the responsiveness of and collaboration between GKB and its IT partners in the event of a potential cyber incident. This exercise showed that the procedures and processes work well in the event of an incident.

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 IT risks, cyber risks and risks arising from the handling of critical data. With regard to the management of cyber risks, an external consulting firm was commissioned to review the appropriate implementation of the regulatory requirements (FINMA Circular 2023/1 "Operational risks and resilience – banks" and FINMA Supervisory Notice 2024/03 "Insights from cyber risk supervisory activities, details of FINMA Supervisory Notice 05/2020 and scenario-related cyber exercises"). No material shortcomings were identified. The recommendations identified will be implemented.

In addition, GKB supplemented the relevant directives, carried out the process of identifying and categorising data and identifying critical systems, compiled an inventory of the critical data on the critical systems and reviewed and implemented suitable measures to ensure confidentiality, integrity and availability in the management of critical data and systems. As part of their annual data protection training, employees were also trained in how to handle critical data. GKB provided Risk Controlling with additional resources in this context in the year under review.

Use of artificial intelligence

Graubündner Kantonalbank has written fact sheets on artificial intelligence (AI) and made them available to its employees. All employees received training on how to use generative AI tools as part of the annual data protection training course. Graubündner Kantonalbank has also already compiled an AI directory that records, among other things, the IT systems with AI components, responsibilities and risks. An AI directive is also being drafted that regulates AI governance and risk management and prohibits potentially abusive or dangerous AI applications. Meanwhile, in the first quarter of 2025, Graubündner Kantonalbank will determine how the measures taken can be optimised in accordance with the FINMA Supervisory Notice 08/2024 on "Governance and risk management in the use of artificial intelligence".

No incidents in the reporting year

In the year under review, Graubündner Kantonalbank received one complaint regarding a breach of client data protection, which is being investigated. However, no request for information under data protection law was made. As in the previous year, according to the Bank's interpretation there were no IT incidents or data breaches at Graubündner Kantonalbank in the reporting year which should have been reported to the Federal Data Protection and Information Commissioner or FINMA.

Planned measures

In addition to the usual auditing and improvement measures, additional standardised audits (penetration tests, security analyses and security reviews) are planned for 2025. As in the past, awareness-raising measures are implemented for employees on an ongoing basis.

Reporting on cybersecurity to the Executive Board will also be expanded. Various projects are concerned with the use of future-oriented technologies, which will also further increase data protection and data security.

Current approach of associated companies

Like Graubündner Kantonalbank, **Albin Kistler AG** works with Inventx AG in the area of IT infrastructure. Inventx AG meets the high standards of Swiss financial service providers, particularly in the area of data security. In tandem with technological developments, SaaS (Software-as-a-Service) solutions are increasingly being used, which are no longer operated locally in Inventx AG's data centres. These are usually hosted directly by the software supplier on hyperscalers (Microsoft/AWS). Hyperscalers are aware of the special circumstances and high demands of the Swiss market and are investing substantial sums in expanding their Swiss data centres and making them secure. Albin Kistler AG carefully evaluates such solutions with the help of technical and legal specialists. Inventx AG acts as a central point of contact for the design of holistic solutions. Data security is a top priority in risk management. Albin Kistler AG strives to take advantage of the technical possibilities and thus continuously improve security. Because it holds sensitive client data, data protection is and will remain very important for Albin Kistler AG. The privacy policy provides transparent information on how Albin Kistler AG handles which data.

Like Albin Kistler AG, **BZ Bank Aktiengesellschaft** currently also works on the Inventx platform. On 1 July 2024 the company migrated to GKB, which has been acting as outsourcing partner ever since. With regard to data protection and data security (including cybersecurity), the same requirements and the same approach therefore apply for BZ Bank Aktiengesellschaft as at GKB (see above). The Bank's data privacy policy provides transparent information on how it handles what data.

GKB acts 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 2024, Privatbank Bellerive AG did not receive any complaints relating to breaches of client data protection. No cases of 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 Information Commissioner or FINMA. The data privacy policy of Privatbank Bellerive AG provides transparent information on how it handles what data.

Other sustainability topics

Regional supply of financial services

With its ten 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 GKB to continue providing its clients with first-class advice and simple and personal access to financial services and products locally or in their vicinity.

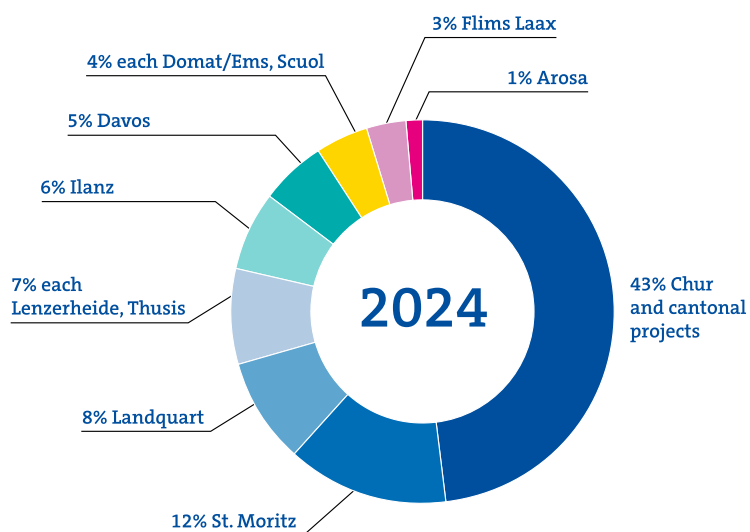
GKB also takes account of the regional diversity in the canton and promotes or offers decentralised jobs throughout the canton. In its branches, the Bank prefers to employ staff who are associated with the region in question through their language or their family. At the same time, Graubündner Kantonalbank 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 GKB. 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.

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, GKB underlines its social responsibility by providing significant support for local projects. Over the past 20 years, more than CHF 50 million has been 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.

GKB places special emphasis on supporting the preservation and promotion of culture and tradition in the canton of Graubünden, particularly in the Romansh and Italian contexts. This is reflected in many supported projects that help to preserve the diversity and uniqueness of the regional culture. In 2024, Graubündner Kantonalbank continued this tradition by supporting 640 projects with CHF 3.5 million. Forty-three percent of the funds approved were used in the Chur region and in connection with cantonal projects. The remaining 57% was distributed across the different regions of Graubünden (see chart).



Extraordinary natural events are supported separately by the GKB Beitragsfonds. Emergency aid totalling CHF 125,000 was provided in 2024: CHF 100,000 was allocated for the storm damage in Misox, and the Bank has allocated CHF 25,000 as emergency aid for possible hardship due to the threat of a rockslide in Brienz.

Long-term partnerships

Together with its long-standing sponsorship partners such as [Hockey Club Davos \(HCD\)](#), [Open Air Lumnezia](#), [GKB SPORTKIDS](#), [GKB HOCKEYSCHULE](#) and its new long-term partnership with the [Sunice Festival](#), the Bank wants to continue to achieve even more for the canton in future. GKB spends around CHF 900,000 on this every year.

Cultural partnerships that GKB 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.

The Beitragsfonds is also used to promote social institutions in Graubünden. In 2024, Graubündner Kantonalbank supported 24 social institutions with its Christmas campaign by fulfilling a special Christmas wish.

Celebrating and promoting: 500 years of the Three Leagues

The Free State of the Three Leagues celebrated its 500th anniversary in 2024. GKB contributed a further CHF 200,000 to this cultural event. By doing so, the Bank supported formative activities such as the Festival at Haldenstein Castle and the Open Air Theatre in Lantsch/Lenz, which celebrated the cultural diversity and historical importance of our region. In addition, seven League days in various regions of Graubünden enriched the cultural offerings and promoted dialogue among the local population. These initiatives underline the commitment of GKB to the sustainable development and cultural promotion of the region.

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.

Volunteer work by Graubündner Kantonalbank

Sustainability, proactive responsibility and a commitment to the community are at the heart of volunteer work carried out with various institutions in the canton of Graubünden. All Bank employees have the opportunity to volunteer for one working day each year. Whether as part of a team at a self-organised event or as an individual in an advertised or private assignment: every commitment counts. Together with various institutions and associations in the canton of Graubünden, GKB is committed to important issues and thus makes a valuable contribution that goes far beyond the financial sector. Voluntary assignments include caring for elderly people at the Rigahaus Chur nursing centre, mobile phone courses with Procap and attending events organised by the Alzheimer's Association. In addition, the employees of GKB support *insieme Cerebral Graubünden* and the *Stiftung am Rhein*. Volunteering also includes assignments in the great outdoors – for example, active participation in the mountain forest project and support for the Diavolezza Clean-up Day.

Operational ecology and sustainable procurement

GKB aims to continuously reduce its environmental footprint while taking economic criteria into account through consistent operational sustainability management. Further information on operational ecology, the general requirements and guidelines as well as the [key figures in operational ecology](#), including the next steps and planned further development, can be found in the Climate Report. In the medium term, GKB aims to reduce its direct and indirect CO₂ 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 ["Financial and sustainability goals"](#) table and in the [Sustainability & Climate Report](#).

Sustainable procurement

In the interests of sustainable procurement and as an institution with deep roots in the canton, GKB exerts a wide range of direct and indirect influence 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, GKB meets this responsibility with clear and transparent guidelines for procurement, partner management and marketing (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. To this end, it drafted a generally applicable sustainability agreement for suppliers in the year under review, in addition to the existing guidelines for marketing and construction. Compliance with environmental, social and governance principles, as enshrined in the agreement, is required from existing suppliers and service providers as well as taken into account when awarding new contracts.

In the year under review, the procurement volume of Graubündner Kantonalbank amounted to around CHF 91.6 million (previous year: CHF 89.1 million). This amount was distributed among the following priority areas:

Areas	2024	2023	2022	2021
Information technology	52 %	50 %	47 %	45 %
Office operations and building equipment	18 %	22 %	26 %	29 %
Services in various areas incl. marketing	30 %	28 %	26 %	27 %
Cleaning, office supplies, furniture, machinery	0 %	0 %	2 %	0 %
Total procurement	CHF 91.6 million	CHF 89.1 million	CHF 91 million	CHF 89 million

Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (DDTrO)

The Bank is not directly affected by the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour, as it does not process minerals or metals from conflict-affected and high-risk areas and does not offer services where there are reasonable grounds to suspect child labour. Nevertheless, GKB attaches great importance to complying with these due diligence obligations and carries out appropriate audits at regular intervals.

Due diligence obligations in relation to child labour

The 100 largest suppliers account for around 80% of turnover at GKB. The majority of these are 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. Only 0.2% of procurement comes from countries with an increased risk of child labour (according to the UNICEF Children's Rights in the Workplace Index), specifically from the USA. These are service companies such as software providers or data providers for which the risk of child labour can be classified as very low.

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. GKB has only purchased precious metals from precious metals dealers domiciled in Switzerland who confirm compliance with the DDTrO requirements. 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 checked by 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. GKB will continue to only purchase precious metal bars that are LBMA or LPPM certified.

The associated 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 through GKB.

Next steps and planned further development

For the next steps in the area of operational ecology, please refer to the corresponding information in the Climate Report.

For 2025 the Bank will continue to focus on ensuring that existing and future suppliers sign the sustainability agreement and adhere to the requirements. In addition, the annual reviews of the supply chain for child labour, minerals and metals will continue. A revision of the physical gold offering is also planned for the next few years, moving towards more sustainable solutions.

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.

Employee-employer relations

The Staff Council (PEKO) of Graubündner Kantonalbank is actively involved in relations between employees and employers in order to represent the interests of employees in the best possible way. The Staff Council has co-determination rights, but no decision-making powers. It pursues several objectives, including strengthening co-determination rights, promoting co-responsibility, maintaining a positive working atmosphere and creating modern working conditions for an efficient company.

The Staff Council meets regularly to discuss organisational issues and current concerns of the workforce. The next steps are taken in close cooperation with the Head of HR and the Executive Board. Semi-annual meetings with the Head of HR and the CEO serve to foster an active dialogue. Exchanges with employees take place both directly and via a separate email address used for suggestions and questions. In 2024, amongst other things the Staff Council dealt with an extension of employee conditions, company catering and the election of new members. The recommendation of the Staff Council with regard to 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.

Exciting developments await in 2025. The new members on its managing board will bring fresh perspectives and new impetus to the work of the Staff Council. In addition, collaboration with an HR representative and the employee representatives of the pension fund will be intensified to address key issues in an even more targeted manner. One of the focal points of occupational health management (OHM) in 2025 will be "exercise and teamwork". The Staff Council will help to promote initiatives that both boost the health of employees and further strengthen team spirit within the Bank. With these focal topics, the Staff Council will remain a reliable partner for the concerns of employees in 2025 and will actively shape a positive, modern working environment.

Sustainability check-up with employees

GKB carried out a survey of employees in the year under review to ascertain the current status of sustainability at the Bank from the perspective of the employees. Employees were asked to complete a standardised questionnaire about their assessment of GKB's current position with regard to various sustainability topics. Around 40% of employees shared their perceptions.

On the one hand, it was possible to identify issues where GKB has an even greater need for communication within the company, especially as it is already doing more in these areas than is perceived by employees. This includes, for example, the fact that around 37% of respondents felt insufficiently informed to make a statement on the share of renewable energies. GKB has been active here for several years and has only been using electricity from renewable energies for a number of years. The Bank will therefore continue to provide the workforce with information and raise awareness of this issue.

On the other hand, it was also evident that employees are well informed about the current status of many topics. This is very pleasing and shows that the efforts made in recent years are having an impact. Nevertheless, there are other areas, such as biodiversity, where both the workforce and the Sustainability Office believe that GKB needs to take more action. Specific measures will be derived from the findings of the survey in 2025.

Practical partnership with FHGR master's program with a focus on sustainability

GKB is an industry partner to the Master's in Business Administration with a specialisation in Sustainable Business Development at the University of Applied Sciences Graubünden (FHGR). The Bank attaches great importance to training specialists in this area, which is why it regularly supports practical projects and master's theses as both a provider of input and as a client. GKB can benefit directly from the specialist knowledge of master's students when it comes to specific issues; at the same time, students can gain practical experience and work on real cases.

In the year under review, GKB supervised both a practical project and a master's thesis. The practical project dealt with questions of sustainability in basic account products; the students developed a well-founded competitor analysis and possible product components. The Bank will incorporate these findings when it revises its basic account products. The master's thesis focused on the topic of sustainable mortgage financing and examined how sustainability criteria can be

incorporated when granting mortgage loans. This excellent work provided GKB with a good interpretative guide for the revision of precisely these criteria in the mortgage business in the year under review.

General financial education for young people

Good, responsible handling of money is a key competency. People who are well versed in financial matters go through life more successfully and find themselves in financial difficulties less quickly. However, budgeting, expenditure prioritisation and saving need to be learned first. That is why the cantonal banks are committed to furthering the general financial education of young people in Switzerland: through FinanceMission at schools, through jugendbudget.ch at home and through MoneyHaxx for teenagers.

In the year under review, the national financial literacy campaign of the Association of Swiss Cantonal Banks (ASCB) helped to raise awareness of the cantonal banks and their commitment to promoting the financial literacy of young people among the general population.

Support for senior citizens in banking business

Services and offerings in the financial sector are constantly evolving, driven in huge part by digitalisation; keeping up with these developments is not easy for everyone. GKB therefore offers senior citizens a wide range of support, advice and services relating to their day-to-day banking business. It also engages in a partnership with the organisation Pro Senectute, with which joint courses and keynote speeches are regularly organised.

Politics and regulation

GKB 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 Climate Agreement, the UN Global Compact and UN PRI is an integral part of the sustainability strategy. These initiatives not only provide a global framework for sustainable development, but also oblige GKB to make an active contribution to the achievement of these goals.

GKB must meet regulatory requirements in the area of sustainability. It is subject to Art. 964a–c and Art. 964j–l of Switzerland's Code of Obligations (CO) as well as the Ordinance on Climate Reporting. The Bank reports on its sustainability efforts in accordance with the internationally recognised GRI Standards 2021 and on climate matters in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The Bank is also affected by the Climate and Innovation Act, which entered into force on 1 January 2025. In addition to the legal requirements, GKB must also comply with self-regulatory measures, which are explained in more detail below.

Self-regulation

The **Swiss Bankers Association (SBA)** has issued new self-regulations for the inclusion of sustainability criteria in investment and mortgage advice. These guidelines define binding sustainability-related requirements for the investment business and mortgage advisory services. By including ESG preferences and ESG risks in investment advice and asset management and the topic of energy efficiency in advising property owners, the Bank contributes to achieving the Paris climate goals and helps to strengthen the Swiss financial centre as a leading hub in the area of sustainable finance. As a member of the SBA, GKB is obliged to implement this self-regulation.

With its self-regulation on transparency and disclosure for sustainability-related collective investment schemes, the **Asset Management Association Switzerland (AMAS)** defines binding requirements. These concern both the organisation of financial institutions that create and manage sustainability-related collective assets and the duty to provide information for sustainability-related products. The regulatory framework is styled on the basis of principles and strengthens the Swiss financial centre at home and abroad in the area of sustainable finance. To bring self-regulation into line with the objectives of the Federal Council, AMAS published Self-Regulation 2.0, which entered into force on 1 September 2024. This version is a further development of self-regulation 1.1 (status as at 1 November 2023). As a member of AMAS, GKB is obliged to implement this self-regulation.

Clear positioning and knowledge sharing

Thanks to these deliberately selected memberships in major organisations and consistent alignment with international standards, Graubündner Kantonalbank is clearly positioning itself in the financial industry and vis-à-vis its stakeholders. Participation in associations such as the **Association of**

Swiss Cantonal Banks (ASCB) and the Swiss Bankers Association (SBA) enables GKB to exert influence and actively promote suitable framework conditions for sustainable corporate governance. In a constantly changing political and regulatory environment, Graubündner Kantonalbank is striving to continuously adapt its business practices. This approach not only minimises compliance risks, but also builds trust among stakeholders and underscores the Bank's commitment to responsible and sustainable corporate governance.

Memberships in organisations such as Swiss **Sustainable Finance (SSF)** and the Asset Management Association Switzerland (AMAS) not only provide a platform for knowledge transfer, but also promote the exchange of important experiences. These interactions help GKB deepen its understanding of sustainable financial practices and continuously improve its strategies.

Participation in initiatives and standards

- **Climate Action 100+:** This is an investor-driven initiative designed to ensure that the world's largest GHG emitters take the necessary action on climate change to mitigate financial risk and maximise the long-term value of their assets. GKB joined this initiative in 2024.
- **Global Reporting Initiative (GRI):** The GRI is the world's leading standard in the area of sustainability reporting. GKB reports in accordance with these requirements and since 2021 has been preparing its Sustainability Report in accordance with the GRI Standards 2021.
- **Paris Climate Agreement:** Signed in 2015, the "Paris Agreement" aims to limit average global warming to well below 2 degrees Celsius above pre-industrial levels. GKB took this objective into account when drawing up its sustainability strategy.
- **Paris Agreement Capital Transaction Assessment (PACTA):** The PACTA Climate Test has shown regularly since 2017 how climate-friendly the Swiss financial market invests. GKB took part in the 2024 test and had its investment portfolio and financing portfolio analysed.
- **Partnership for Carbon Accounting Financials (PCAF):** This industry-wide initiative aims to ensure that banks and other financial institutions report the GHG emissions they finance through their loans and investments in a consistent manner. GKB joined this initiative in 2024.
- **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 to promote lasting peace and prosperity and protect our planet. With the sustainability strategy as formulated, GKB wants to make an active contribution to achieving the UN's development goals.
- **UN Global Compact (UNGC):** The UNGC is the world's largest initiative for responsible corporate governance. It envisions an inclusive and sustainable global economy based on ten universal principles in the areas of human rights, environment, labour standards and anti-corruption. GKB has been a participant in the UN Global Compact since 2021.
- **UN Principles for Responsible Investment (UN PRI):** The aim of the UN PRI is to understand the impact of sustainability on investors and to help signatories incorporate these issues into their investment decision-making processes. GKB is committed to the principles of the UN PRI on responsible investment policy and signed them in 2021.

Memberships of associations and organisations

- **Asset Management Association Schweiz (AMAS):** The members of AMAS promote optimal framework conditions for Swiss asset management and the production and distribution of investment funds. They also address questions about sustainable finance with a focus on the investment sector. GKB has not only been a member of AMAS since 2021, but is also involved in the "ESG Sub-group" task force.
- **"Graubünden" brand:** The "Graubünden" brand launched the "graubünden sustainable" programme in February 2024. Collaboration and co-creation form the key principle for a sustainable future, because only through collaboration can complex problems be solved, new ideas developed, innovations driven, and a common commitment be agreed. GKB is supporting this three-year project as a partner.
- **Myclimate@ 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. GKB 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. GKB has been a member of this network for more than ten years.
- **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.
- **Swisscleantech:** Swisscleantech is committed to a CO₂-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. GKB became a member of this association in 2023.
- **Swiss Sustainable Finance (SSF):** The SSF organisation aims 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. GKB has been a member of the SSF since 2021.
- **Association of Swiss Cantonal Banks (VSKB):** The VSKB is an association that unites Switzerland's 24 cantonal banks. It safeguards the shared interests of and promotes cooperation between its members. This allows GKB to exert direct and indirect influence and advocate for sustainable framework conditions. The CEO of GKB is a member of the Board of Directors of the VSKB.

Climate report.

“Climate protection is not a task for tomorrow, because the future starts now. At Graubündner Kantonalbank, we take our role in climate matters seriously and we show responsibility. We can only address the challenges associated with tackling climate change and shape a sustainable future if everyone contributes.”

Pascal Pernet
Head of Markets business unit



Introduction to climate issues

Climate change is one of the greatest challenges of our time. The potential consequences for people and the environment should not be underestimated. It is therefore essential that the necessary measures are taken to mitigate climate change and reduce the negative impact of economic activities on the climate. This includes reducing GHG emissions (greenhouse gas emissions) in the long term. Graubündner Kantonalbank (GKB) causes direct GHG emissions through its operations and through its financing and investment activities indirectly influences GHG emissions, which it wishes to minimise on an ongoing basis. In doing so, the Bank is guided by the Paris Climate Agreement in order to achieve net zero by 2050. Conversely, climate change presents financial opportunities for GKB (in particular through additional business generated by its products and services) but also financial risks (e.g. physical risks and transition risks). In summary, this report mentions climate issues when referring to the impact of GKB's activities on the climate (GHG emissions) and at the same time to the climate-related opportunities and risks associated with its business.

This Climate Report shows how GKB is dealing with climate issues and illustrates how it intends to achieve the **net-zero target by 2050**. The Sustainability & Climate Report is part of the comprehensive annual financial and non-financial reporting of GKB.

Graubündner Kantonalbank's Sustainability & Climate Report is based on the legal requirements for reporting on non-financial matters pursuant to Art. 964 of the Swiss Code of Obligations and the Federal Council's Implementing Ordinance on Climate Reporting for Large Swiss Companies, which came into force on 1 January 2024, and follows the recommendations of the Task Force on Climate-related Financial Disclosure (now integrated into the IFRS Environmental Standards, specifically IFRS S2, hereinafter TCFD). The current system boundary of the Climate Report for financed GHG emissions is limited to the parent company Graubündner Kantonalbank. The operational GHG emissions of the three associated companies Albin Kistler AG, BZ Bank Aktiengesellschaft and Privatbank Bellerive AG, which form part of the scope of consolidation of the annual financial statements, have been included in this Climate Report since the 2024 financial year. With regard to climate issues, the data are reported as at 30 June.

Governance

At GKB, climate issues are generally seen as an integral part of its sustainability strategy. Accordingly, governance is geared towards sustainability, including climate issues. Governance is explained in more detail in the ["Sustainability strategy"](#) section.

The organisation of risk management and the Bank's handling of climate-related financial risks are described in the ["Risk management"](#) section of this report. Explanations of the fundamental orientation and structure of risk management can be found in the Annual Report in the Notes to the consolidated financial statements in section 3 ["Risk management"](#), as well as in the Disclosure Report. The [corporate governance](#) of GKB is explained in detail in the Annual Report in the chapter of the same name.

Reporting on climate issues

Type of reporting	Periodicity	Recipient	Audience
Report on the implementation of the sustainability strategy including climate issues	2x annually 2025 onwards	Executive Board / Strategy Committee of the Board of Directors / Board of Directors	Internal bank
Sustainability & Climate Report	1x annually	Executive Board / Strategy Committee of the Board of Directors / Board of Directors	Public
Annual Report incl. Risk Report	1x annually	Executive Board / Audit and Risk Committee of the Board of Directors / Board of Directors	Public

Figure 1: Overview of reporting

Remuneration policy

The remuneration of members of the Board of Directors includes fixed remuneration graduated according to function and is therefore not performance-related (no variable remuneration components). The remuneration paid to the Executive Board consists of a basic salary, a variable profit-sharing bonus, as well as benefits in kind and social benefits. In addition to the net profit adjusted for special factors, the basis for the performance bonus of the Executive Board is the achievement of strategic targets. This includes the objectives of the Executive Board in the area of sustainability, including climate issues.

Climate strategy

Mitigating climate change is a key pillar of Graubündner Kantonalbank's sustainability strategy. The Bank is pursuing the overarching goal of achieving net zero by 2050. Both the Board of Directors and the Executive Board are committed to the provisions of the Paris Climate Agreement. In order to achieve these ambitious targets, measures are being implemented in five strategic areas:

- 1) **Measure:**
GHG emissions and the opportunities and risks associated with climate change should be measured according to best practices. This includes emissions in connection with financing and investments. The following serve as the basis: GHG Protocol, PCAF, TCFD Recommendations.¹
- 2) **Disclose:**
Climate information is disclosed according to best practices. This is done in accordance with GRI Standards and based on the TCFD recommendations.
- 3) **Reduce:**
GHG emissions must be reduced consistently, and science-based climate goals should show corresponding reduction pathways. Reduction is based on science-based targets.
- 4) **Compensate:** Compensate remaining operational emissions (Scopes 1-3) by purchasing CO₂ certificates from climate protection projects that meet the Gold Standard.²
- 5) **Engage:**
GKB is involved in various initiatives for a climate-friendly Switzerland, such as the Swiss Climate Foundation and CEO4Climate.

¹ Task Force on Climate-related Financial Disclosures (TCFD, now organised under the ISSB) in its expanded definition published in 2021. TCFD is a framework for reviewing the business model with regard to climate change in the areas of governance, strategy, risk management, metrics and targets. In recent years, the set of rules has become an undisputed best practice standard.

² The Gold Standard is an independent quality standard for climate protection projects. It was launched in 2003 by the WWF and other environmental organisations.

GKB continuously monitors the development of methods and data for measuring and disclosing GHG emissions and also captures the associated opportunities and risks of climate change. In addition to sound data collection, the Bank undertakes to reduce its emissions sustainably. More detailed information can be found in the sections "Overarching net-zero targets" and "Transition plan".

The disclosure below is based on the following process steps: GKB initially determined the climate-related risks and opportunities on a qualitative basis. The qualitative assessments were supported by quantitative findings in some cases. In a second step, GKB examined the impact of climate issues on its income, expenses and assets and drew conclusions with regard to any need to adjust its strategy and business model. These conclusions were then examined in terms of resilience for different courses of climate change (scenarios). This Climate Report documents the current assessment based on the state of knowledge as at 30 June 2024. The analysis of climate issues and their impact on GKB will be further developed in the coming years and taken into account in future reporting.

Climate-related opportunities and risks

Based on the recommendations of the TCFD, GKB distinguishes between five main categories of climate-related opportunities (resource efficiency, energy sources, products and services, markets, resilience) and two main categories of climate-related financial risks (physical risks and transition risks). As recommended by the TCFD, GKB has defined three time frames for analysing climate-related risks and opportunities, which take into account the weighted average lifetime of the business portfolio of GKB as well as the time horizons of internal forecasts and other risk reports:

- Short-term (ST): 0 to 5 years
- Medium-term (MT): 5 to 10 years
- Long-term (LT): over 10 years

A company's climate-related risks and opportunities are determined by its business model and strategy: GKB generates the lion's share of its income from mortgage lending. On the balance sheet, too, mortgage loans are by far the most important item (CHF 21.6 billion). On the expense side, personnel expenses (CHF 131.9 million) are by far the most significant item, but are not significantly affected by climate issues.

In accordance with its business strategy, the focus of GKB is on the retail business and the Swiss market, in particular the canton of Graubünden. In addition to the mortgage business, the profitability of the securities and investment business in particular is to be further expanded. The

significance of the key sources of income and expense mentioned above will therefore only change gradually. Digitalisation is another important element of the strategy. The climate intensity of GKB's operations is likely to fall as a result of associated effects such as reduced building operations or declining mobility due to opportunities to work from home. At the same time, digitalisation, for example through the operation of data centres, is expected to lead to growing energy demand. Overall, the Bank does not believe that digitalisation and new technologies in the context of GKB present any significant opportunities or risks with regard to climate change.

When analysing climate-related risks and opportunities, GKB focuses primarily on the mortgage business, securities trading and investment business due to its business model and strategy. Other sub-areas such as unsecured corporate loans, financial assets and operations are of minor importance.

GKB has assessed the following climate-related risks in terms of their potential impact on the Bank. The assessments are based on a qualitative analysis.

Figure 2 summarises the assessment of climate-related risks and opportunities.

Time horizon	short-term	medium-term	long-term
Opportunities			
Products/markets	low	medium	medium
Costs	low	low	low
Physical risks			
Credit risks	low	low	medium
Liquidity risks	low	low	low
Market risks	low	low	low
Operational risks (banking operations)	low	low	medium
Transition risks			
Credit risks	low	medium	medium
Liquidity risks	low	low	low
Market risks	low	low	medium
Compliance risks	low	low	low

Figure 2: Summary assessment of opportunities and risks

The following provides in-depth information on the assessment of the individual opportunities and risks.

Products, services and new markets as business opportunities

Climate change requires substantial investment to finance the transition to a more climate-friendly economy and society. According to a 2021 study by the Swiss Bankers Association (SBA) and the Boston Consulting Group (BCG), annual investment requirements for Switzerland between 2020 and 2050 total CHF 12.9 billion per year¹ – primarily for light (CHF 5.7 billion) and heavy-duty road transport (CHF 1.9 billion), buildings (CHF 2.1 billion), energy (CHF 1.2 billion) and international aviation (CHF 1.0 billion). In the building sector, investments must be made in renovating building envelopes and replacing heating systems, with 67% of the measures relating to substitution. All in all, the annual financing required to improve the climate compatibility of the Swiss building portfolio accounts for around 3% of the CHF 75 billion in new Swiss mortgage lending business mentioned in the SBA and BCG study. According to the SBA and BCG, banks can cover the vast majority of the financing needs.

GKB can help meet the annual financing requirement of CHF 2.1 billion to invest in the climate compatibility of buildings for the whole of Switzerland. The Bank does not see any significant additional income potential for its mortgage business in the transition. Nevertheless, it is influencing the transition by pointing out to its clients the potential for increasing the energy efficiency and climate compatibility of their homes and buildings and providing them with advice. The Bank systematically integrates the topic of "efficiency-enhancing refurbishment" into its client advisory services. GKB's aim is to provide a prudent, needs-based home financing solution tailored to individual clients that serves to safeguard the value of existing properties in the long run. At the same time, these awareness-raising measures help to achieve the goal of GKB's climate strategy and reduce the **GHG emissions** indirectly co-financed by mortgages.

As the study by the SBA and BCG shows, industry also has an immense need to invest in order to achieve the net-zero targets set out in the Paris Climate Agreement. Accordingly, GKB is seeing a growing interest in sustainable financing options in its **corporate client business** and is responding appropriately in its advisory services. However, GKB does not currently plan to launch its own sustainability products (such as green loans or similar products) in this area.

GKB systematically reviews sustainability criteria when granting loans and on an annual basis and evaluates them accordingly in the major and syndicated clients business area. For loans to business clients, the lending policy stipulates that in addition to economic principles, sustainability-relevant aspects in the areas of environmental, social and responsible corporate governance (ESG criteria) also have to be taken into account in credit assessment and monitoring.

In the **investment and pension business**, clients in Switzerland are increasingly aware of climate change and want to tailor their own investment and pension behaviour accordingly for risk reasons or on the basis of personal values. GKB sees this as an opportunity and wants to meet this need. It is therefore constantly working to further develop its product range and launched its first specific fund product in the form of the GKB Kantonalbank (LU) Climate Leaders Global Equities fund in the year under review. This GKB equity fund aims to achieve long-term capital growth by investing in innovative companies that are at the forefront of the achievement of climate targets in their industry. The Bank believes that all sectors must play their part in achieving a lower-carbon future. It therefore does not exclude any sectors automatically. In particular, criteria relating to climate data (historical reduction in GHG emissions, reduction targets and their credibility as well as climate scores developed by GKB) are used to evaluate the eligible companies in the newly launched fund.

In the **capital market**, the share of sustainable refinancing instruments in the overall bond market is growing steadily. Green bonds account for the lion's share. GKB has been using this refinancing instrument since 2021. On the one hand, the issue of green bonds takes account of the growing demand for sustainable investments, and on the other, there will be more transparency as to the areas in which and to what extent GKB develops relevant exposures. At the same time, the broadening of the investor base helps to diversify the Bank's sources of refinancing. Investors are given the opportunity to invest in sustainable bonds. Overall, by issuing green bonds, the Bank aims to promote the expansion and modernisation of existing renewable Swiss electricity production facilities, thus making an indirect contribution to the transformation towards green and energy-efficient buildings.

¹ Source: Swiss Bankers Association, Sustainable Finance, [Investment and financing needed for Switzerland to reach net zero \(2021\)](#)

Opportunities to reduce resource consumption and the associated costs

As a service provider, GKB has comparatively low resource consumption and correspondingly low direct GHG emissions. Nevertheless, the efficient use of resources – especially energy – is also a financial opportunity and therefore an important part of the Bank's sustainability and climate strategy.

The Bank is implementing various measures to increase energy efficiency and use renewable energy sources, particularly in its buildings used for business purposes, as well as to reduce water and paper consumption. GKB adheres to the Swiss Sustainable Building Standard (SNBS) and other relevant standards when constructing and renovating its buildings used for business purposes. New buildings are constructed in accordance with the Minergie-P standard, and refurbishments follow the Minergie standard as closely as possible. Environmental improvements are carried out consistently if the investment costs can be amortised through cost savings in half the technical service life.

Impact of climate risks on credit risk

Granting loans, particularly for residential and commercial real estate, is of key importance to GKB. This is where the impact of climate change can have the greatest impact on the Bank. A distinction is made between transition risks – such as higher CO₂ levies – and physical risks – such as extreme weather events.

Building damage caused by natural disasters such as floods is largely covered by compulsory building insurance in Switzerland. A significant increase in credit defaults due to physical climate risks is therefore not expected in the short to medium term. However, GKB is exposed to greater **physical climate risks** in Graubünden than other cantonal banks through its financing operations in valleys high in the mountains. In the corporate lending business, although acute climate impacts such as flooding can damage the buildings and production facilities of corporate clients and interrupt operations at short notice, such events are usually geographically limited. As a result, only smaller parts of the loan portfolio would be affected. On the other hand, global warming can have a negative impact on tourism in the long term, for example due to rising snow lines. Due to the slow effect, however, the Bank believes that companies in tourism-dependent sectors still have time to adapt their business models to changing conditions. As physical risks tend to materialise over the long term, GKB assesses physical risks as low in the short and medium term and medium in the long term.

Transition risks in the lending business could have a negative impact on the real estate financing and corporate lending business. In the real estate financing business, rising costs of GHG emissions or stricter energy refurbishment regulations could lead to higher operating costs for real estate or the need for additional investments. This could lead to higher credit default risks. In the corporate lending business, GKB's exposure to emission-intensive sectors is low (see table in the section Financing of emission-intensive sectors). As a result, rising CO₂ levies have a limited impact only on the credit default risk of its corporate clients. For this reason, GKB has used scenario analyses to quantify the impact on various key credit risk indicators for the transition risks associated with real estate financing and corporate lending. Analysis of such scenarios shows that the effects for GKB would remain tolerable even if CO₂ prices were to rise significantly. However, GKB rates the relevance of transition risks for the lending business as medium in the medium and long-term.

Impact of physical and transition climate risks on market and liquidity risks

Physical and transition climate risks can have a negative impact on equity, currency or commodity prices, thereby increasing market risks. However, GKB does not have a material trading book and its liquidity management investment portfolio focuses on Swiss mortgage bonds and public sector bonds. Climate-related risks are also reduced by diversifying financial investments. As a result, negative effects on market risk are minimal in the short and medium term, but GKB estimates the transition risks to be medium in the long term. Climate-related impacts on liquidity risks are considered low, as GKB has a broadly diversified financing structure and can issue green bonds in addition to traditional refinancing instruments on the money and capital markets.

Impact of climate risks on operational risks

Increasing public awareness of climate issues and the associated new legal and regulatory requirements pose challenges in areas such as collecting data, disclosing data and adapting advisory processes. These new requirements could slightly increase GKB's operational risk (e.g. in connection with legal risks). GKB considers this **transition risk** to be low across all time horizons.

Extreme weather events could affect the Bank's buildings or critical infrastructures such as IT systems. These risks are partly reduced by structural measures implemented by the canton, such as suitable avalanche protection nets and fences. Risks that cannot be prevented by structural measures are comprehensively insured. In addition, the Bank ensures that operations can be resumed quickly in the event of such incidents. Employees are also geographically flexible when it

comes to their physical presence in the company (risk diversification). GKB estimates the impact to be low in the short and medium term. As **physical risks** can increase over the long term, GKB assesses the physical climate risks for its operations as medium.

Reputational risks

With the growing importance of sustainability among stakeholders, the risk of public criticism (e.g. through greenwashing) increases. GKB attaches great importance to sustainability and communicates its measures openly and transparently. The overall reputational risk is therefore assessed as moderate.

Impact of climate-relevant risks and opportunities on the business model, strategy and financial planning

The opportunities identified, in particular by developing new, sustainable products and services in the real estate and corporate financing business and in the investment business, offer only limited growth potential for GKB.

At the same time, however, there are additional costs, as the Bank has to continuously adapt its products and advisory services to the changing framework conditions and regulatory requirements. In addition, rising energy prices are pushing up operating costs, which can only be partially offset by efficiency measures. As GKB has refurbished its business properties, planned further refurbishments and constructed new buildings in accordance with the Minergie-P standard, future energy cost increases will not significantly affect it in the short to long term.

GKB does not currently rate any climate-related risks as high across all time horizons. In the short term, it considers both the physical and transition risks of climate change to be low. In the medium term, on the other hand, GKB rates the transition risks for its lending business as medium, while the risks of climate change are rated as low for the remaining types of risk. In the long term, it is expected that physical risks in particular will become more important. GKB therefore rates the physical climate risks for credit risk and the operational risk as medium. The Bank also classifies transition climate risks as medium for market risk, as for credit risk. However, compared to other non-climate-related financial risks and measured against the Bank's equity, climate risks are not considered to pose a threat to the Bank's existence. Based on the analysis and evaluation of climate-relevant risks and opportunities, GKB does not currently see any need to adjust its business model or strategy.

An increase in value adjustments for credit risks due to potential transition climate risks was quantified using scenario analyses. The analyses showed that value adjustments would only need to be increased marginally and would not have a significant effect on the financial strength of GKB in the short term. The qualitative assessment of the remaining physical and transition climate risks has also shown that their impact on GKB's financial planning is not material.

Resilience

By deliberately addressing the effects of climate change and the associated opportunities and risks, GKB is able to exploit the opportunities and manage the risks. Climate change is treated as a strategic sustainability topic at GKB and is firmly anchored in the corporate strategy. This is the responsibility of the Executive Board and the Board of Directors, which gives the topic the necessary priority. By systematically integrating climate-related financial risks into risk management, GKB is strengthening its resilience and ensuring that its strategy also remains resistant to the risks it has identified.

Scenario analyses were carried out for the climate risks deemed to be most relevant. This management tool shows GKB the prospective potential effects on its business model and enables it to identify risks that are becoming significant in good time so it can derive mitigating management measures. The scenario analyses have shown that the effects of transition climate risks have little impact on credit risk and that the business model and strategy of GKB are therefore resistant to climate risks.

Despite the current resilience of the strategy to climate risks, GKB continuously monitors further regulatory developments as well as the development of market needs the products and services offered by competitors. It reviews its product and service offering on a regular basis and adapts it to changing market requirements if necessary. This ensures that the Bank not only reacts, but also proactively seizes opportunities and mitigates risks arising at an early stage.

Overarching net-zero targets

Both Switzerland and the canton of Graubünden have committed themselves in their climate strategies to achieving net zero by 2050. GKB is also pursuing this objective with its sustainability and climate strategy: it plans to reduce its operational and financed GHG emissions in Scopes 1 to 3 to net zero by 2050. GKB based its climate targets on the climate strategy adopted by the Federal Council. From that it derived key performance indicators (KPIs) and defined operational targets and measures.

GKB uses the Greenhouse Gas Protocol (GHG Protocol) as a basis for recording its GHG emissions and publishes the results annually in the Climate Report. The GHG Protocol was developed in collaboration between the World Resources Institute and the World Business Council for Sustainable Development and sets out the global accounting and reporting standards for measuring and managing GHG emissions.

At the heart of the GHG Protocol is a definition of the different emission sources for which companies are responsible. These are divided into three areas, known as Scopes (see Figure 3):

Direct and indirect greenhouse gas emissions
Scopes 1-3 under the GHG Protocol

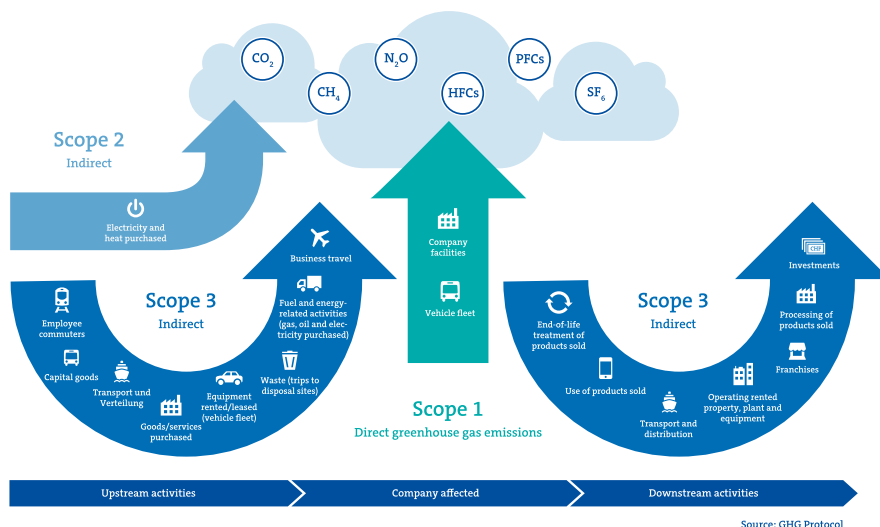


Figure 3: GHG emission categories (Scopes) according to the Greenhouse Gas Protocol

Scope 1

includes all direct emissions originating from sources owned or controlled by the company, e.g. from its production facilities, vehicle fleet, offices, etc. In the case of banks, these mainly include heating offices and using the company vehicles.

Scope 2

includes indirect emissions resulting from the company's use of purchased electricity and steam as well as purchased heating or cooling. A company's total Scope 2 emissions depend not only on how much energy it uses, but also on the fuel mix (i.e. the share of fossil fuels compared to renewables).

Scope 3

includes indirect emissions from the company's value chain generated by upstream and downstream activities. In the GHG Protocol, Scope 3 emissions are divided into 15 categories. Of the three areas, they usually account for the largest share of a company's total emissions. This applies in particular to banks, as they cover emissions from the loan portfolio as well as managed client assets (asset management and own funds) under the category "Investments". Most of the sources of such GHG emissions (also known as "financed emissions") are not owned or controlled by the Bank. Accordingly, the goal in this area is to be understood as an ambition towards which the Bank is working as far as reasonably possible.

GKB has developed science-based targets for reducing GHG emissions; an assessment has been made of the extent to which these targets are realistic and achievable. The reduction targets are ambitious, but fundamentally feasible according to the current state of knowledge. However, a key condition for achieving the net-zero target by 2050 is that the political framework conditions are designed in such a way that GHG emissions in the economy as a whole can be reduced in line with the ambitions set. The active participation of clients is also key when it comes to Scope 3 GHG emissions. GKB monitors the trend in the defined target values and possible deviations in its portfolio on the basis of selected key figures.

What are science-based targets?

Science-based targets (SBTs) do not focus on the organisation, its economic environment or its ability to achieve a predefined and achievable goal. Rather, they are guided by climate science and what needs to be done to limit the effects of climate change. The IPCC (Intergovernmental Panel on Climate Change) has unequivocally determined that global emissions must be halved by 2030 in order to limit global warming to 1.5 °C and achieve net-zero status by 2050.

Essentially, the SBTs define emission reduction pathways that support the global measures needed to limit the temperature rise to this level.

Since the introduction of the net-zero standard, organisations have to set both short and long-term emission reduction targets to achieve the scientifically determined net-zero status. The short-term targets should focus on reducing emissions over the next five to ten years, while the long-term targets should focus on achieving net zero by 2050, aligned with the 1.5 °C reduction pathway.

In investments, GKB is aiming for the target of net zero by 2050. To achieve this, the Bank is relying in particular on focused, systematic engagement activities. Such activities aim to encourage companies to improve their environmental, social and governance practices. Overall, companies' progress in reducing GHG emissions is therefore an important driver for decarbonising the Bank's investment portfolio and that of its clients. Companies operate in different political and economic regimes. The pace of decarbonisation will therefore differ across asset classes, investment regions and investment objectives. This is also explicitly provided for in the Paris Agreement through the principle of "common but differentiated responsibilities and respective capabilities in light of different national circumstances".

In its investment business, the Bank is focusing primarily on the principle of companies having credible transformation ambitions. This makes it possible to continue to invest in transformation candidates. Over the next two to three years, the share of the portfolio invested in companies that can realistically meet the climate neutrality requirements and would therefore be "Paris-aligned" should be continuously increased. Due to limited resources, the Bank primarily relies on climate data from the external provider MSCI ESG to identify companies with increased climate risks and assess their measures towards net zero. Such data are still relatively new on the market and therefore associated with major method uncertainties. In order to bring about positive change, the Bank engages in an active dialogue with third-party fund providers, is a member of Climate Action 100+ and has commissioned Ethos Services SA to carry on an active conversation with companies. The Bank thus benefits from the expertise of Ethos and synergies with the activities of the Ethos engagement pools for institutional investors. Compared to other engagement providers, the Ethos service includes an above-average number of Swiss and global companies for which engagement is carried out. The aim of ongoing and constructive dialogue is to encourage companies to improve their environmental, social and governance practices, especially in climate-related matters, and thus sustainably increase the value of their companies. Ethos provides a detailed annual report on the engagement activities carried out as well as individual access to the electronic platform to track the progress and development of the selected engagements. With the measures described above, GKB is working to the extent possible to drive forward the necessary transformation towards a net-zero global economy by 2050. The focus is on Swiss companies whose measures towards net zero have room for improvement compared to the market, as well as on the world's largest GHG emitters, so that the reduction of GHG emissions can begin or be accelerated within the set deadlines. Depending on regional circumstances, a period ranging from a few months to several years may be appropriate.

GKB has therefore strategically set itself the target of achieving net zero by 2050 in the various areas in which it is directly or indirectly responsible for GHG emissions. Due to the lack of a data basis, however, it is not yet possible to determine the specific percentage of GHG emissions to be reduced by 2050 or the proportion of GHG emissions to be offset – either in the sub-areas or overall.

Transition plan

GKB is guided by the Paris Climate Agreement for its overarching target to achieve net zero by 2050 (see [Overarching net-zero targets](#)). The following transition plan operationalises this overarching target through specific (intermediate) objectives for 2025 and 2030 and by determining the basic direction of the measures to reduce GHG emissions.

With regard to the decarbonisation of GHG emissions (Scope 3, category 15) in the financing portfolio, the focus for GKB falls on raising client awareness. GKB's mortgage advisors address sustainability issues in a targeted manner and provide clients with comprehensive advice on questions relating to energy-efficient refurbishments. The Canton of Graubünden's Green Deal action

plan has been in place since 2022. This allows clients who are refurbishing their residential property in the canton of Graubünden to benefit from higher subsidies from the canton and an attractive range of services from GKB. In the corporate client business, GKB plays more of an intermediary role. The aim is to promote awareness of sustainability, especially among SMEs in the canton of Graubünden. With the help of a tool to be made available to clients in 2025, SMEs can assess themselves in the area of sustainability and receive suggestions for solutions. These efforts are intended to help strengthen the good market positioning of GKB.

GKB's focus in financing in 2024 was on the residential property portfolio. A reduction pathway was drawn up for this purpose, for which – as required by the Ordinance on Climate Reporting – the Swiss climate strategy serves as a guiding framework. This stipulates that Switzerland's building portfolio may no longer emit net greenhouse gases by 2050. GKB's residential property portfolio² should emit 39% less CO₂e by 2030 than in 2023. The main drivers for achieving this goal are energy-efficient refurbishments of the existing portfolio and climate-friendly new business (new buildings and changes of ownership with refurbishments).

² The residential property portfolio comprises owner-occupied and rented residential properties (single-family homes, apartment buildings and condominiums).

Target pathway: residential real estate

% of emission intensity vs base year

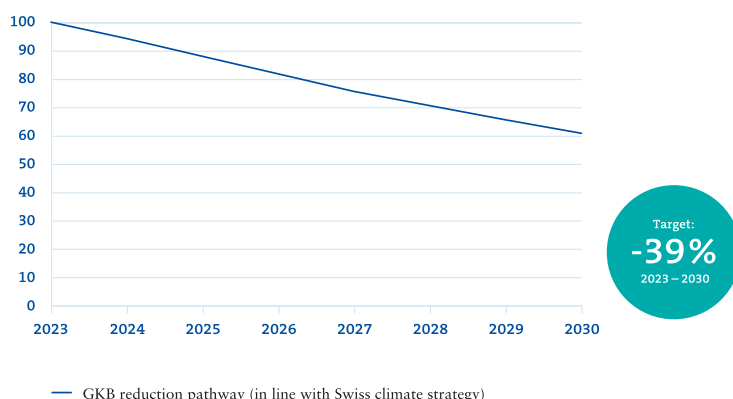


Figure 4: Reduction pathway for residential real estate

In line with the Net Zero Investment Framework (NZIF) of the Institutional Investors Group on Climate Change (IIGCC), the climate neutrality target in the investment business refers to all assets under management (including own funds and asset management). The Bank pursues an indirect path, i.e. reducing financed emissions through engagement and alignment goals rather than through an explicitly defined reduction pathway. From 1 January 2025, the Bank will set an engagement goal for its own bond and equity funds in line with the financed GHG emissions (Scope 1 and Scope 2) wherever this assessment is possible and reasonable. This currently includes listed equities as well as corporate bonds in which GKB invests directly. In the case of asset classes such as government bonds, currencies, derivatives or commodities, management via financed GHG emissions is not possible or sensible at present, either because the instrument does not have a direct influence on real economy GHG emissions or the Bank, as an investor, has no direct influence over the issuer via the instrument. In addition, the Bank plans to add an alignment goal to the engagement goal over the next two to three years. The interim targets are to be gradually extended to all other material asset classes, financed scope 3 GHG emissions, strategy funds and asset management by 2030. In accordance with the recommendations of the TCFD and the PCAF³ the Bank measures and reports financed GHG emissions on the basis of company value as a share of the volume invested in a standardised manner. All known GHG emissions, i.e. including Scope 3, are included in the calculation.

³ PCAF methodology: The PCAF (Partnership for Carbon Accounting Financials) enables users of the standard to meet the required transparency and accountability obligations and has developed a global open-source standard for accounting for GHG emissions at financial institutions. GKB has been a member of the PCAF since spring 2024.

Operational interim targets for the various areas in which GKB directly or indirectly causes or can influence GHG emissions

Area	KPIs	Operational targets	Base year
Reduce operational GHG emissions	Reduce absolute GHG emissions (t CO ₂ e) in line with target pathway compared to base year 2010 (%) New KPIs out to 2050 in preparation	Target value for 2025: 40% reduction compared to base year Target value for 2030: in preparation	2010
Reduce GHG emissions Scope 3, Cat. 15: residential real estate	Reduce emission intensity (kg CO ₂ e per m ²) of the portfolio in line with target pathway compared to previous year	Target value for 2030: 39% reduction compared to base year	2023
Achieve targets of Paris Climate Agreement in the investment portfolio	KPIs will be defined in the coming years	Target value in preparation	n/a
Achieve targets of Paris Climate Agreement in the investment portfolio	Engagement target for own equity and bond funds	Target value for 2030: 80% of financed emissions Scope 1 & 2 on listed equities and corporate bonds aligned or engaged ¹	2024
	Alignment target for own funds and asset management to be defined in the coming years	Target value in preparation	n/a

¹ Target includes direct investments that are either already aligned to a net-zero pathway or for which corresponding engagement activities are carried out to achieve a future net-zero pathway.

Table: Operational interim targets for the various areas in which GKB causes GHG emissions directly or indirectly

Risk management

Systematic handling of risks

GKB operates professional risk management. This includes dealing with sustainability risks, including climate-related financial risks. All risks are identified, evaluated and managed according to a uniform process. Important key points of the GKB risk policy, such as risk capacity, risk tolerance and limits, are defined in a binding manner in the Risk Policy Regulations and the Risk Management Framework. The Risk Policy Regulations also govern the use of instruments and products as well as organisational structures for identifying, analysing, evaluating, limiting and monitoring risks. Further information on the fundamental orientation and structure of risk management is provided in the Notes to the consolidated financial statements in section 3 "Risk management" and in the [Disclosure Report](#).

Integrating climate-related financial risks into overarching risk management

GKB's risk management is guided by the supervisory requirements and current market standards. GKB does not regard the physical and transition risks associated with climate change as separate risk categories. They are seen as risk drivers for the existing risk categories – market risks, credit risks, liquidity risks, operational risks and strategic risks – and are accordingly integrated into the existing risk management framework. The impact on reputational risks as consequential risks is monitored on an ongoing basis, assessed regularly and discussed with regard to any need for action. Reputational risks primarily affect consulting, products and services.



Figure 5: Climate change as a risk driver

Managing climate-related financial risks throughout the risk management process

Climate-related financial risks are identified, evaluated and managed throughout the risk management process. The methods and processes for managing climate-related financial risks are continuously developed further on the basis of new findings, requirements or standards.

GKB risk management process

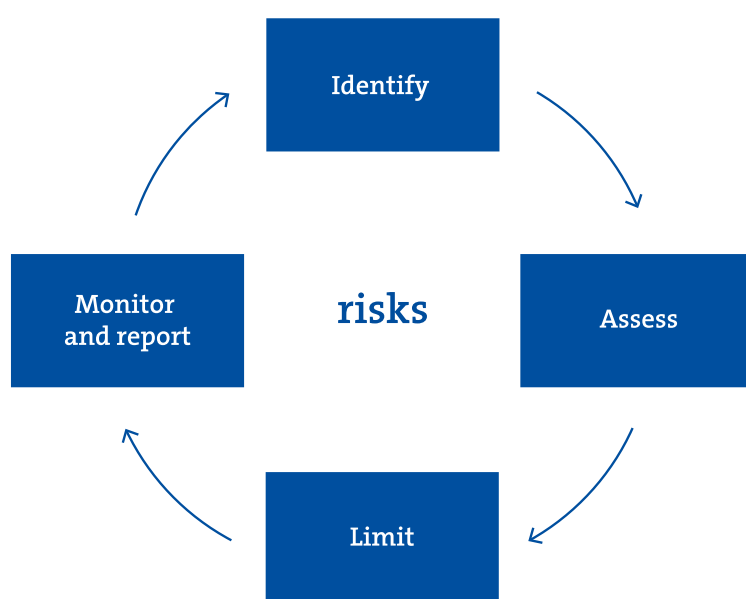


Figure 6: GKB risk management process

Identifying risk

Identifying climate-related financial risks involves identifying relevant risk drivers and understanding the causes and effects on the risk situation at GKB. Developments in the environment and market trends are key, with dialogue with other institutes and experts playing a central role.

Measuring and assessing risk

The aim of measurement and assessment is to estimate the impact of climate change on the existing risk profile at GKB. Climate risks represent risks that arise and potentially occur only in the future. Therefore conventional risk measurement methods based on historical time series cannot be used to assess climate risks. This is why GKB uses various scenario analyses and key risk indicators (KRIs) to quantify climate risks (physical and transition climate risks) and their impact on the Bank. Potential impacts on existing risks caused by climate change are periodically assessed systematically and qualitatively (in a risk matrix) and checked for plausibility by the Sustainability Committee and the specialist committees for the primary risks concerned. Climate risks are identified and evaluated based on the TCFD recommendations.

Managing risk

Risk management aims to control climate-related financial risks effectively and efficiently. The individual measures for managing climate-related financial risks are defined and implemented at the level of the existing risk categories. As climate-related financial risks are currently assessed as low to moderate, no additional management measures beyond the existing ones have been introduced to date. However, for strategic reasons, the climate strategy already specifies measures that have a mitigating effect on the corresponding risks. The existing risk management measures mainly comprise the measures from the climate strategy as well as the internal guidelines and processes described in the "Strategy" section. For the time being, financial risks caused by climate change are therefore primarily managed by implementing the climate strategy.

Monitoring and reporting risk

Sustainability risks, including climate-related financial risks, are integrated into the internal control system and monitored on an ongoing basis. The requirements and instruments used are reviewed on a regular basis and adapted as necessary and continuously developed. When monitoring climate-related financial risks, the main consideration is that exposure to business areas that are more affected by climate change and thus riskier should not increase significantly. Due to the low to moderate climate-related financial risks, GKB has not set any thresholds for this KRI for the time being, but is monitoring how it develops.

The Board of Directors is informed annually about the impact of climate-related financial risks on the risk profile at GKB. The associated reporting is constantly being developed further. In the event of material and acute developments and findings relating to climate-related financial risks, the Executive Board and the Board of Directors are kept informed during the year as part of regular risk reporting. If extraordinary developments occur, the Chief Risk Officer (CRO) is responsible for notifying the Board at once, even outside the regular reporting cycle. With this report, GKB informs the public every year.

Metrics, target achievement and measures

GKB has defined science-based targets for operational GHG emissions and GHG emissions relating to financed residential real estate. For the investment portfolio, GKB has set itself an engagement goal. The transition plan and the reduction pathway show how the Bank intends to achieve these targets.

With regard to implementation, GKB took an intensive look at measuring its own and financed GHG emissions in the year under review and devised measures to reduce these as appropriately as possible. Specific progress and key figures for 2024 are provided below.

Opportunity and risk management

In the financing business of GKB, the effects of climate change give rise to both risks and opportunities. The Bank has set itself the task of systematically identifying, evaluating and integrating these aspects into its business strategy. The increase in floods, mudslides and other climate-related natural events poses a risk to the financed properties. In 2024 GKB subjected its portfolio to an assessment based on the canton's hazard map for the first time. The analysis covers around 90% of the real estate portfolio and takes into account the natural hazards of landslides, avalanches, rockfalls, floods, storms, hail, surface runoff and earthquakes in accordance with the hazard map. The greatest risk for the GKB portfolio comes from flooding. Nevertheless, this is only classified as a medium hazard. The data are imported into the system and updated on an annual basis.

The introduction of higher CO₂ levies could have a negative impact on the maintenance costs of the financed properties as well as the fixed costs of business clients. To measure the potential financial impact, GKB has been monitoring the development of CO₂ levies and since 2024 has also carried out scenario analyses (see the section on [Impact of climate risks on credit risk](#)). The aim is to reduce exposure to emission-intensive sectors in order to minimise credit risk.

Changes in legislation relating to sustainability, biodiversity and climate protection may place additional requirements on lending. GKB continuously tracks and monitors the legal framework conditions and responds to them by adapting its processes and products on an ongoing basis.

However, climate change not only entails risks, but also opens up a wide range of opportunities for GKB. The growing importance of energy-efficient real estate is creating growing market potential, particularly in the area of financing climate-friendly projects. In 2024, for example, GKB was the financing partner for a pioneering hydropower plant in the heart of the canton of Graubünden. With the support of GKB, Axpo and Rhienergie have built a hydrogen production facility at the Reichenau hydropower plant in Domat/Ems. This facility – the first of its kind in the canton – produces up to 350 tonnes of green hydrogen per year, marking an important step on the path to decarbonisation.

Operational GHG emissions

Management approach and current system boundary

As a service provider, GKB has relatively low operational GHG emissions. These are shaped by energy consumption and building operations, commuter behaviour and business-related mobility, as well as paper consumption and waste. With a view to its interim target for 2025, GKB is gradually striving for continuous progress. 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. As part of its operational ecology, GKB measures and manages its total energy consumption and paper consumption as Scope 1 and 2 GHG emission sources. GKB currently measures and manages business travel and waste for operational Scope 3 emissions, i.e. indirect GHG emissions in the upstream and downstream value chain. Commuter traffic in particular is currently one of the main sources of emissions that are not measured.

GKB has 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 service life.

All employees responsible for operations at GKB 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. At least every two years, real estate specialists from headquarters make on-site visits to all buildings.

GKB also strives to conserve environmental resources and reduce their consumption by raising employee awareness of environmental issues and interrelationships. This is primarily done via the intranet. Over the coming years, new ways of raising employee awareness in an even more targeted manner will be determined.

Current target achievement

From the year under review onwards, the key figures for operational ecology include the figures for GKB and the companies in which GKB holds majority stakes, i.e. Albin Kistler, PBB and BZ Bank. The figures change marginally due to the integration of these associated companies.

In the year under review GKB was able to further reduce its direct energy consumption by 3.6% compared to the previous year. This was due to reductions in energy consumption at the internal data centre.

The ongoing process of digitalisation also resulted in a further reduction in paper consumption (-3.3% year-on-year). This trend is likely to continue in the coming years. At 90%, the proportion of recycled paper of total paper consumption remains high.

GHG emissions fell again significantly, namely by 6.5% year-on-year. As a result, only 33% of GKB's 2010 GHG emissions arose from its operational ecology. As in recent years, certificates are purchased for the remaining emissions, supporting high-quality Swiss climate protection projects. The general reduction in energy consumption also had a positive impact on GHG emissions.

Business travel fell somewhat again (-9.8% year-on-year). This is despite the fact that kilometres travelled by rail increased considerably due to a much more accurate method of calculation. The clear reduction in business road traffic (-19.3% year-on-year) is pleasing. Commuter traffic is still not included in operational Scope 3 emissions. The process of collecting data to integrate commuter traffic into the CO₂e emission calculations in future (2026) was started in the year under review. For this purpose, the average kilometres driven per vehicle type and employee were recorded and the corresponding GHG emissions calculated separately. These emissions will also be taken into account when redefining the meta-targets. In general, GKB will review and initiate measures over the next few years to significantly improve the sustainability of business and commuter traffic.

Key figures

The table below provides a detailed overview of GHG emissions in 2024 and how they have developed since the base year 2010. Information on how the key figures were calculated can be found at the end of the table.

Key figures on operational ecology (Group)

	Unit	Base year (2010)	2024 ¹⁾	2023	2022	in %
Energy consumption	MJ	32,247,859	23'724'739	24'601'183	26,802,547	-26 %
Electricity from non-renewable sources	MJ	8,396,130	0	0	0	-100 %
Electricity from renewable sources	MJ	13,323,655	14'095'927	13'974'759	15,835,851	6 %
Natural gas	MJ	5,005,559	386'149	311'389	364,727	-92 %
Heating oil	MJ	5,522,515	2'117'760	2'459'151	3,174,862	-62 %
District heating (mainly from waste incineration)	MJ	0	6'637'387	7'658'409	7,253,728	–
Biomass	MJ	0	95'778	103'172	173,380	–
Company cars	MJ	0	391'737 ²⁾	0	0	–
Share of renewable energy	%	41	75	73	73	83 %
Energy intensity	MJ pro FTE	39,135	28'863	30'837	35,126	-26 %
Business travel	km	415,766	505'363	559'998	417,828	22 %
Rail transport	km	59,200	148'508 ³⁾	98'559	88,789	151 %
Road transport	km	356,566	348'350 ⁴⁾	431'739 ⁴⁾	329,040	-2 %
Short-haul flights	km	0	1'822 ⁵⁾	0	0	–
Long-haul flights	km	0	6'682 ⁵⁾	29'700 ⁵⁾	0	–
Material consumption	kg	174,902	77'387	79'998	89,186	-56 %
Fresh fibre paper	kg	88,449	7'493	6'649	5,911	-92 %
Recycled paper	kg	86,453	69'894	73'349	83,275	-19 %
Percentage of recycled paper in total	%	49	90	92	93	84 %
Water consumption (drinking water)	m³	20,773	15'713	16'184	16,905	-24 %
Waste and recycling	t	214	176	199	200	-18 %
Waste for incineration ⁶⁾	t	23	42	40	54	81 %
Waste for recycling	t	191	134	159	146	-30 %
Other waste	t	0	0	0	0	–
Recycling rate	%	89	76	80	73	-14 %
Wastewater (public sewage)	m³	20,000 ⁷⁾	11'845	13'132	13,720	-41 %
Direct and indirect greenhouse gas emissions	tCO₂e	1,615	526	562	616	-67 %
Direct greenhouse gas emissions (Scope 1)	tCO₂e	695	187	208	258	-73 %
Indirect greenhouse gas emissions (Scope 2)	tCO₂e	425	82	68	68	-81 %
Indirect greenhouse gas emissions (Scope 3)	tCO₂e	495	256	286	290	-48 %
Greenhouse gas emissions intensity	kgCO₂e pro FTE	1,961	647	708	807	-67 %

1 Since 2024, integration of consumption by majority shareholdings in all calculations

2 Company cars: Integration of direct energy consumption by company cars since 2024

3 Rail transport: Since 2024, more precise calculation of km based on detailed train tickets

4 Road transportation: Since 2023, the three company cars have also been included

5 Flights: Flights have been included since 2023

6 Increased values in 2022 and 2024 result from the conversion of our own bank properties in Chur

7 Waste water: Estimate, only recorded from the 2012 NH report onwards (2012: 20'923 m³)

Notes on the calculation of key figures

The above key figures relate to the operations of GKB and are based on the 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). The last update 2024 v1.0 has therefore not yet been taken into account. A corresponding comprehensive adjustment, together with a new reporting tool, is expected to be made in 2026.

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). From 2024 onwards, the corresponding reporting period is, where possible, the period from 1 July of the previous year to 30 June 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 GKB, water is only used for personal use and for cooling purposes (re-cooling air conditioning and 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 GKB locations are connected to public wastewater treatment plants. The wastewater specifications defined by their operators are strictly adhered to.

Measures in the year under review

The continuous reduction in GHG emissions is the result of the gradual switch to climate-neutral energy sources and the energy-optimised refurbishment of buildings and technical infrastructure, such as at the headquarters on Engadinstrasse.

Data was collected internally for the first time in order to integrate commuter traffic into GHG emissions calculations in future. In addition, GKB entered into a long-term partnership with the Swiss company neustark in the year under review. As a result of this collaboration, GKB will permanently store some of its GHG emissions (70 tonnes) in recycled concrete from 2025 onwards.

Financed GHG emissions

The lion's share of a bank's GHG emissions comes from "financed emissions" in Scope 3, Category 15 (investments). At GKB, these are divided into the financing portfolio, the financial investments and the investment portfolio.

Financing

GKB has made it its mission to make the impact of its financing activities on climate change transparent and continuously reduce its financed GHG emissions (Scope 3). In this area, climate change is seen as an essential component of the risk management strategy. Both short-term and long-term objectives are pursued.

Current target achievement

GKB is currently working on the final elaboration of comprehensive interim goals to reduce its impact on climate change in line with the net-zero target for 2050 and gradually structure its financing portfolio to be in line with sustainability. Initial qualitative and quantitative targets have already been set: GKB plans to achieve a significant reduction in the emission intensity of its financed real estate portfolio by 2030. GHG emissions should be reduced by 39% by 2030 compared with the base year of 2023. This target is supported by ongoing monitoring and evaluation processes, and the annual Climate Report shows where GKB currently stands on its path.

With a view to achieving this target, GKB aims to further improve and expand the collection of relevant data on properties financed. Based on the data collected, it should be possible for GKB to differentiate between sustainable and non-sustainable properties. This also includes identifying properties with refurbishment potential in order to take targeted measures to reduce GHG emissions so that the reduction pathway can be adhered to.

In 2025 GKB plans to measure the GHG emissions of other business areas using recognised methods and publish the current status. For the coming year, the focus will be on corporate loans, which GKB would like to calculate using the PCAF method.

In addition to measures relating to data collection and analysis and the measurement of GHG emissions, GKB continues to focus on sustainability in its client advisory services, particularly in the mortgage business. Clients are made aware of energy efficiency and value preservation. They are also shown how they can refurbish their property for energy efficiency and benefit from cantonal subsidy programs. GKB will review and further develop its range of sustainable real estate financing products in 2025 in order to meet client needs even better.

Key figures

For the current reporting, GKB has focused on measuring its carbon footprint and emissions intensity. For this the Bank takes into account its attributable energy reference area. In the area of corporate clients, GKB measures the proportion of loans to companies in emission-intensive sectors.

In the coming years, GKB will press ahead with collecting and publishing further key figures. For example, the number of financed energy-related refurbishments or the proportion of sustainable financing in the overall portfolio could be measured.

Tabular overview of emission key figures in the area of financing as at 30 June 2024

Segment (PCAF asset class) ¹	Volume (share of portfolio)	Absolute GHG emissions (Scope 1 and 2)	Absolute GHG emissions (Scope 3)	CO ₂ footprint (Scope 1 and 2)	CO ₂ footprint (Scope 3)	Emission intensity (Scope 1 and 2)	Emission intensity (Scope 3)	Degree of cov- erage	PCAF data quality scor- ing	
Unit	CHF m	in %	t CO ₂ e	t CO ₂ e	t CO ₂ e per CHF m invested	t CO ₂ e per CHF m invested	t CO ₂ e per CHF m revenue	t CO ₂ e per CHF m revenue	in % of the in- vested volume	Scale from 1 to 5 ²
Funds	17,052	69 %	110,800	na	7	na	33.7	na	100 %	4.4
Asset management	3,543	14 %	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total (without double counting)	2,879	12 %	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Note on the calculation of key figures

The loans (as at 30 June 2024) are classified as "residential real estate," "commercial real estate" and "corporate loans" in accordance with the PCAF definition. This classification differs from the usual definition at GKB, where the residential property portfolio comprises both owner-occupied and rented residential properties. For the classes "commercial real estate" and "corporate loans," insufficient data were available at the reporting date to determine reliable emission values. GKB plans to also report the figures for these two classes in the coming years.

Financing emission-intensive industries
Tabular overview of the financing of emission-intensive sectors in the corporate client business of GKB with outstanding amount in CHF million as at 30 June 2024

Sectors	Corporate loan expo- sure in CHF million	in % of corporate loan exposure	in % of balance sheet exposure
Energy	614.92	21.36 %	2.49 %
Electric power	614.92	21.36 %	2.49 %
Investment goods	221.82	7.71 %	0.90 %
Trade and distribution	57.23	1.99 %	0.23 %
Manufacture of electrical equipment	35.98	1.25 %	0.15 %
Manufacture of metal products	20.63	0.72 %	0.08 %
Mechanical engineering	107.99	3.75 %	0.44 %
Other vehicle construction (ex automotive)	0	0.00 %	0.00 %
Food, agriculture and forestry	72.8	2.53 %	0.29 %
Beverages	1.52	0.05 %	0.01 %
Agriculture and farming	5.4	0.19 %	0.02 %
Paper and forestry products	26.39	0.92 %	0.11 %
Packaged food and meat	39.48	1.37 %	0.16 %
Materials, construction and real estate	365.54	12.70 %	1.48 %
Construction materials	50.5	1.75 %	0.20 %
Chemicals	102.62	3.56 %	0.41 %
Building construction and civil engineering	30.99	1.08 %	0.13 %
Real estate management and development	181.44	6.30 %	0.73 %
Metals and mining	0.04	0.00 %	0.00 %
Mining and quarrying	0.03	0.00 %	0.00 %
Manufacturing industry	0.01	0.00 %	0.00 %
Transportation	348.61	12.11 %	1.41 %
Automobiles and components	61.95	2.15 %	0.25 %
Motorised land transport	281.99	9.80 %	1.14 %
Maritime transport	0	0.00 %	0.00 %
Air transport	4.67	0.16 %	0.02 %
Emission-intensive sectors total	1,623.73	56.41 %	6.56 %
Other (non-emission-intensive) sectors	1,254.91	43.59 %	5.07 %
Total	2,878.64	100.00 %	11.64 %

Categorisation by emission-intensive sectors is based on the recommendations of the Task Force on Climate-Related Financial Disclosure (TCFD) and the Net-Zero Investment Initiative (NZIF). As at 30 June 2024, emission-intensive industries accounted for 56.41% of the corporate loan exposure (excluding mortgage loans) and 6.56% of the total balance sheet exposure. This share covers the entire energy sector, with 67% of financing going to renewables.

Measures in the year under review

In the year under review, important steps were taken to systematically record financed GHG emissions and introduce appropriate reduction measures.

GKB has been systematically recording available property data since spring 2024, in particular with regard to GHG emissions and the refurbishment potential of financed properties. This database forms the basis for providing targeted advice to clients and developing financing products that support sustainable construction projects and refurbishments. All properties with refurbishment potential to improve energy efficiency and reduce GHG emissions have been labelled accordingly since spring 2024. An initial analysis shows that data on around 2,500 properties (as at 31.12.2024) were logged in the year under review and integrated into the decision-making process for mortgage loans.

To calculate the emissions of the corporate loan portfolio, GKB joined the Partnership for Carbon Accounting Financials (PCAF) in 2024 and familiarised itself with the emissions database. The Bank plans to carry out initial calculations in the coming year. In the medium term there are also plans to publish these in the Climate Report in order to provide a complete overview of the GHG emissions caused by the lending business.

Financial investments

GKB wants to make the impact of its own financial investments and participating interests on climate change transparent and continuously reduce its financed GHG emissions (Scopes 1 to 3) over time. Within financial investments, the Bank distinguishes between investments in the liquidity portfolio (the balance sheet structure portfolio) and other investments to achieve a return in line with the market (the return portfolio).

The balance sheet structure portfolio consists of mortgage bonds, government bonds and municipal bonds and accounts for more than 95% of the Bank's own financial investments in securities. There are currently no PCAF methods for measuring GHG emissions for these asset classes.

The return portfolio consists of listed companies. In calculating GHG emissions for these asset classes, GKB relies on data collected and/or estimated by third parties, which is generally available. Scope 3 emissions data are always estimates.

Current target achievement

The return portfolio is part of the Bank's 2050 net-zero strategy. The Bank is therefore committed to disclosing the available GHG emissions as far as possible and will present corresponding interim targets and a transition plan at a later date. The Bank aims to adopt an approach similar to that used in asset management.

Key figures

For the current reporting, GKB has focused on measuring total financed GHG emissions, the carbon footprint and the emission intensity of the return portfolio. These were measured for the first time in the year under review.

Tabular overview of key emission figures in the area of financial investments as at 30 June 2024

Segment (PCAF Investment Class) ¹	Volume (share of portfolio)		Absolute GHG emissions (Scope 1 and 2)	Absolute GHG emissions (Scope 3)	CO ₂ footprint (Scope 1 and 2)	CO ₂ footprint (Scope 3)	Emission intensity (Scope 1 and 2)	Emission intensity (Scope 3)	Degree of coverage	PCAF data quality scoring
Unit	CHF m	in %	t CO ₂ e	t CO ₂ e	t CO ₂ e per CHF m invested	t CO ₂ e per CHF m invested	t CO ₂ e per CHF m revenue	t CO ₂ e per CHF m revenue	in % of the invested volume	Scale from 1 to 5 ₁
Total (without double counting)	87.0	98.3 %	2,487.5	17,259.4	29.1	202.0	77.0	562.3	98.25 %	2.06

Note on the calculation of key figures

The volume of the return portfolio for financial investment performance (the return portfolio) is CHF 88.5 million (as at 30 June 2024, at market prices). Of this total, 98.3% or CHF 87.0 million is invested in listed equities. The remainder is made up of liquidity (1.7%).

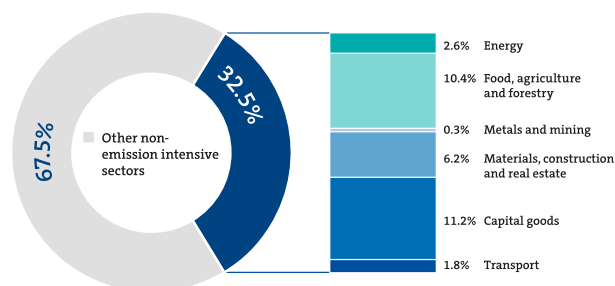
Emissions are calculated according to the Partnership for Carbon Accounting Financials (PCAF) and include, in accordance with the PCAF standard, the GHG emissions for Scope 1, 2 and 3 for the PCAF-relevant segments of listed equities and corporate bonds. Emissions data were sourced from MSCI ESG. Investments for which no MSCI data were available were not included in the calculation. The Bank considers this approach reasonable in view of the high coverage ratio of 98.25%. On average, a PCAF score of 2.06 (1–5, 1 = best quality) was achieved. The emissions calculations were checked for plausibility using a calculation model from MSCI ESG.

Financial investment performance in emission-intensive industries

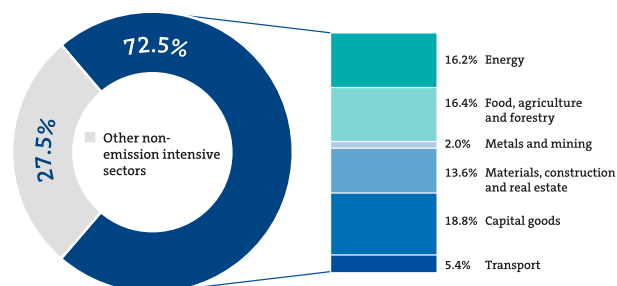
Return portfolio – breakdown by emission-intensive sectors

	Investments in equities and corporate bonds		Financed emissions (Scope 1 & 2)				Key figures (Scope 1 & 2)	
	In CHF m	in %	Covered in CHF m	Coverage	T CO ₂ e	Percentage	CO ₂ e/M CHF invested	CO ₂ /M CHF Sales
Energy	2.2	2.56 %	2.2	98.28 %	555	22.33 %	254	883
Coal	0.0	0.03 %	0.0	100.00 %	32	1.30 %	1,328	1,549
Oil and gas	1.3	1.54 %	1.3	97.27 %	299	12.02 %	229	526
Electric power	0.9	0.98 %	0.9	99.83 %	224	9.01 %	262	1,410
Food, agriculture and forestry	9.0	10.37 %	8.7	96.03 %	132	5.32 %	15	40
Beverages	0.5	0.56 %	0.5	93.85 %	7	0.27 %	14	50
Packaged food and meat	7.6	8.73 %	7.6	100.00 %	92	3.70 %	12	36
Paper and forest products	0.9	1.04 %	0.6	63.65 %	29	1.18 %	51	80
Agriculture	0.0	0.04 %	0.0	100.00 %	4	0.18 %	136	157
Metals and mining	0.3	0.32 %	0.3	98.17 %	69	2.77 %	253	479
Mining and quarrying	0.2	0.28 %	0.2	98.08 %	39	1.57 %	166	442
Manufacturing industry	0.0	0.04 %	0.0	98.77 %	30	1.19 %	837	728
Materials, construction and real estate	5.4	6.24 %	5.4	99.93 %	1,265	50.86 %	233	460
Chemicals	2.5	2.92 %	2.5	100.00 %	100	4.01 %	39	150
Construction materials	1.2	1.36 %	1.2	100.00 %	1,153	46.37 %	975	1,728
Building construction and civil engineering	0.2	0.26 %	0.2	100.00 %	5	0.20 %	23	28
Real estate management and development	1.5	1.71 %	1.5	99.75 %	7	0.29 %	5	43
Capital goods	9.8	11.21 %	9.7	99.72 %	126	5.06 %	13	27
Manufacture of metal products	1.8	2.08 %	1.8	100.00 %	18	0.73 %	10	28
Manufacture of electrical equipment	1.5	1.67 %	1.4	99.44 %	19	0.77 %	13	21
Mechanical engineering	5.7	6.57 %	5.7	100.00 %	76	3.05 %	13	27
Other vehicle construction (ex automotive)	0.4	0.41 %	0.4	99.88 %	4	0.16 %	11	31
Trade and distribution	0.4	0.49 %	0.4	95.48 %	9	0.36 %	22	38
Transportation	1.6	1.85 %	1.6	99.99 %	48	1.93 %	30	66
Motorised land transport	0.7	0.84 %	0.7	100.00 %	10	0.41 %	14	33
Air traffic	0.0	0.01 %	0.0	100.00 %	4	0.15 %	825	1,040
Automobiles and components	0.6	0.75 %	0.6	100.00 %	15	0.60 %	23	28
Rail transport	0.1	0.08 %	0.1	100.00 %	4	0.15 %	52	415
Maritime traffic	0.2	0.18 %	0.2	99.92 %	16	0.63 %	102	204
Sectors with a high climate impact	28	32.55 %	28	98.47 %	2,196	88.28 %	79	189
Other sectors	59	67.45 %	58	98.15 %	292	11.72 %	5	23
Total	87	100.00 %	85	98.25 %	2,488	100.00 %	29	77

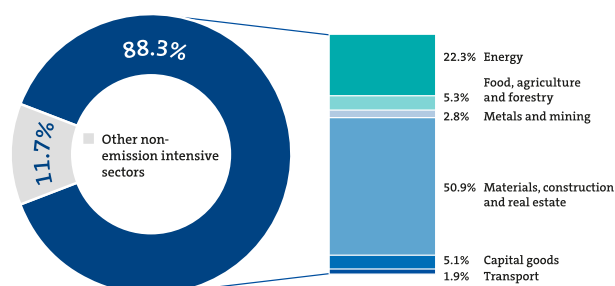
Holdings of shares and corporate bonds



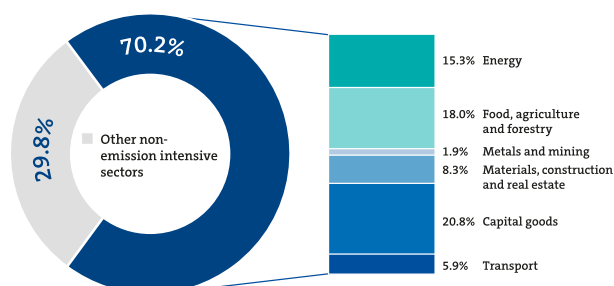
Distribution of greenhouse gas emissions for the invested equities and corporate bonds (Scope 1, 2 and 3)



Distribution of greenhouse gas emissions for the invested equities and corporate bonds (Scope 1 and 2)



Distribution of greenhouse gas emissions for the invested equities and corporate bonds (Scope 3)



Categorisation by emission-intensive sectors follows the recommendations of the Task Force on Climate-Related Financial Disclosure (TCFD) and the Net-Zero Investment Initiative (NZIF). The investment volume includes PCAF-relevant investments of CHF 87 million (as at 30 June 2024, at market prices) and covers investments in listed equities and corporate bonds in the return portfolio for financial investment performance. A description of the allocation of investments to emission-intensive sectors can be found in the chapter "Explanations of terms and abbreviations".

Measures in the year under review

GKB introduced measures to systematically record the financed GHG emissions of the return portfolio.

Investments

GKB wants to make the impact of its investment activities on climate change transparent as far as reasonably possible and continuously reduce the financed GHG emissions (Scopes 1 to 3) within the investment portfolios over time. As part of its investment process, the Bank uses selected key figures to identify and assess climate-related opportunities and risks. The Bank also aims to increase its engagement in influencing companies to behave in a manner that advances the net-zero target.

Current target achievement

The Bank is currently working on finalising the targets, with initial qualitative and quantitative targets already set:

Definition of an engagement goal for own bond and equity funds

GKB wants to invest at least 80% of its own bond and equity funds by 2030 in companies that are either already aligned to a net-zero pathway in terms of Scope 1 and 2 or for which corresponding engagement activities are being carried out to achieve a future net-zero pathway (**engagement goal**). To calculate the engagement goal, GKB uses the NZIF methodology, i.e. the engagement threshold target recommended by the NZIF. The Bank uses data from MSCI ESG to assess whether a company is already on a net-zero pathway. MSCI assesses companies according to the NZIF methodology in terms of their NZIF alignment status based on available data. To calculate the engagement goal, GKB takes into account companies that are classified by MSCI as "achieving net-zero" or "aligned" in terms of their NZIF alignment status. It should be noted that MSCI relies on available data. Due to a lack of data, capital investments (capex) are not yet included for the

classification described above. However, GKB regards capex as an important parameter and intends to include it in the calculations as soon as possible and appropriate. The engagement goal applies from 1 January 2025. The Bank will report on the current status in the next Climate Report.

Analyses of funds as at 30 June 2024, before expansion of engagement activities (see Measures in the year under review)

	Volume (in CHF m)	On target pathway according to engagement goal ¹	Coverage ²
GKB bond and equity funds	2,170	60 %	90 %

1 As at the reporting date, GKB had not yet engaged in any engagement activities with companies in which it has invested directly

2 Direct investments in government bonds, third-party funds and companies for which MSCI ESG does not provide data are not included in the evaluation of the target pathway.

Developing an alignment goal for GKB funds and asset management

GKB intends to define an alignment goal in line with the recommendations of the Net Zero Investment Framework (NZIF) for all its own funds and asset management solutions in the coming years. This is a multi-year target to increase the percentage of assets under management (or financed emissions) in companies that have a science-based "aligning" or "aligned" net-zero strategy for 2050 or are already achieving net-zero. The Bank relies on data from MSCI ESG to assess whether a company meets requirements. The detailed target will only be set at a later stage, as GKB would first like to expand its expertise in analysing the consequences of climate change and in climate policy and climate economics and anchor it even more systematically in the investment process. It is also still unclear how funds from third-party providers within the Bank can be included in such an objective. At present, ESG data providers still lack the necessary data at fund level.

Key figures

For the current reporting, GKB has focused on measuring total financed GHG emissions, carbon footprint and emission intensity. In doing so, the Bank relies on data collected and/or estimated by third parties, which are generally available. Scope 3 emissions data are always estimates. These were measured for the first time in the year under review.

Tabular overview of key emission figures in the area of investments as at 30 June 2024

Segment	Volume (share of portfolio)		Absolute GHG emissions (Scope 1 and 2)	Absolute GHG emissions (Scope 3)	CO ₂ footprint (Scope 1 and 2)	CO ₂ footprint (Scope 3)	Emission intensity (Scope 1 and 2)	Emission intensity (Scope 3)	Degree of coverage	PCAF data quality scoring
Unit	CHF m	in %	t CO ₂ e	t CO ₂ e	t CO ₂ e per CHF m invested	t CO ₂ e per CHF m invested	t CO ₂ e per CHF m revenue	t CO ₂ e per CHF m revenue	in % of the invested volume	Scale from 1 to 5
GKB funds and asset management (without double counting)	4,253	68.90 %	171,799	796,289	41.7	193.3	101.9	584.7	96.87 %	2.08

Note on the calculation of key figures

The volume of own funds and asset management mandates amounted to CHF 6,171.4 million (as at 30 June 2024, excluding double-counting, in market prices). Of this amount, 69.8% or CHF 4,253.0 million is invested in listed equities and corporate bonds. The remainder comprises covered bonds (8.1%), sovereign debt (12.3%), real estate (4.6%) and other investments (1.8%).

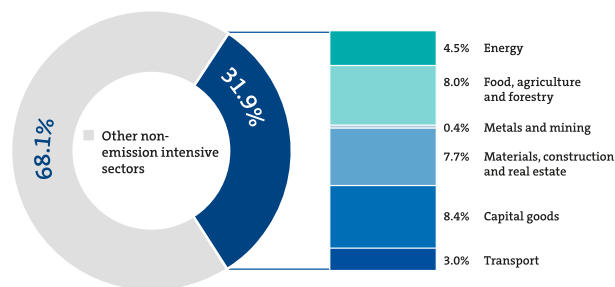
Emissions are calculated according to the Partnership for Carbon Accounting Financials (PCAF) and include, in accordance with the PCAF standard, the GHG emissions for Scope 1, 2 and 3 for the PCAF-relevant segments of listed equities and corporate bonds. Emissions data were sourced from MSCI ESG. Investments for which no MSCI data were available were not included in the calculation. The Bank considers this approach reasonable given the high coverage ratio of 96.87% and the fact that the majority of the missing GHG emissions data are due to index funds. On average, a PCAF score of 2.08 (1–5, 1 = best quality) was achieved. The emissions calculations were checked for plausibility using a calculation model from MSCI ESG.

Investing in emission-intensive industries

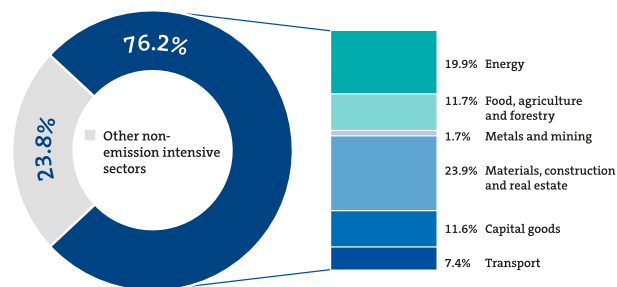
GKB funds and asset management – breakdown by emission-intensive sectors

	Investments in equities and corporate bonds		Financed emissions (Scope 1 & 2)				Key figures (Scope 1 & 2)	
	In CHF Mio.	in %	Covered in CHF m	Coverage	T CO ₂ e	Percentage	CO ₂ e/M CHF invested	CO ₂ /M CHF sales
Energy	192.3	4.52 %	171.3	89.08 %	36,648.0	21.36 %	213.9	674.3
Coal	0.9	0.02 %	0.9	99.09 %	1,103	0.64 %	1,294	1,588
Oil and gas	91.7	2.16 %	81.4	88.75 %	19,128	11.15 %	235	516
Electric power	99.8	2.35 %	89.1	89.30 %	16,417	9.57 %	184	810
Food, agriculture and forestry	338.2	7.95 %	329.4	97.40 %	5,532.2	3.22 %	16.8	42.1
Beverages	26.3	0.62 %	24.8	94.23 %	422	0.25 %	17	51
Packaged food and meat	293.8	6.91 %	286.6	97.53 %	3,619	2.11 %	13	36
Paper and forestry products	16.7	0.39 %	16.6	99.84 %	1,333	0.78 %	80	126
Agriculture	1.3	0.03 %	1.3	99.39 %	159	0.09 %	118	141
Metals and mining	15.2	0.36 %	14.8	97.48 %	2,825.4	1.65 %	190.8	402.9
Mining and quarrying	13.8	0.33 %	13.5	97.33 %	1,816	1.06 %	135	369
Manufacturing industry	1.4	0.03 %	1.4	98.95 %	1,010	0.59 %	747	746
Materials, construction and real estate	327.0	7.69 %	314.0	96.02 %	90,625.3	52.81 %	288.6	580.4
Chemicals	115.1	2.71 %	114.9	99.83 %	6,855	3.99 %	60	159
Construction materials	68.9	1.62 %	68.9	99.98 %	82,807	48.25 %	1,202	2,273
Building construction and civil engineering	17.6	0.41 %	14.1	80.20 %	380	0.22 %	27	43
Real estate management and development	125.5	2.95 %	116.1	92.56 %	583	0.34 %	5	58
Capital goods	357.3	8.40 %	346.6	97.00 %	3,881.4	2.26 %	11.2	22.9
Manufacture of metal products	56.8	1.34 %	54.9	96.52 %	373	0.22 %	7	25
Manufacture of electrical equipment	108.5	2.55 %	108.2	99.78 %	1,129	0.66 %	10	17
Mechanical engineering	147.3	3.46 %	147.0	99.80 %	1,705	0.99 %	12	24
Other vehicle construction (ex automotive)	14.0	0.33 %	14.0	99.96 %	182	0.11 %	13	26
Trade and distribution	30.7	0.72 %	22.5	73.27 %	492	0.29 %	22	36
Transportation	125.5	2.95 %	116.5	92.85 %	6,183.3	3.60 %	53.1	76.7
Motorised land transport	18.9	0.44 %	17.3	91.90 %	996	0.58 %	57	86
Air traffic	0.5	0.01 %	0.5	98.04 %	467	0.27 %	893	907
Automobiles and components	69.4	1.63 %	69.3	99.86 %	1,817	1.06 %	26	28
Rail transport	27.1	0.64 %	19.8	73.01 %	1,700	0.99 %	86	172
Maritime traffic	9.7	0.23 %	9.6	99.67 %	1,204	0.70 %	125	171
Total for emission-intensive sectors	1,356	31.87 %	1,293	95.36 %	145,696	84.90 %	113	259
Other (non-emission intensive) sectors	2,897	68.13 %	2,827	97.58 %	25,915	15.10 %	9	30
Total	4,253	100.00 %	4,120	96.88 %	171,610	100.00 %	42	102

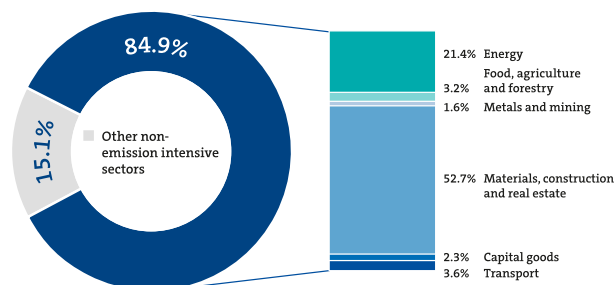
Holdings of shares and corporate bonds



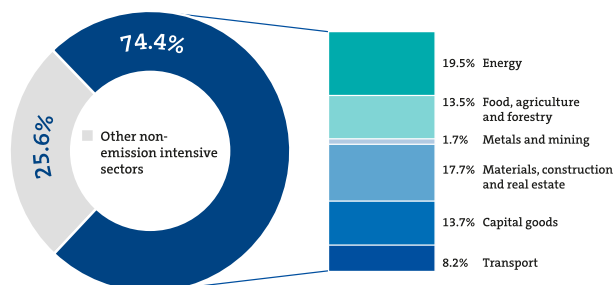
Distribution of greenhouse gas emissions for the invested equities and corporate bonds (Scope 1, 2 and 3)



Distribution of greenhouse gas emissions for the invested equities and corporate bonds (Scope 1 and 2)



Distribution of greenhouse gas emissions for the invested equities and corporate bonds (Scope 3)



Categorisation by emission-intensive sectors follows the recommendations of the Task Force on Climate-Related Financial Disclosure (TCFD) and the Net-Zero Investment Initiative (NZIF). The investment volume of CHF 4.3 billion (as at 30 June 2024, excluding double counting, in market prices) includes the PCAF-relevant investments and thus covers investments in listed equities and corporate bonds held by the Group's own funds and asset management mandates. A description of the allocation of investments to emission-intensive sectors can be found in the chapter Explanations of terms and abbreviations.

Measures in the year under review

GKB has taken important steps to systematically record the financed GHG emissions of its investments and introduce appropriate reduction measures.

Expansion of engagement activities

Increased engagement is intended to influence the behaviour of investee companies towards the net-zero target. In order to achieve this objective, the Bank has been in active dialogue with providers of third-party funds for some time now. In 2024 the Bank also joined the investor-led Climate Action 100+ initiative and commissioned Ethos to conduct a dialogue with companies on its behalf in the areas of environment, social and corporate governance issues.

Appendix

Classification of emission-intensive sectors according to NZBA

Category	Subcategory	NOGA coding
Energy	Coal	05.** 19.1*
	Oil and gas	06.** 09.1* 19.2* 35.2* 49.5*
	Electric power	35.1
Food, agriculture and forestry	Beverages	11.**
	Packaged food and meat	03.** 10.**
	Paper and forestry products	02.1* 02.2* 02.4* 16.** 17.**
	Agriculture	01.** 02.3*
Metals and mining	Mining and quarrying	07.** 08.9* 09.9*
	Manufacturing industry	24.**
Materials, construction and real estate	Chemicals	20.** 22.2*
	Construction materials	08.1* 23.**
	Building construction and civil engineering	41.** 42.**
	Real estate management and development	68.**
Capital goods	Manufacture of metal products	25.**
	Manufacture of electronic equipment	27.1* 27.2* 27.3* 27.4* 27.9*
	Mechanical engineering	28.**
	Other vehicle construction (ex automotive)	30.1* 30.2* 30.3* 30.4* 30.91 30.99
	Trade and distribution	45.** 46.11 46.12 46.13 46.14 46.17 46.21 46.23 46.31 46.32 46.33 46.34 46.63 46.71 46.72 46.73 46.75 77.31 77.32
Transportation	Motorised land transport	49.3* 49.4* 53.** 77.1*
	Air traffic	51.** 77.35
	Automobiles and components	22.11 29.**
	Rail transport	49.1* 49.2*
	Maritime traffic	50.** 77.34

List of abbreviations

A	
AEIA	Automatic exchange of information
AMAS	Asset Management Association Switzerland
ASIP	Swiss Pension Fund Association
B	
B2B	Business to business
OHM	Occupational health management
C	
CAPEX	Capital expenditure
CHF	Swiss francs
CO ₂	Carbon dioxide
CO ₂ e	Greenhouse gas emissions (carbon dioxide equivalent)
D	
D&I	Diversity & Inclusion
E	
ERA	Energy reference area
FDPIC	Federal Data Protection and Information Commissioner
EDR	Endpoint detection and response
Fed.	Federal
EPS	Earnings per share
ESG	Environment, social and governance
ETFs	Exchange-traded funds
EAM	External asset manager
F	
FATCA	Foreign Account Tax Compliance Act
FHGR	Graubünden University of Applied Sciences
FinSA	Financial Services Act
FINMA	Swiss Financial Market Supervisory Authority FINMA
FS-CSC	Swiss Financial Sector – Cyber Security Centre
FTE	Full-time equivalent
G	
GHG Protocol	Greenhouse gas protocol
HRBR	High-risk business relationships
GRI	Global Reporting Initiative
H	
HR	Human resources
HSLU	Lucerne University of Applied Sciences and Arts
I	
IFC	International Finance Corporation
IIA	Institute of Internal Auditors
IIGCC	Institutional Investors Group on Climate Change
ICS	Internal control system
ILO	International Labor Organization
IPCC	Intergovernmental Panel on Climate Change
IT	Information technology
K	
AI	Artificial intelligence
KRI	Key risk indicator
KYC	Know your client
L	
LBMA	London Bullion Market Association
LPPM	London Platinum and Palladium Market

List of abbreviations

M	
M&A	Mergers and acquisitions
m	million
bn	billion
MW	megawatt
N	
NICG	Network for Innovative Corporate Governance
NCIF	Net-Zero Investment Framework
O	
OECD	Organisation for Economic Co-operation and Development
OFD	Ombudsman's Office for Financial Service Providers
CO	Swiss Code of Obligations
P	
PACTA	Paris Agreement Capital Transition Assessment
PCAF	Partnership for Carbon Accounting Financials
PCI DSS	Payment Card Industry Data Security Standard
PEKO	Staff Council
PC	Participation certificate
Q	
QI	Qualified intermediary
R	
RGG	Responsible Gold Guidance Standard
CGR	Corporate Governance Regulation
S	
SBT	Science-based targets
SBA	Swiss Bankers Association
SDG	Sustainable development goal
SFDR	Sustainable Finance Disclosure Regulation
SIX	Swiss Infrastructure and Exchange
SNB	Swiss National Bank
SNBS	Swiss Sustainable Building Standard
SPI	Swiss Performance Index
SSF	Swiss Sustainable Finance
T	
TCFD	Task Force on Climate-related Financial Disclosures
GHG emissions	Greenhouse gas emissions
U	
UN	United Nations
UN PRI	UN Principles for Responsible Investment
UNGC	UN Global Compact

About this report

Reporting period and frequency of reporting

Unless otherwise stated, all information in this annual Sustainability & Climate Report of Graubündner Kantonalbank refers to the calendar year. The reporting period for the sustainability reporting is therefore largely the same as for the consolidated financial reporting of Graubündner Kantonalbank.

The Sustainability & Climate Report 2024 was published together with the Annual Report 2024 on 21 March 2025.

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 associated companies Albin Kistler AG in Zurich, BZ Bank Aktiengesellschaft in Wilen bei Wollerau and Privatbank Bellerive AG in Zurich. Exceptions to this are the tables on the consolidated volume of loans in the section on sustainable lending, the overview of all employees by region and the figures on operating ecology (Group). Consolidation is to be extended to include more figures in 2025. The scope of consolidation of quantitative sustainability reporting therefore differs from the scope of consolidation of the consolidated financial statements.

Restatements

Compared to the sustainability reports of previous years, the topic of climate matters has now been added as an additional chapter. The figures on operational ecology now included in the chapter on climate issues in the section on [Operational GHG emissions](#) were calculated and reported on a consolidated basis for the Group for the first time. A retrospective consolidated restatement of the operational ecology figures for previous years could not be carried out due to a lack of data. No changes were made due to organisational adjustments.

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).

Contact for questions about sustainability and climate 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 2024 to December 2024.	
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
General disclosures			
GRI 2: General Disclosures 2021	2-1 Organizational details	Anhang zur konsolidierten Jahresrechnung: 1. Angaben zur Firma	
		Corporate Governance Bericht: 1. Konzernstruktur und Eigentümer	
		Corporate Governance Bericht: 2. Kapitalstruktur	
		Geschäftstellen	
	2-2 Entities included in the organization's sustainability reporting	Sustainability report - About this report - System limits	
	2-3 Reporting period, frequency and contact point	Sustainability report - About this report - Reporting period and frequency of reporting	
		Sustainability report - About this report - Contact for questions about sustainability and climate reporting	
	2-4 Restatements of information	Sustainability report - About this report - Restatements	
	2-5 External assurance	Sustainability report - About this report - External audit	
	2-6 Activities, value chain and other business relationships	GKB Kennzahlen Konzern	
		Strategie: Geschäfts- und Betriebsmodell	
		Anhang zur konsolidierten Jahresrechnung: 1. Angaben zur Firma	
		Sustainability report - Other sustainability topics - Sustainable procurement	
	2-7 Employees	Geschäftstellen	
		Sustainability report - Employer attractiveness and employee training and education - Current approach of Graubündner Kantonalbank	
	2-8 Workers who are not employees	Not all required information is currently available or complete. At present, no corresponding data is available for either the head office or the group. Data collection and reporting are planned to be expanded over the next two years.	
	2-9 Governance structure and composition	Corporate Governance Bericht: 3. Bankrat	
	2-10 Nomination and selection of the highest governance body	The nomination and selection process for the Bank Council of Graubündner Kantonalbank is governed by the government of the Canton of Graubünden in accordance with the following criteria:	
		BR 938.200 Gesetz über die Graubündner Kantonalbank: Artikel 14; 15; 24	
		BR 710.400 Verordnung zur Umsetzung der Public Corporate Governance für den Kanton Graubünden: Artikel 9	
	2-11 Chair of the highest governance body	Corporate Governance Bericht: 3.1 Mitglieder des Bankrats	

GRI Standard / other source	Disclosure	Location / Information	Omission
General disclosures			
GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance Bericht: 3.4 Interne Organisation	
		Corporate Governance Bericht: 3.5 Kompetenzregelung	
		Corporate Governance Bericht: 3.6 Informations- und Kontrollinstrumente gegenüber der Geschäftsleitung	
		Corporate Governance Bericht: 8. Kontrollorgane	
		Anhang zur konsolidierten Jahresrechnung: 3. Risikomanagement	
		Offenlegungsbericht: Operationelle Risiken Offenlegungsbericht 2024 wird zeitgleich mit dem Geschäftsbericht publiziert	
	2-13 Delegation of responsibility for managing impacts	Corporate Governance Bericht: 3.5 Kompetenzregelung	
		Corporate Governance Bericht: 3.6 Informations- und Kontrollinstrumente gegenüber der Geschäftsleitung	
	2-14 Role of the highest governance body in sustainability reporting	Corporate Governance Bericht: 3.4.1 Aufgabenteilung im Bankrat	
	2-15 Conflicts of interest	Code of Conduct of Graubündner Kantonalbank	
		Faktenblatt der Graubündner Kantonalbank über den Umgang mit möglichen Interessenkonflikten	
	2-16 Communication of critical concerns	Corporate Governance Bericht: 3.6 Informations- und Kontrollinstrumente gegenüber der Geschäftsleitung	
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - No incidents, legal or suspected cases in the reporting year	
	2-17 Collective knowledge of the highest governance body	Corporate Governance Bericht: 3.1 Mitglieder des Bankrats	
		Corporate Governance Bericht: 3.4 Interne Organisation	
	2-18 Evaluation of the performance of the highest governance body	The supervision of the Bank Council of Graubündner Kantonalbank is carried out by the Government of the Canton of Graubünden. See Article 24 of the Law on the Graubündner Kantonalbank (BR 938.200).	
	2-19 Remuneration policies	Corporate Governance Bericht: 5.1 Entschädigungen an amtierende Organmitglieder	
		Corporate Governance Bericht: 5.2 Entschädigungen an ehemalige Organmitglieder	
		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 - Employer attractiveness and employee training and education - Diversity and equal pay analysis	
	2-22 Statement on sustainable development strategy	Geschäftsbericht - Vorwort des Bankpräsidenten und des CEO	
		Sustainability report - Foreword	
		Sustainability report - Sustainability strategy and governance Governance	
	2-23 Policy commitments	Code of Conduct of Graubündner Kantonalbank	
		Geschäftsbericht - Vorwort des Bankpräsidenten und des CEO	
		Sustainability report - Foreword	
	2-24 Embedding policy commitments	Sustainability report - Sustainability strategy and governance Governance	
		Code of Conduct of Graubündner Kantonalbank	
		Sustainability report - Sustainability strategy and governance	

GRI Standard / other source	Disclosure	Location / Information	Omission
General disclosures			
GRI 2: General Disclosures 2021	2-25 Processes to remediate negative impacts	Sustainability report - Employer attractiveness and employee training and education - Reporting systems for suspicions or complaints (internal and external) Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Reporting systems for suspicions or complaints (internal and external)	
	2-26 Mechanisms for seeking advice and raising concerns	Sustainability report - Employer attractiveness and employee training and education - Reporting systems for suspicions or complaints (internal and external) Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Reporting systems for suspicions or complaints (internal and external)	
	2-27 Compliance with laws and regulations	Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - No incidents, legal or suspected cases in the reporting year	
	2-28 Membership associations	Sustainability report - Other sustainability topics - Participation in initiatives and standards Sustainability report - Other sustainability topics - Memberships of associations and organisations	
	2-29 Approach to stakeholder engagement	Sustainability report - Other sustainability topics - Dealing with our stakeholders Sustainability report - Other sustainability topics - Politics and regulation	
	2-30 Collective bargaining agreements	No employees of Graubündner Kantonalbank or its affiliated companies are covered by a collective bargaining agreement.	
Material topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability report - Material topics - Analysis of sustainability impact	
	3-2 List of material topics	Sustainability report - Material topics - Material reporting topics	
Sustainable Lending			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability report - Sustainable lending business - Relevance of the topic for Graubündner Kantonalbank and its associated companies	
		Sustainability report - Sustainable lending business - Ambition of Graubündner Kantonalbank	
		Sustainability report - Sustainable lending business - Current approach of Graubündner Kantonalbank	
		Sustainability report - Sustainable lending business - Further development and next steps	
		Climate report - Climate strategy - Transition plan	
		Climate report - Risk management	
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Climate report - Metrics, target achievement and measures - Financed GHG emissions - Financing	
		Climate report - Climate strategy - Climate-related opportunities and risks	

GRI Standard / other source	Disclosure	Location / Information	Omission
Sustainable Lending			
GRI 305: Emissions 2016	305-3 Other indirect greenhouse gas (GHG) emissions (Scope 3)	Climate report - Metrics, target achievement and measures - Financed GHG emissions - Financing	
	305-4 GHG emissions intensity	Climate report - Metrics, target achievement and measures - Financed GHG emissions - Financing	
	305-5 Reduction of GHG emissions		Not all required information is currently available or complete. The data currently available does not allow for a precise calculation of the extent to which the reduction in GHG emissions is a direct result of the initiatives implemented. Reporting will be further developed in the coming years as more data becomes available.
GRI G4 Financial Services Sector Disclosures 2013	G4-HR1 Human rights clauses and human rights screening in lending operations	Sustainability report - Sustainable lending business - Current approach of Graubündner Kantonalbank - Sustainability in the corporate client business	
	G4-FS6 Breakdown of lending business by region, size of entity and sector	Sustainability report - Sustainable lending business - Current approach of Graubündner Kantonalbank - Sustainability in the corporate client business	
	G4-FS7 Lending business with specific social benefits	Currently, Graubündner Kantonalbank does not have any significant lending activities with a specific social benefit.	
	G4-FS8 Lending business with specific environmental benefits	Sustainability report - Sustainable lending business - Current approach of Graubündner Kantonalbank - Financing of renewable energy sources	
Sustainable Investing			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability report - Sustainable investment business - Relevance of the topic for Graubündner Kantonalbank and its holding companies	
		Sustainability report - Sustainable investment business - Ambition of Graubündner Kantonalbank	
		Sustainability report - Sustainable investment business - Current approach of Graubündner Kantonalbank	
		Sustainability report - Sustainable investment business - Developments in the reporting year	
		Sustainability report - Sustainable investment business - Current approach of associated companies	
		Climate report - Climate strategy - Transition plan	
		Climate report - Risk management	
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Climate report - Metrics, target achievement and measures - Financed GHG emissions - Investments	
		Climate report - Climate strategy - Climate-related opportunities and risks	
GRI 305: Emissions 2016	305-3 Other indirect greenhouse gas (GHG) emissions (Scope 3)	Climate report - Metrics, target achievement and measures - Financed GHG emissions - Investments	
	305-4 Greenhouse gas (GHG) emissions intensity	Climate report - Metrics, target achievement and measures - Financed GHG emissions - Investments	

GRI Standard / other source	Disclosure	Location / Information	Omission
Sustainable Investing			
GRI 305: Emissionen 2016	305–5 Reduction of greenhouse gas (GHG) emissions		Not all required information is currently available or complete. The data currently available does not allow for an accurate assessment of the extent to which the reduction in GHG emissions is directly attributable to the initiatives implemented. The scope of reporting is expected to be expanded over the coming years as more comprehensive data becomes available.
GRI G4 Financial Services Sector Disclosures 2013	G4-HR1 Human rights clauses and human rights screening in Investment operations	Sustainability report - Sustainable investment business - Current approach of Graubündner Kantonalbank	
	G4-FS7 Investment business with specific social benefits	Currently, Graubündner Kantonalbank does not offer any investment products with a specific social benefit.	
	G4-FS8 Investment business with specific environmental benefits	Currently, Graubündner Kantonalbank does not offer any investment products with a specific environmental benefit.	
	G4-FS10 Interaction on environmental and social issues with companies held in the institution's portfolio	Sustainability report - Sustainable investment business - Investment stewardship approach Sustainability report - Sustainable investment business - Developments in the reporting year	
	G4-FS11 Assets subject to positive and negative environmental or social screening	Sustainability report - Sustainable investment business - Volume and trend in sustainability-related investment solutions	
Employer attractiveness and employee training and education			
GRI 3: Material Topics 2021	3–3 Management of material topics	Sustainability report - Employer attractiveness and employee training and education - Relevance of the topic for Graubündner Kantonalbank and its associated companies	
		Sustainability report - Employer attractiveness and employee training and education - Ambition of Graubündner Kantonalbank	
		Sustainability report - Employer attractiveness and employee training and education - Current approach of Graubündner Kantonalbank	
		Sustainability report - Employer attractiveness and employee training and education - Further development and next steps	
		Sustainability report - Employer attractiveness and employee training and education - Current approach of holding companies	
GRI 401: Employment 2016	401–1 New employee hires and employee turnover	Sustainability report - Employer attractiveness and employee training and education - New hires, staff turnover and parental leave	
	401–2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	The employee benefits at Graubündner Kantonalbank are the same for all full-time and part-time employees.	
	401–3 Parental leave	Sustainability report - Employer attractiveness and employee training and education - New hires, staff turnover and parental leave	

GRI Standard / other source	Disclosure	Location / Information	Omission
Employer attractiveness and employee training and education			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Sustainability report - Employer attractiveness and employee training and education - Occupational health management (OHM)	
	403-2 Hazard identification, risk assessment, and incident investigation	Currently, Graubündner Kantonalbank does not conduct systematic hazard identification, risk assessment, or incident investigation.	
	403-3 Occupational health services	Currently, there are no in-house occupational health services at Graubündner Kantonalbank.	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Sustainability report - Other sustainability topics - Employee-employer relations	
	403-5 Worker training on occupational health and safety	Sustainability report - Employer attractiveness and employee training and education - Occupational health management (OHM)	
	403-6 Promotion of worker health	Sustainability report - Employer attractiveness and employee training and education - Occupational health management (OHM)	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainability report - Employer attractiveness and employee training and education - Occupational health management (OHM)	
	403-8 Workers covered by an occupational health and safety management system	All employees of Graubündner Kantonalbank are covered by the company's occupational health management. Not covered are employees of affiliated companies, as well as all workers who are not employees but whose work and/or workplace is controlled by Graubündner Kantonalbank or one of its affiliated companies.	
	403-9 Work-related injuries		Omission: Not all required information is currently available or complete. At this stage, no sufficiently detailed data is available for either the head office or the group. Data collection and reporting are planned to be initiated within the next two years.
	403-10 Work-related ill health		Omission: Not all required information is currently available or complete. At this stage, no sufficiently detailed data is available for either the head office or the group. Data collection and reporting are planned to be initiated within the next two years.
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Sustainability report - Employer attractiveness and employee training and education - Education	Omission: Not all required information is currently available or complete. At this stage, no sufficiently detailed data is available for either the head office or the group. Data collection and reporting are planned to be initiated within the next two years.

GRI Standard / other source	Disclosure	Location / Information	Omission
Employer attractiveness and employee training and education			
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	Sustainability report - Employer attractiveness and employee training and education - Education Sustainability report - Employer attractiveness and employee training and education - Starting a career with Graubündner Kantonalbank Sustainability report - Sustainable investment business - Current approach of associated companies	
	404-3 Percentage of employees receiving regular performance and career development reviews		An evaluation of the employee performance reviews actually conducted is currently not available. Reporting will be expanded accordingly over the next two years.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Sustainability report - Employer attractiveness and employee training and education - Diversity and equal pay analysis	
	405-2 Ratio of basic salary and remuneration of women to men	Sustainability report - Employer attractiveness and employee training and education - Diversity and equal pay analysis	
GRI 406: Nondiscrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - No incidents, legal or suspected cases in the reporting year	
Compliance in the areas of money laundering, competitive behavior and tax compliance			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Relevance of the topic for Graubündner Kantonalbank and its holding companies	
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Ambition of Graubündner Kantonalbank	
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of Graubündner Kantonalbank	
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Further development and next steps for Graubündner Kantonalbank	
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of holding companies	

GRI Standard / other source	Disclosure	Location / Information	Omission
Compliance in the areas of money laundering, competitive behavior and tax compliance			
GRI 205: Anticorruption 2016	205-1 Operations assessed for risks related to corruption		Not all required information is currently available or complete. At this stage, no sufficiently detailed data is available for either the head office or the group. Data collection and reporting are planned to be initiated within the next two years.
	205-2 Communication and training about anti-corruption policies and procedures	Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of Graubündner Kantonalbank - Ongoing awareness-raising and practical training	
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of holding companies	
	205-3 Confirmed incidents of corruption and actions taken	Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of Graubündner Kantonalbank - No incidents, legal or suspected cases in the reporting year	
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of holding companies	
GRI 206: Anticompetitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of Graubündner Kantonalbank - No incidents, legal or suspected cases in the reporting year	
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of holding companies	
Data protection and data security incl. Cybersecurity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability report - Data protection, data security and cybersecurity - Relevance of the topic for Graubündner Kantonalbank and its holding companies	
		Sustainability report - Data protection, data security and cybersecurity - Ambition of Graubündner Kantonalbank	
		Sustainability report - Data protection, data security and cybersecurity - Current approach of Graubündner Kantonalbank	
		Sustainability report - Data protection, data security and cybersecurity - Further development of Graubündner Kantonalbank in the reporting year and next steps	
		Sustainability report - Data protection, data security and cybersecurity - Current approach of holding companies	

OR Content Index

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

Topic	Sub-topic	Place of declaration
Business model		Strategie: Geschäfts- und Betriebsmodell
		Anhang zur konsolidierten Jahresrechnung: 1. Angaben zur Firma
Climate matters	Materiality / risks	Climate report - Introduction to climate issues
		Climate report - Climate strategy - Climate-related opportunities and risks
		Climate report - Climate strategy - Impact of climate-relevant risks and opportunities on the business model, strategy and financial planning
		Climate report - Climate strategy - Resilience
	Governance	Climate report - Governance
	Concept / management approach	Climate report - Climate strategy
		Climate report - Metrics, target achievement and measures - Opportunity and risk management
		Climate report - Metrics, target achievement and measures - Operational GHG emissions - Management approach and current system boundary
	Carbon dioxide targets	Sustainability report - Financial and sustainability goals
		Climate report - Climate strategy - Overarching net-zero targets
		Climate Report - Climate Strategy - Transition Plan
	Due diligence check	Sustainability report - Material topics - Analysis of sustainability impact
		Anhang zur konsolidierten Jahresrechnung: 3. Risikomanagement
		Climate report - Climate report - risk management
		Climate report - Climate strategy - resilience
	Measures taken	Climate report - Metrics, target achievement and measures - Operational GHG emissions - Measures in the year under review
		Climate report - Metrics, target achievement and measures - Financed GHG emissions - Financing - Measures in the year under review
		Climate report - Metrics, target achievement and measures - Financed GHG emissions - Financial investments - Measures in the year under review
		Climate report - Metrics, target achievement and measures - Financed GHG emissions - Investments - Measures in the year under review
		Climate report - Metrics, target achievement and measures - Financed GHG emissions - Investments - Key figures
	Performance Indicators	Climate report - Metrics, target achievement and measures - Operational GHG emissions - Key figures
		Climate report - Metrics, target achievement and measures - Financed GHG emissions - Financing - Key figures
		Climate report - Metrics, target achievement and measures - Financed GHG emissions - Financial investments - Key figures
		Climate report - Metrics, target achievement and measures - Financed GHG emissions - Investments - Key figures
	Effectiveness Evaluation	Climate report - Metrics, target achievement and measures - Operational GHG emissions - Current target achievement
		Climate report - Metrics, target achievement and measures - Financed GHG emissions - Financing - Current target achievement
		Climate report - Metrics, target achievement and measures - Financed GHG emissions - Financial investments - Current target achievement
		Climate report - Metrics, target achievement and measures - Financed GHG emissions - Investments - Current target achievement

Topic	Sub-topic	Place of declaration
Other environmental matters	Materiality / Risks	Sustainability report - Sustainable lending business - Relevance of the topic for Graubündner Kantonalbank and its associated companies
		Sustainability report - Sustainable investment business - Relevance of the topic for Graubündner Kantonalbank and its holding companies
		Sustainability report - Other sustainability topics - Sustainable procurement
	Concept / management approach	Sustainability report - Sustainable lending business - Current approach of Graubündner Kantonalbank
		Sustainability report - Sustainable investment business - Current approach of Graubündner Kantonalbank
		Sustainability report - Sustainable investment business - Current approach of associated companies
		Sustainability report - Other sustainability topics - Sustainable procurement
	Objectives	Sustainability report - Financial and sustainability goals
		Sustainability report - Sustainable lending business - Ambition of Graubündner Kantonalbank
		Sustainability report - Sustainable investment business - Ambition of Graubündner Kantonalbank
	Due diligence check	Sustainability report - Material topics - Analysis of sustainability impact
		Anhang zur konsolidierten Jahresrechnung: 3. Risikomanagement
	Measures taken	Sustainability report - Sustainable lending business - Current approach of Graubündner Kantonalbank
		Sustainability report - Sustainable investment business - Current approach of Graubündner Kantonalbank
		Sustainability report - Sustainable investment business - Current approach of associated companies
		Sustainability report - Other sustainability topics - Sustainable procurement
	Performance indicators	Sustainability report - Sustainable lending business - Current approach of Graubündner Kantonalbank - Sustainability in the corporate client business
		Sustainability report - Sustainable lending business - Current approach of Graubündner Kantonalbank - Financing of renewable energy sources
		Sustainability report - Sustainable investment business - Current approach of Graubündner Kantonalbank - Investment advisory - Volume and trend in sustainability-related investment solutions
		Sustainability report - Other sustainability topics - Sustainable procurement
	Effectiveness check	Sustainability report - Sustainable lending business - Current approach of Graubündner Kantonalbank
		Sustainability report - Sustainable investment business - Current approach of Graubündner Kantonalbank
		Sustainability report - Sustainable investment business - Current approach of associated companies
		Sustainability report - Other sustainability topics - Sustainable procurement
Social matters	Materiality / risks	Sustainability report - Sustainable lending business - Relevance of the topic for Graubündner Kantonalbank and its associated companies
		Sustainability report - Sustainable investment business - Relevance of the topic for Graubündner Kantonalbank and its holding companies
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Relevance of the topic for Graubündner Kantonalbank and its holding companies
		Sustainability report - Data protection, data security and cybersecurity - Relevance of the topic for Graubündner Kantonalbank and its holding companies

Topic	Sub-topic	Place of declaration
Social matters	Concept / management approach	Sustainability report - Sustainable lending business - Relevance of the topic for Graubündner Kantonalbank and its associated companies
		Sustainability report - Sustainable investment business - Relevance of the topic for Graubündner Kantonalbank and its holding companies
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Relevance of the topic for Graubündner Kantonalbank and its holding companies
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of Graubündner Kantonalbank
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of holding companies
		Sustainability report - Data protection, data security and cybersecurity - Current approach of Graubündner Kantonalbank
		Sustainability report - Data protection, data security and cybersecurity - Current approach of holding companies
		Sustainability report - Other sustainability topics - Regional supply of financial services
		Sustainability report - Other sustainability topics - Local commitment and local partnerships related to culture, sport, social issues and the local economy
		Sustainability report - Other sustainability topics - Sustainable procurement
	Objectives	Sustainability report - Financial and sustainability goals
		Sustainability report - Sustainable lending business - Ambition of Graubündner Kantonalbank
		Sustainability report - Sustainable investment business - Ambition of Graubündner Kantonalbank
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Ambition of Graubündner Kantonalbank
		Sustainability report - Data protection, data security and cybersecurity - Ambition of Graubündner Kantonalbank
	Due diligence check	Sustainability report - Material topics - Analysis of sustainability impact
		Anhang zur konsolidierten Jahresrechnung: 3. Risikomanagement
	Measures taken	Sustainability report - Sustainable lending business - Current approach of Graubündner Kantonalbank
		Sustainability report - Sustainable investment business - Current approach of Graubündner Kantonalbank
		Sustainability report - Sustainable investment business - Current approach of associated companies
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of Graubündner Kantonalbank
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of holding companies
		Sustainability report - Data protection, data security and cybersecurity - Current approach of Graubündner Kantonalbank
		Sustainability report - Data protection, data security and cybersecurity - Current approach of holding companies
		Sustainability report - Other sustainability topics - Local commitment and local partnerships related to culture, sport, social issues and the local economy
		Sustainability report - Other sustainability topics - Sustainable procurement
	Performance indicators	Sustainability report - Sustainable lending business - Current approach of Graubündner Kantonalbank - Sustainability in the corporate client business
		Sustainability report - Sustainable investment business - Investment advisory - Volume and trend in sustainability-related investment solutions
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of Graubündner Kantonalbank - No incidents, legal or suspected cases in the reporting year
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of holding companies
		Sustainability report - Data protection, data security and cybersecurity - No incidents in the reporting year
		Sustainability report - Other sustainability topics - Local commitment and local partnerships related to culture, sport, social issues and the local economy
		Sustainability report - Other sustainability topics - Sustainable procurement

Topic	Sub-topic	Place of declaration
Social matters	Effectiveness check	Sustainability report - Sustainable lending business - Current approach of Graubündner Kantonalbank
		Sustainability report - Sustainable investment business - Current approach of Graubündner Kantonalbank
		Sustainability report - Sustainable investment business - Current approach of associated companies
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of Graubündner Kantonalbank
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of holding companies
		Sustainability report - Data protection, data security and cybersecurity - Current approach of Graubündner Kantonalbank
		Sustainability report - Data protection, data security and cybersecurity - Current approach of holding companies
		Sustainability report - Other sustainability topics - Local commitment and local partnerships related to culture, sport, social issues and the local economy
Employee matters	Materiality / risks	Sustainability report - Employer attractiveness and employee training and education - Relevance of the topic for Graubündner Kantonalbank and its associated companies
	Concept / management approach	Sustainability report - Employer attractiveness and employee training and education - Current approach of Graubündner Kantonalbank
		Sustainability report - Employer attractiveness and employee training and education - Current approach of holding companies
		Sustainability report - Other sustainability topics - Employee-employer relations
	Objectives	Sustainability report - Financial and sustainability goals
		Sustainability report - Employer attractiveness and employee training and education - Ambition of Graubündner Kantonalbank
	Due diligence check	Sustainability report - Material topics - Analysis of sustainability impact
		Anhang zur konsolidierten Jahresrechnung: 3. Risikomanagement
	Measures taken	Sustainability report - Employer attractiveness and employee training and education - Current approach of Graubündner Kantonalbank
		Sustainability report - Employer attractiveness and employee training and education - Current approach of holding companies
		Sustainability report - Other sustainability topics - Employee-employer relations
	Performance indicators	Sustainability report - Employer attractiveness and employee training and education - Employee structure
		Sustainability report - Employer attractiveness and employee training and education - Education
		Sustainability report - Employer attractiveness and employee training and education - Starting a career with Graubündner Kantonalbank
		Sustainability report - Sustainable investment business - Current approach of associated companies
		Sustainability report - Employer attractiveness and employee training and education - Occupational health management (OHM)
		Sustainability report - Employer attractiveness and employee training and education - Diversity and equal pay analysis
		Sustainability report - Employer attractiveness and employee training and education - New hires, staff turnover and parental leave
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - No incidents, legal or suspected cases in the reporting year
		Sustainability report - Employer attractiveness and employee training and education - Diversity and equal pay analysis
		Sustainability report - Employer attractiveness and employee training and education - Regular culture and leadership analysis
	Effectiveness check	Sustainability report - Employer attractiveness and employee training and education - Employer brand and awards
		Sustainability report - Employer attractiveness and employee training and education - Current approach of holding companies
		Sustainability report - Other sustainability topics - Employee-employer relations
		Sustainability report - Other sustainability topics - Sustainability check-up with employees

Topic	Sub-topic	Place of declaration
Respecting human rights	Materiality / risks	Sustainability report - Sustainable investment business - Relevance of the topic for Graubündner Kantonalbank and its holding companies
		Sustainability report - Other sustainability topics - Sustainable procurement
	Concept / management approach	Sustainability report - Sustainable lending business - Current approach of Graubündner Kantonalbank - Sustainability in the corporate client business
		Sustainability report - Sustainable investment business - Current approach of Graubündner Kantonalbank
		Sustainability report - Sustainable investment business - Current approach of associated companies
		Sustainability report - Other sustainability topics - Sustainable procurement
	Objectives	Sustainability report - Sustainable lending business - Ambition of Graubündner Kantonalbank
		Sustainability report - Sustainable investment business - Ambition of Graubündner Kantonalbank
	Due diligence check	Sustainability report - Material topics - Analysis of sustainability impact
		Anhang zur konsolidierten Jahresrechnung: 3. Risikomanagement
		Sustainability report - Other sustainability topics - Sustainable procurement
	Measures taken	Sustainability report - Sustainable lending business - Current approach of Graubündner Kantonalbank - Sustainability in the corporate client business
		Sustainability report - Sustainable investment business - Current approach of Graubündner Kantonalbank
	Performance indicators	Sustainability report - Sustainable lending business - Current approach of Graubündner Kantonalbank - Sustainability in the corporate client business
		Sustainability report - Sustainable investment business - Current approach of Graubündner Kantonalbank
	Effectiveness check	Sustainability report - Sustainable lending business - Current approach of Graubündner Kantonalbank - Sustainability in the corporate client business
		Sustainability report - Sustainable investment business - Current approach of Graubündner Kantonalbank
		Sustainability report - Sustainable investment business - Current approach of associated companies
		Sustainability report - Other sustainability topics - Sustainable procurement
Combating corruption	Materiality / risks	Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Relevance of the topic for Graubündner Kantonalbank and its holding companies
	Concept / management approach	Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of Graubündner Kantonalbank
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of holding companies
	Objectives	Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Ambition of Graubündner Kantonalbank
	Due diligence check	Sustainability report - Material topics - Analysis of sustainability impact
		Anhang zur konsolidierten Jahresrechnung: 3. Risikomanagement
	Measures taken	Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of Graubündner Kantonalbank
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of holding companies
	Performance indicators	Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of Graubündner Kantonalbank - No incidents, legal or suspected cases in the reporting year
	Effectiveness check	Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of Graubündner Kantonalbank
		Sustainability report - Compliance in the areas of money laundering, competitive behaviour and tax acquiescence - Current approach of holding companies

Topic	Sub-topic	Place of declaration
Due diligence and transparency regarding minerals and metals from conflict areas	Supply chain policy	Sustainability report - Sustainable investment business - Current approach of Graubündner Kantonalbank
		Sustainability report - Sustainable investment business - Developments in the reporting year
		Sustainability report - Other sustainability topics - Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (DDTrO)
	Risk assessment	Sustainability report - Other sustainability topics - Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (DDTrO)
Due diligence and transparency regarding child labour	Supply chain policy	Sustainability report - Other sustainability topics - Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (DDTrO)

