

Sustainability Report 2025

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This sustainability report is a translation of the German Annual and Sustainability Report 2025 of Aargauische Kantonalbank. In the event of any discrepancies, the German version shall take precedence over the English translation. The complete German Annual and Sustainability Report 2024 of AKB can be found at report.akb.ch.

Foreword

Dear Reader

With the implementation of our updated overall bank strategy, sustainability remains a key pillar of how we think and act. During this past reporting year, we were able to make progress across all dimensions of sustainability.

We took further steps to implement our Climate Strategy, particularly within our core business. The AKB green mortgage was analysed, resulting in a revision of the framework and lending criteria. This has laid the foundation for providing greater support for energy-related renovation from 2026 onwards, thereby achieving a greater impact in terms of CO₂ reduction in the future. In doing so, we are pursuing the clear objective of meeting the climate-related expectations and needs of our clients. Furthermore, a pilot project was implemented within our corporate client business to support SMEs on their path towards greater sustainability.

In our investment business, we successfully introduced sustainable selection criteria for individual real estate funds and implemented all measures required under Self-Regulation 2.0 on time. In January 2025, we also launched an ESG engagement dialogue with listed Swiss real estate funds in collaboration with Inrate. In doing so, AKB is fulfilling its responsibility as an active investor.

At the same time, we launched various Human Resources initiatives to equip our managers for change processes. Our aim is to create a working environment in which people take responsibility and a culture of feedback and open communication is actively practised.

In the field of data protection (privacy), we have strengthened our governance, introduced new processes and technical safeguards, and provided training and awareness-raising for our employees. This ensures that we not only comply with increasing regulatory requirements but also live up to the trust our clients place in us.

Our sustainability efforts are also acknowledged outside the Bank. In November 2025, ISS ESG – an internationally recognised and independent rating agency – upgraded our rating from “C-” to the prime status “C”, with recognition of the highest level of transparency.

The various measures taken and the progress made show that we view sustainability as a whole and that, together with our employees, we are a trusted financial partner for our clients and the region.

Dieter Widmer, CEO



CEO Dieter Widmer

The AKB Sustainability Strategy

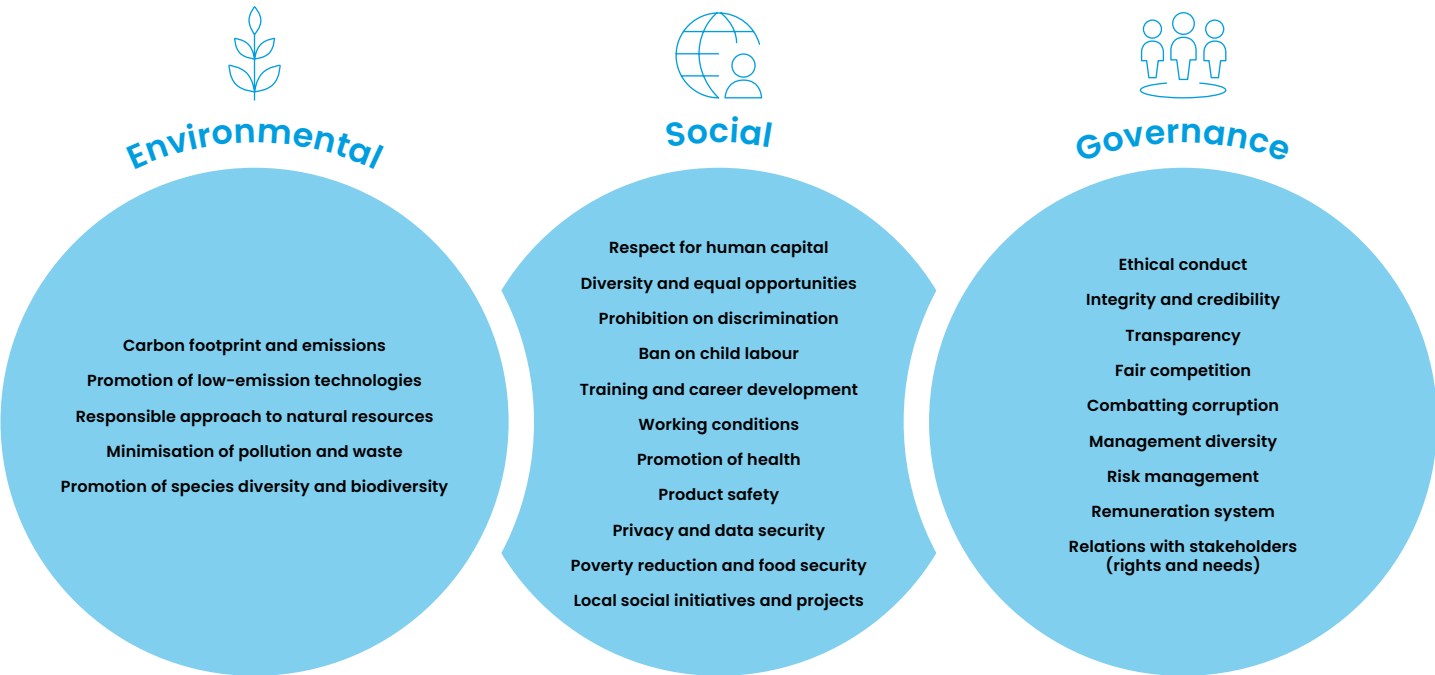
Sustainability is a key element of AKB’s strategic orientation. The Bank has established “We think sustainably” as one of three strategic priorities within the overall bank strategy for 2025–2028. As a regional and responsible financial services provider, AKB uses its influence to ensure that financial flows are directed towards meaningful uses and to reduce negative effects on sustainable development. With this aim in mind, it has derived the Agenda 2040 for its sustainability strategy:

- AKB offers sustainable products and services.
- It directs financial flows over the long term in an environmentally-friendly, climate-aware and socially responsible manner, acting in accordance with good governance processes while also ensuring economic success.
- It offers its employees an inspiring environment with which they can identify and acts as an attractive, trustworthy and reliable employer.
- It contributes to the sustainable transformation of the economy and society.
- It plays an active role in shaping a socially and economically strong, attractive and resilient Canton of Aargau.
- It acts sustainably in line with its ownership strategy, aligns its actions with the three ESG (E-Environmental, S-Social, G-Governance) target dimensions and maintains active dialogue with its owner.
- It acts in a credible manner.

The Bank focuses primarily on its core business and the associated advisory services, as this is where it can have the greatest impact. As a result, products and services need to continuously evolve with regard to ESG requirements. AKB is systematically expanding the comprehensive, expert advice on sustainability topics provided by its client advisors. AKB thus positions itself as a bank for sustainable products and services in the market area. Comprehensive information can be found in chapter 3, page 19 and chapter 4, page 24.

AKB also offers its employees an inspiring environment with which they can identify and takes social diversity into account within its workforce. Since, as a service-oriented company, the Bank is dependent on qualified specialists and a significant number of employees will retire in the medium term, it also focuses on succession and personnel planning. Further information can be found in chapter 5, Page 29.

AKB is fulfilling its responsibility to limit climate change and its effects through the measures set out in its Climate Strategy. The objective – in line with the Federal Government’s Climate Strategy – is to achieve net zero emissions across the Bank as a whole by 2050, and to steer financing toward low-emission development that is resilient to climate change. This also includes the company’s own

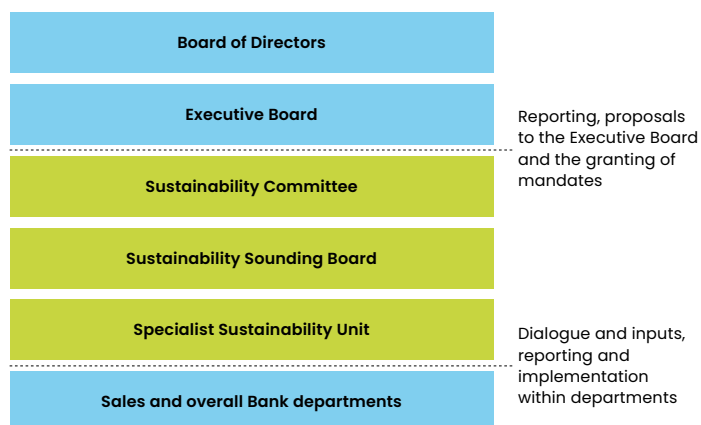


operations. AKB aims to set a good example by reducing its own resource and energy consumption on an ongoing basis. An overview can be found in chapter 6, page 35. Comprehensive information can be found in the Climate Report, page 54.

AKB promotes sustainable economic development in the market area and the transformation of companies with specific products intended for SMEs as well as through targeted activities (chapter 7, page 38). The Bank is committed to society through balanced sponsorship activities and the support provided to the foundation LEBENSRAUM AARGAU (chapter 8, page 41).

Corporate governance – sustainable corporate governance

Sustainability is part of the Bank's corporate culture and organisation. The public service mandate of promoting economic and social development in the Canton of Aargau, which is enshrined in the Aargauische Kantonalbank Act (AKBG), provides the basis for this. The ownership strategy adopted on 24 January 2024 sets as a strategic objective the requirement for AKB to act sustainably and to align its actions with the three ESG target dimensions. The Bank has identified material topics for this purpose and sets itself annual targets, which are assessed and approved by the Board of Directors, AKB's supreme governance body. The ownership strategy also states that AKB must promote economic, social and social development in the Canton (further details can be found in chapter 7, page 38 and chapter 8, page 41). AKB discloses the targets achieved in the Annual Report and Sustainability Report, in the Report on Operations of the foundation LEBENSRAUM AARGAU and within discussions with the owner.



The Board of Directors

The Board of Directors is responsible for overall management, supervision and control in the area of sustainability and adopts the Sustainability and Climate Strategy as well as relevant position papers as part of the Bank's overall strategy. The Board of Directors makes strategic decisions concerning the various sustainability topics and sets and monitors strategic metrics for the Executive Board within the context of annual targets. It is also responsible for external reporting on sustainability topics and adopts statements of principle such as the Sustainability Regulations. The Board of Directors is represented on the Sustain-

ability Committee by the Chair of the Audit and Risk Committee.

The Executive Board

The Executive Board implements sustainability considerations at the level of the Bank as a whole within everyday operations. It adopts and implements the sustainability sub-strategy in individual areas. It is represented on the Sustainability Committee by the CEO.

The Sustainability Committee

As a specialist committee, the Committee pursues the development of sustainability topics in accordance with the overall banking strategy as well as the sustainability sub-strategy and the climate strategy based on it. This includes the designation of priority areas for action, the preparation of decisions for the Executive Board and the pre-emption of trends and developments. The Sustainability Committee currently has eleven members. Further information is available at akb.ch/nachhaltigkeit.

Sustainability Sounding Board

The Sustainability Sounding Board is comprised of employees working in various areas and at various hierarchical levels within the Bank. It is intended as a reflection group for the Sustainability Committee, the Specialist Sustainability Unit as well as the relevant departments and as a source of input, especially in response to concerns and issues raised by client advisors.

Specialist Sustainability Unit

The Specialist Sustainability Unit coordinates and promotes efforts relating to sustainability throughout the Bank. It acts as an interface for sustainability topics with all stakeholders and reports regularly to the Sustainability Committee, the Executive Board and the Board of Directors. It implements the short-term, medium-term and long-term sustainability targets of AKB, acting in conjunction with departments. The specialist unit directs the Sustainability Committee and draws up a sustainability and climate report each year.

Departments

In the following areas, responsibility for implementing the sustainability topics and targets mentioned is clearly established:

- **Lending:** The Head of Credit Management and the credit specialist are responsible for incorporating ESG targets into lending business (mortgage and corporate credit), with the aim of structuring financial flows in an environmentally friendly and socially responsible manner.
- **Investment:** Two sustainability investment specialists are responsible for incorporating ESG targets into investment business, and create appropriate structures and processes in relation to asset management and investment advice.
- **Human Resources:** The co-heads of Human Resources Management ensure the long-term, socially responsible and economically expedient recruitment, development and retention of employees. In this role, they contribute to shaping the company's strategic agenda, develop and design the HR strategy and personnel policy, accompany processes of change, foster a corporate culture and are accountable for the necessary tools and processes.

- **Operational Ecology:** The Head of Infrastructure and Security is responsible, along with his department, for implementing the ISO 14001:2015 environmental management system. This includes optimising resource and energy consumption, business travel and other environmental matters such as waste separation and correct recycling across all AKB buildings and branches.
- **Risk:** The Risk Sector is responsible for analysing and monitoring transition-related and physical nature- and climate-related financial risks, and incorporates these accordingly into the risk management process (further details can be found in the Climate Report on page 54).
- **Core Services:** A large team dedicated to basic services is responsible for the development of sustainable basic products for clients.
- **Sponsorships and Events:** The Sponsorships and Events Department ensures the sustainable focus of sponsorship activity and events at AKB and ensures that they make a positive contribution to social development in the Canton of Aargau.
- **Private and corporate clients:** The heads of the two areas "Private Clients and Private Banking" and "Corporate Clients and Institutional Banking", along with the respective teams, are responsible for the distribution of sustainable products and services and ensure the provision of expedient advice to clients.

The general principles of the Bank's organisation and the composition of its executive bodies are described in the Corporate Governance Report from page 75* of the Annual Report. The main features of the Bank's salary system as well as the rules for setting and disclosing the remuneration of the members of the Board of Directors and the Executive Board are disclosed in the Remuneration Report from page 82* of the Annual Report. Governance with regard to nature-related and climate-related opportunities and risks as well as other climate-related issues is described in the "Governance" section of the Climate Report on page 56.

Dialogue with stakeholders

A lasting and successful relationship with stakeholders must be grounded on fair and respectful dealings with one another as well as transparent dialogue. Active dialogue is important for AKB for discussing the key aspects of sustainability, taking stock of current developments, reflecting on the efficacy of measures and identifying further measures. The Bank takes into account input obtained through dialogue with its stakeholder groups in its processes and decision making. These stakeholder groups are of key importance:

Employees

The expertise and know-how of all employees constitute the most important capital for the success and long-term continuity of AKB. Employees are trained and informed on an ongoing basis on sustainability. This takes place through information events, the "Sustainability" lunchtime series, training on specific topics, e-learning modules, written communications on the Intranet and within the employee magazine "Mosaik" as well as direct updates from line managers. In addition, sustainability experts provide information on AKB's sustainability activities across all

divisions. Employees' views are canvassed several times each year in the form of questionnaires on various issues.

Private clients

Private clients, each with their own individual needs, are at the heart of AKB's business activities. Client advisors maintain a close relationship with their clients from day to day by providing personal advice and support. As a reliable and fair business partner, the Bank tailors its services rigorously and professionally in line with their needs. It regularly surveys its private clients concerning particular sustainability issues. In addition, it specifically cultivates additional fora for dialogue such as the "AKB Denkfabrik" (akb.ch/denkfabrik).

Companies (corporate clients)

Companies are confronted with similar social, economic and global challenges as AKB. Traditionally, the Bank provides very close support to its corporate clients in various areas, raises decision makers' awareness concerning forthcoming developments and supports them in relation to various aspects of sustainability. The experience gained in the "AKB Förderprogramm" (AKB Sustainability Support Programme for SMEs) is incorporated into the advice provided. AKB promotes the exchange of knowledge and best practices through cooperation with partners such as the cantonal specialist body *energieberatung AARGAU* or *Hightech Zentrum Aargau*.

Institutional clients

AKB is an expert point of contact for institutional clients. It engages with these clients on strategic, analytical, operational and sustainability topics. With this objective in mind, it has expanded its investment reporting among other things.

Owner (Canton of Aargau)

AKB is resolutely committed to a sustainable business model, mindful of its responsibility for the economic development in the market area as well as its social engagement within the region. The Canton of Aargau benefits from this in the form of profit distributions, the payment of the state guarantee and an increase in corporate value. Discussions with the owner are held several times each year with representatives of the Executive Council, at which sustainability issues are addressed.

Politics/parties

AKB pursues active dialogue with politicians and parties. It frequently exchanges views directly with the Executive Council of the Canton of Aargau in its capacity as the cantonal supervisory body, the Grand Council of the Canton of Aargau, which exercises overall supervision, as well as the Grand Council Committee for the Economy and Tax. The annual accounts are approved, the amount to be distributed is determined and the Board of Directors is granted discharge according to this procedure. A regular exchange of views occurs with the parties in Aargau and their officials. In addition, the Bank regularly surveys the views of all representatives serving on the Grand Council in a sustainability survey in order to determine how they assess the effect of the Bank on the sustainable development of society, the environment and the economy in the Canton of Aargau. The Bank does not support parties or politicians with donations.

Suppliers and business partners

As a buyer of goods and services, AKB maintains a large network of relations with suppliers and business partners, which it regularly canvasses with sustainability surveys. When engaging with all suppliers and business partners, it ensures that they comply with environmental, labour and human rights standards. The Bank attaches great importance to ensuring that products and services purchased are as environmentally and socially responsible as possible in terms of their manufacture, use and disposal.

Associations

Thanks to its engagement within various associations, AKB makes an important contribution to the social and economic stability of the region and its economy, promoting independent opinion formation. These efforts are described in the chapter on “Memberships and initiatives” on page 45. The Bank also regularly exchanges views with economic associations within the Canton of Aargau and their representatives.

Organisations/NGOs

AKB pursues active dialogue with various organisations and NGOs, for example with the WWF Switzerland. This means that it is possible to respond quickly to global and social developments and demands that have an impact on the Bank’s business operations. AKB incorporates this knowledge into processes and decision making.

Ratings agencies

AKB uses external sustainability ratings to enable its stakeholders to transparently assess its commitment to sustainability. The information required for these ratings is made publicly available as part of the sustainability reporting process and on the Bank’s website.

Material topics

During the reporting year, AKB conducted a survey of internal and external consultation groups in order to ensure that the materiality analysis takes into account the current expectations and demands of society, the economy and politics in the Canton. Stakeholders assessed AKB’s positive and negative impact on society and the environment. The survey evaluation confirmed the relevance of the material topics already identified. No changes occurred.

The following eight material topics form the basis for this report in accordance with the requirements of the GRI Standards 2021:

1. Engaging with digital responsibility
2. Compliance with legal requirements
3. Sustainable financing
4. Offer of sustainable investment products
5. Attractiveness as an employer
6. Climate responsibility
7. Economic development In the Canton of Aargau
8. Social engagement in the Canton of Aargau

In addition to the summary reporting on climate responsibility (chapter 6, page 35), AKB will publish an integrated Climate Report for the second time on 26 March

2026. The Climate Report is based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Other topics that are relevant but not material for the Bank are summarised in the “Other issues” section starting on page 43.

Targets

AKB sets itself annual targets and collects key figures in relation to all eight material topics. The Bank reports transparently on the achievement of targets as well as measures and developments during the reporting year.

Achievement of 2025 sustainability targets

AKB set itself the following sustainability targets for material topics in 2025. The focus was on the targeted development of sustainable products and services. Six were achieved (in green) and two only partially (in orange).

	Material topics	Formulation of targets for 2025	Achievement of targets as at 31.12.2025
1	Engaging with digital responsibility	AKB employees are continuously improving how they handle data responsibly.	Thanks to regular awareness-raising measures and automated phishing and attack simulations, the associated click-through rate has been reduced to less than 5% (further details can be found in chapter 1, page 12).
2	Compliance with legal requirements	The overall bank project on the AMLA defence system will be successfully implemented by 31 December 2025.	The AMLA defence framework system was successfully implemented (further details can be found in chapter 2, page 15).
3	Sustainable financing	AKB promotes renovation projects with AKB green mortgages amounting to at least CHF 10 million.	AKB green mortgages totalling CHF 8.8 million were approved. This narrowly missed the target (further details can be found in chapter 3, page 19).
4	Offer of sustainable investment products	The list of recommendations now only includes sustainable real estate funds.	The list of recommendations has been revised with reference to a schedule of criteria and now only contains sustainable real estate funds (further details can be found in section 4, page 24).
5	Attractiveness as an employer	Managers play their key role in fostering a culture of learning, dealing with a continuously changing environment and shaping change.	An internal advanced training module for managers was launched, which was held once. Due to high demand, it will be held for a second time in the first quarter of 2026 (further details can be found in chapter 5, page 29).
6	Climate responsibility	All AKB employees are familiar with AKB's Climate Strategy.	The Climate Strategy is presented to employees via various internal channels (e-learning, induction for new employees, presentations). Knowledge levels were not evaluated (further details can be found in chapter 6, page 35).
7	Economic development in the Canton of Aargau	AKB makes targeted investments in innovative start-ups, the business purpose, products or services of which contribute to sustainable development.	AKB invested CHF 0.5 million in start-ups (further details can be found in chapter 7, page 38).
8	Social engagement in the Canton of Aargau	10% of AKB employees make a positive contribution to society and the environment in the Canton of Aargau within the ambit of the voluntary one-day corporate volunteering programme.	Around 10% of AKB employees completed voluntary work in 2025 (further details can be found in chapter 8, page 41).

2026 sustainability targets

AKB has set itself the following targets for 2026. For each material topic, one target that has a positive impact on social and/or environmental development has been formulated. Each target includes internal measures, clear metrics and a responsible body. The sustainability targets have been approved by the Board of Directors and incorporated into strategic metrics. They are accordingly relevant for the variable remuneration of the AKB Executive Board in accordance with the Bonus Regulations.

	Material topics	Formulation of targets for 2026
1	Engaging with digital responsibility	Data protection is extremely important for AKB. It is taking appropriate measures to ensure privacy.
2	Compliance with legal requirements	All e-learning courses assigned as part of the AMLA defence framework are successfully completed.
3	Sustainable financing	Within the financing business, a mortgage product is being developed that specifically promotes energy-efficient renovation.
4	Offer of sustainable investment products	90% of the bonds classified as "sustainability leaders" have a second-party opinion (SPO) and an impact report (if >12 months since issue).
5	Attractiveness as an employer	Managers play their key role in fostering a culture of learning, dealing with a continuously changing environment and shaping change.
6	Climate responsibility	When creating the HQLA bonds for liquidity management (own financial investments), the relative proportion of ESG bonds in CHF is increased. At least 50% of bonds maturing in 2026 are invested in ESG bonds.
7	Economic development in the Canton of Aargau	AKB makes targeted investments in innovative start-ups, the business purpose, products or services of which contribute to sustainable development.
8	Social engagement in the Canton of Aargau	>10% of AKB employees make a positive contribution to society and the environment in the Canton of Aargau within the ambit of the voluntary corporate volunteering day.

Further information on the objectives can be found in the individual sections on material topics.

Sustainability targets for 2025–2028

Long-term targets for the period 2025–2028 have been set as part of the overall banking strategy. The target and the current status of target achievement are described below.

	Material topics	Formulation of targets by 2028	Achievement of targets as at 31.12.2025
3	Sustainable financing	<p>The topic of sustainability, in particular the climate issue with a focus on the net zero target by 2050 according to the Federal Government's Climate Strategy, is addressed in discussions with all clients.</p> <p>The energy efficiency of properties and potential renovation options are discussed in relation to all new property financing (including industrial and commercial properties).</p>	<p>Initial partnerships with cantonal and federal agencies have been launched. In addition, the topic of climate change is already being discussed with selected corporate clients (further details can be found in chapter 3, page 19).</p> <p>The topic of energy efficiency in residential properties and holiday homes is specifically addressed with the help of the EcoCheck tool (further details can be found in Chapter 3, page 19).</p>
4	Offer of sustainable investment products	<p>AKB's investment business has an ambitious climate policy:</p> <p>>50 % share of Paris-aligned securities in all asset management mandates for private clients and AKB portfolio funds.</p> <p>Client advisors only have access to AKB investment universes containing >50 % of Paris-aligned securities.</p> <p>At least 30 % of institutional asset management mandates are managed in accordance with AKB's Sustainable Investment Policy, including the Climate Policy.</p>	<p>The definition of Paris alignment has been completed for all major asset categories (equities, bonds as well as equity and bond collective investment schemes) (further details can be found in section 4, page 24).</p> <p>No measures have been implemented yet regarding this aspect.</p>
5	Attractiveness as an employer	<p>Managers play their key role in fostering a culture of learning, dealing with a continuously changing environment and shaping change.</p> <p>The specialist, managerial and interpersonal skills of AKB employees are consistently supported and developed.</p> <p>Diversity and inclusion are promoted in a targeted manner by creating an appreciative working environment in which trust, respect and personal responsibility are practised.</p>	<p>Through practical workshops, managers worked on individual change projects directly relevant for their day-to-day work (further details can be found in chapter 5, page 29).</p> <p>AKB has developed a holistic talent management policy. The policy is now being implemented in stages.</p> <p>A shared understanding of inclusion and diversity was developed across different hierarchical levels. The high relevance of the topic has been acknowledged. Specific measures need to be developed.</p>
6	Climate responsibility	<p>AKB is devising science-based reduction targets for its investment and mortgage business, corporate credit, its own operations as well as its own financial investments.</p>	<p>Reduction pathways for the mortgage business and the company's own operations are currently being devised. They are expected to be approved in 2026 (further details can be found in chapter 6, page 35).</p>

1. Engaging with digital responsibility

Relevance of the material topic for AKB

Securing the confidence of clients and business partners is the most important prerequisite for a successful business relationship and for AKB's financial success. The Bank holds particularly sensitive data concerning its clients and its own employees and is subject to Swiss bank-client confidentiality. This means that data breaches may entail reputational and regulatory risks. Engaging with digital responsibility in a conscientious and responsible manner is crucially important in this regard. AKB also fulfils its duty of care as an employer when handling its business data and when processing critical data such as personal or client data. Both data privacy and data security are therefore the focus of major attention at AKB. This entails both protecting against unauthorised access as well as being transparent about the reasons why data are processed.

Management system of material topics

As regards the processing of confidential data, AKB is subject to banking secrecy under Article 47 of the Swiss Banking Act (Bankengesetz, BankG), business secrecy under Article 321a(4) of the Swiss Code of Obligations (CO) (Obligationenrecht, OR), the Swiss Federal Act on Data Protection (Bundesgesetz über den Datenschutz, DSG) and the FINMA Circular 2023/1 on "Operational Risks and Resilience – Banks".

The aim of information security is to guarantee an adequate level of protection through appropriate and industry-standard technical and organisational measures. A focus is placed on the confidentiality, integrity and availability of data and information used within business processes. Information security management is based on the minimum requirements according to ISO/IEC 27001:2022 and the NIST standard (Cyber Security Framework).

At AKB, both privacy and data security are an integral part of risk management. For AKB, risk management is a process in which all relevant negative impacts on the Bank are systematically identified, assessed, limited, controlled, monitored and reported. This process is supported by appropriate organisational structures, technical measures as well as methods, tools and guidelines.

Governance in the field of privacy and data security (principles, processes, tools etc.) is based on the relevant statutory and regulatory provisions. These are implemented at operational level through various internal requirements and instructions concerning data protection, IT and information security, the protection of bank-client data and information classification. These requirements are binding for all employees, having regard to their tasks and responsibilities.

The implementation of and compliance with the requirements is reviewed within annual risk control assessments (RCA) and their effectiveness is verified.

The AKB data protection policy applies throughout the entire company, is based on the Swiss Federal Act on Data Protection (Bundesgesetz über den Datenschutz), which entered into force on 1 September 2023 and is available at akb.ch/dataprotection. AKB only stores personal data for as long as is necessary for compliance with contractual and statutory retention obligations or where storage is required on technical grounds. If data are no longer required for compliance with contractual or statutory obligations, they are deleted during the course of the standard processes, where this is technically feasible.

Any person may exercise the following rights in accordance with the applicable data protection law: the right to be informed whether any data are being processed; the right to obtain the rectification or deletion of data; the right to withdraw consent (where processing is based on consent); and the right to object to processing.

Digital ethics at AKB

It is second nature for AKB to ensure that aspects relating to digital ethics are dealt with in a responsible manner. These include in particular the following areas:

- processing data and protecting the privacy of clients and employees
- usage of artificial intelligence
- digitalisation, saving resources and proper handling of resources

AKB has set out various requirements regarding these matters in the Code of Conduct and Ethics (akb.ch/codeofconduct) approved by the Board of Directors (last version from January 2023).

Clear rules and competences

Functions related to the provision of advice concerning privacy and data security are operated and responsibly managed at AKB by independent legal services and risk control units. Remits and competences are clearly defined. Both the Board of Directors and the Executive Board are informed concerning privacy and data security issues within the ordinary quarterly risk reporting process. The Executive Board is responsible for implementing privacy and data security.

All employees of AKB undergo appropriate training concerning the issues of privacy and data security in the form of e-learning, Intranet news items, in-person training, phishing

and attack simulations, social engineering training and roadshows in the regions. Golden key holders (employees with privileged user permissions) are made aware of these issues and receive training at least once a year.

Risk management

Any risks that could impair the protection or security of either data or information are systematically identified and assessed, appropriately managed and monitored on an ongoing basis. The same applies in relation to risks to the personality rights and fundamental rights of data subjects that are inherent to the processing of personal data. An internally defined incident reporting process is launched in the event of any potential data breach. Security assessments, vulnerability scans, penetration tests as well as internal and external audits carried out several times each year assess the extent to which information security standards are being implemented, which are structured according to ISO Standards 27002, 27017 and 27701. A Data Leakage Prevention Tool (DLP) monitors and in some cases blocks outgoing emails, web uploads and devices and is able to prevent potential data leaks.

Particular consideration is given to cyber risks, which are identified, measured, assessed and reported to the Executive Board and the Board of Directors on an ongoing basis.

Information security management system (ISMS)

AKB operates an information security management system (ISMS), which is subject to a process of ongoing improvement, for the purpose of the risk-based management and control of the Information Security Policy. The Information Security Policy takes account of the current threat situation and is monitored and updated on an ongoing basis. It covers the statutory data protection requirements for data security. It provides adequate and effective security measures to protect information and infrastructures in terms of confidentiality, integrity, availability and traceability.

The ISMS sets out the process for managing information security and cyber risks. It is established according to the requirements of ISO standard 27001/2 and takes account of the requirements of the NIST framework (National Institute of Standards and Technology), financial market supervision (FINMA). The requirements laid down by ISO Standard 27001/2 are taken into account in their entirety and are set out with binding force in AKB's ISMS. These information security requirements are applied taking due account of risks as well as existing infrastructure components, systems and applications, and also within project activities and digitalisation plans.

When assessing whether the level of protection is adequate, consideration is given to risks associated with processing. These risks arise in particular due to the – either inadvertent or unlawful – erasure, loss, alteration or unauthorised disclosure of personal data that are transmitted, stored or otherwise processed. The technical and organisational design of data processing is subject to privacy and data security requirements.

Contracts concluded with suppliers and business partners

Outsourcing to third parties occurs subject to compliance with internal instructions on outsourcing, privacy and

contracts. The Bank must implement appropriate and adequate measures to ensure compliance with privacy and data security requirements. Any outsourcing to a foreign country is subject to particular scrutiny and is managed in accordance with both legal and internal requirements.

In addition, all major IT partners and outsourcing service providers have ISO certification (27000) and an ISAE control framework, including reporting and monitoring of compliance with controls. This control framework is audited annually by an independent, accredited auditor. In addition, periodic internal audits are carried out in the field of information and cyber security.

Organisational resilience

Alongside the ISMS, AKB has appropriate incident management, business continuity management (BCM) and crisis management systems. The reporting processes for cyber attacks or significant data leaks comply with the requirements laid down by FINMA and in the Swiss Data Protection Act.

Regular exchange of views

AKB is a member of a number of working groups, bodies and institutions that deal with various issues relating to information and cyber security. Information on the current threat situation is exchanged each week in the Finance Sector of the National Cybersecurity Centre (NCSC and FS-CSC). As a member of the Association of Swiss Cantonal Banks (VSKB) and the Computer Emergency Response Team (CERT) for banks operated by Switch, AKB is in at least fortnightly contact with IT security organisations of other Swiss banks.

Developments during the reporting year

The threat in relation to cyber attacks continued to be classified as high in 2025, with no change on the previous year. Cyber criminals use a diverse range of attack vectors and methods, which are constantly changing. Further investments in AKB's Information Security Policy (such as a network detection and response solution) make it possible to detect and track anomalies or unusual data traffic within the networks. As is the case for comparable financial institutions in Switzerland, AKB has identified a major risk associated with ransomware attacks (encryption Trojans associated with extortion and data loss), distributed denial of service attacks as well as phishing emails. In addition to classic email phishing, real-time phishing, smishing (SMS phishing) and vishing (voice phishing) are common attack modes. Clients are confronted with numerous and varied types of fraud, including AI-supported frauds. Shock calls, classified ad scams, investment fraud and romance scams are still widely used. For this reason, fraud prevention campaigns were further developed and conducted on a regular basis. The threats and risks associated with malware remained at a comparatively low level.

During the reporting year, the introduction of Microsoft Purview enabled consistent classification of unstructured data such as Word or Excel documents, and improved protection of confidential data. A mandatory classification requirement for standard Office file types was introduced

and the classification level selected is now logged. In addition, structured data in applications and databases has been provided with extended protection measures in order to comply with the information security requirements under the ISO 27002 standard. Training concerning requirements and usage rules for classifying data has been incorporated into the Bank-wide training plan.

The cyber attacks identified during the reporting year did not cause any considerable losses (as was the case the previous year). In addition, no complaints were received regarding any damage to or loss of client data. The findings identified in the internal and external risk and control effectiveness checks were addressed and resolved and the measures were implemented on time.

Outlook

The ongoing development of the Information Security Policy and risk-oriented monitoring measures remain a high priority. The topics of operational resilience and cyber risk management at service providers (supply chain attacks and third-party risk management) as well as protection against unlawful data leakage using DLP solutions will be increasingly addressed during the coming financial year.

In addition, the security solutions used will be subjected to more frequent stress tests in partnership with the external Security Operation Centre (SOC) and the cyber crisis drills planned will be implemented at operational level.

Targets for 2026

Data protection is extremely important for AKB. It is taking appropriate measures to ensure privacy.

2. Compliance with legal requirements

Relevance of the material topic for AKB

The operations of financial service providers are regulated by numerous statutory, regulatory or quasi-legislative provisions. The most important bodies of rules for AKB include the cantonal Banking Act, the Federal Act on Banks and Savings Banks, requirements adopted by FINMA and the Swiss Bankers Association, the rules of SIX Swiss Exchange as well as internal bank directives. The issue of compliance covers both compliance with statutory, regulatory and internal requirements as well as adherence to ordinary market standards and professional ethics. A focus is placed on rules specific to financial markets, standards to combat anti-competitive behaviour, corruption and money laundering as well as regulations setting out rules of conduct for employees. The regulation of sustainable financial services is also on the rise.

If they are sufficiently serious, breaches of applicable standards may have an adverse effect on the reputation of AKB. In addition, non-compliance may lead to consequences such as fines, damages claims, liability claims, more stringent monitoring, additional requirements or, in extreme cases, the withdrawal of the banking licence by FINMA. In turn, on account of the important market position of AKB and the cantonal state guarantee, this could result in economic damage for the Canton of Aargau. This risk potential clearly shows how important the issue is for AKB and why it is a top priority for AKB.

Management system of material topics

AKB adheres to specifically designed policies in order to ensure compliance with requirements applicable to reporting on non-financial matters in accordance with Article 964ter of the Swiss Code of Obligations (CO) (Obligationenrecht, OR). The policies applicable to environmental matters (including in particular CO₂ targets), social issues, employees and respect for human rights are described in the corresponding chapters of this report (chapter 4, page 24; chapter 5, page 29; chapter 6, page 35; chapter "Sustainable procurement", page 43) as well as in the Climate Report, page 54. Initiatives to combat corruption are described in the following chapter. The overarching due diligence concept is set out in the "risk management" chapter of the Annual Report, page 36*.

The topics of due diligence obligations and supply chain transparency with regard to minerals and metals from conflict-affected areas as well as child labour are described in the corresponding chapters of this report (chapter 4, page 24; chapter "Sustainable procurement", page 43). AKB only conducts business that is legally

permitted and also ethically justifiable. This can be ensured via three lines of defence.

First line of defence: compliance in practice amongst all employees

The practised culture of compliance and integrity of the Executive Board and managers form the basis for widespread respect for compliance requirements within AKB. The rules of conduct for all employees are governed by comprehensive directives and clearly defined processes in order to ensure compliance with all relevant standards. This first line of defence is ensured on a day-to-day basis by all employees when carrying out their activities, by the dual-control principle, by management checks and by the internal control system (ICS).

Second line of defence: Checks by independent bodies

Primary responsibility for the second line of defence lies with the AKB Compliance Unit, which operates independently of earnings-oriented business activities. Its tasks, responsibilities and reporting requirements are set out in separate regulations and specifications. The second line of defence is enhanced by risk control (risk management), which also operates independently of business processes.

Third line of defence: Internal Audit

The aim of the first two lines of defence is to avoid or identify and correct disincentives and misconduct as early as possible. Internal Audit provides AKB with a third line of defence, which reviews the effectiveness of the Bank's control system. It acts independently of operational business and reports, in organisational terms, directly to the Board of Directors.

Each year Internal Audit determines its risk-based auditing topics. These also assess compliance with legal requirements.

Supervision and responsibility for ethical issues

The Code of Conduct and Ethics applicable within the Bank is adopted jointly by the Board of Directors and the Executive Board (akb.ch/codeofconduct). The Executive Board is responsible for overseeing and enforcing rules of conduct and ethical issues.

Implementation within everyday business

In order to ensure that compliance with the law and with guidelines is the norm at AKB, the Bank has established an effective and efficient system that is integrated into internal bank directives, processes and checks. Various internal requirements act as a guide for conduct by AKB employees. These include the corporate culture with its fundamental values and principles of management, the terms of

employment, the Code of Conduct and Ethics as well as internal directives.

Within its guidelines AKB specifically regulates the following duties: compliance with the Banks' code of conduct with regard to the exercise of due diligence (CDB) and the Anti-Money Laundering Act (GwG), upholding banking and business secrets, compliance with international sanctions and embargoes, a prohibition on unlawful conduct when trading in stocks and securities (including a prohibition on insider dealing and speculative trading), the implementation of the legitimate money strategy (tax transparency for client funds) as well as compliance with data protection law (chapter 1, page 12).

AKB avoids conflicts of interest by following clear rules, which are set out in the respective instruction. Potential conflicts of interest should be recognised by employees at an early stage and avoided. Conflicts of interest that cannot be avoided are disclosed by AKB to the respective client or business partner. The requirement of disclosure and to obtain approval (by the Executive Board) for service in public office, the performance of mandates and the conduct of secondary employment is also intended to identify and avoid conflicts of interest, and applies to all employees.

AKB does not tolerate any form of bribery or corruption. It also prevents criminal activity such as fraud. In order to ensure that gifts and the offer of hospitality cannot be exploited in order to conceal corrupt benefits, a clear framework of rules has been established concerning the acceptance and provision of gifts and hospitality. It is explicitly prohibited to accept or provide cash gifts. For this purpose, AKB has formulated specific passages within the Code of Conduct and Ethics and adopted instructions relevant to these topics for all employees. All AKB employees are screened on an ongoing basis for corruption risks by means of various controls. Due to the size of AKB, not only individual establishments but also AKB as a whole are audited.

AKB deploys all possible instruments and creates mechanisms that enable money laundering and the financing of terrorism to be prevented and combatted effectively and efficiently. A comprehensive internal regulatory framework along with detailed instructions (e.g.: preventing and combatting money laundering, CDB 20, cross-border client business), processes (e.g.: CDB 20 instructions, account opening documentation for natural persons and legal entities, instructions for complying with "know your transaction" and "know your customer" requirements) and checks (according to the internal control system) contribute to achieving this outcome. Substantial changes to the defence framework system are presented in the section on developments in the reporting year.

The basic approach set out in the Code of Conduct and Ethics can also be consulted by the general public on the AKB website. The Code enables AKB to comply with legal, supervisory and self-regulatory requirements.

Detailed rules apply to the requirements applicable to the establishment of a new business relationship, the ongoing

monitoring of transactions and business relationships and finally what to do in relation to suspicious or doubtful business relationships (akb.ch/codeofconduct).

Ensuring that client funds are tax transparent is an important aspect of the fight against money laundering. AKB has also established rules in this area in the respective instruction to prevent tax offences and capital flight as well as any active abetting of tax evasion or similar acts. In the relevant instruction, AKB explicitly states that business relationships will not be established or continued if there are any concerns regarding the client's tax compliance. By completely dispensing with offshore locations, AKB significantly reduces the risk of acting as a refuge for tax-evading clients.

AKB has adopted detailed directives and processes in order to implement market conduct rules under the Financial Market Infrastructure Act and the Financial Services Act. These rules apply to all employees of AKB, irrespective of whether they execute a transaction as a holder, a joint holder, an authorised representative or a beneficial owner. AKB has adopted additional regulations for employees working in particularly exposed functions such as key account or portfolio managers, analysts, Executive Board members and others, which lay down requirements applicable to self-trading, holding and lock-up periods as well as organisational measures. In accordance with FINMA Circular 2013/8, each year AKB carries out a risk analysis concerning market conduct. Appropriate action is taken as required, based on the result of this analysis.

Proper compliance and the correct operation of regulations and processes are regularly reviewed by Internal Audit, the Executive Council external auditor, the external auditor under the Swiss Banking Act.

Regular employee training concerning ethical standards

Ethical standards are regularly addressed within training and management events. All employees are informed concerning applicable values and standards upon their arrival at the Bank and expected standards of behaviour are made clear (training module "Security and compliance at AKB").

All employees performing functions relevant for due diligence requirements, including in particular employees working in contact with clients, must always be up to date concerning the issues of the Agreement on the Swiss Banks' Code of Conduct with regard to the Exercise of Due Diligence (CDB) and the prevention of money laundering. Employees of AKB receive training, starting from the time they start to work for the Bank, in the form of various training modules. Employees must repeat this training at least every two years. They must also complete an e-learning course every two years on the CDB and the prevention of money laundering. They complete another e-learning course on compliance and rules of conduct every three years. These also deal with the issues of "conflicts of interest" and "corruption".

Whistleblowing (grievance process)

Any employee may contact the respective whistleblowing contact in the event of any suspected or established

irregularities, or any illegal or immoral conduct within the working environment. Contact persons include the competent line managers, the General Counsel, the Chair of the Board of Directors' Audit and Risk Committee. Anonymous reports are protected. The General Counsel keeps an ongoing register of the reports received along with their content and draws up a written report for the Audit and Risk Committee and the Board of Directors. In addition, clients and employees may raise any concerns they may have about the Bank's business practices or the conduct of individual employees or the management with the supervisory authority FINMA. The Bank aims to act at all times in order to ensure that no such reports are necessary.

Handling consumer complaints

Consumer complaints are handled in accordance with an internal policy. The client advisor receives the complaint in the first instance. The complaint is then considered by various independent internal bodies. If it is not possible to find a mutually acceptable solution, the client can pursue the matter with the Swiss Banking Ombudsman. This neutral, independent agency is free of charge for clients, and mediates between the client and the Bank in the event of any dispute.

Developments during the reporting year

As in 2024, no suspected or actual breaches of legal rules occurred at AKB during the reporting year. As a result, no action needed to be taken. An external investigation concerning potential gaps in the online client opening process is ongoing.

AKB did not receive any fines or monetary penalties in 2025 (or during the previous year).

Anti-money laundering measures

The anti-money laundering regime (AML defence framework system) was substantially tightened up in the reporting year. The introduction of a more stringent reminder and escalation process for transaction monitoring and the handling of regulatory issues, the revision of existing transaction monitoring rules, the introduction of new transaction filters, the expansion of know-your-client enquiries and the shortening of intervals between money laundering training have improved the defensive measures.

Respect for human rights, due diligence obligations within supply chains with regard to minerals and metals from conflict-affected areas and child labour

The procurement guidelines for precious metals were complied with also in 2025. As a general rule, products, goods, equipment etc. are only procured where their origin can be traced, and provided that human rights and due diligence obligations are respected throughout all phases of the supply chain ("Sustainable procurement", page 43; "Procurement of precious metals", page 26).

Combatting corruption

Preventing and combatting corruption is an ongoing task of the Bank. No incidents occurred during the reporting year (or during the previous year). Employees at all AKB branches and business locations complied with applicable rules and standards.

Training concerning ethical standards

The training courses completed in the reporting year (e-learning) are shown in the table below containing key figures along with training rates. A comparison of absolute participant numbers and training rates with previous years shows a high and stable level of involvement.

Whistleblowing and client complaints

The training courses completed in the reporting year (e-learning) are shown in the table below containing key figures along with training rates. A comparison of absolute participant numbers and training rates with previous years shows a high and stable level of involvement.

Achievement of targets in 2025

Action taken in the reporting year focused on changing the AMLA defence framework system. This comprehensive project was successfully completed. Successful implementation is measured with reference to the project mandate and the innovations implemented.

Outlook

In connection with the tightening up of the AMLA defence framework system in the reporting year, a new process will be implemented in 2026 to systematically ensure the regular updating of the AMLA defence framework system. In addition, instructions are revised and checks are carried out at the usual frequency.

Targets for 2026

All e-learning courses assigned as part of the AMLA defence framework are successfully completed.

Key figures

Number of performance indicators	GRI	Unit		2023 ¹⁾	2024 ¹⁾	2025 ¹⁾
"Compliance and rules of conduct" e-learning with employees from all areas	205-2: Communication and training about anticorruption policies and procedures	Number (percentage)	EB	6 (100 %)	6 (100 %)	5 (83.3 %)
			Employees	922 (98.7 %)	968 (98.9 %)	1 029 (99.8 %)
"CDB/GwG" e-learning with front office staff			Employees	363 (87.7 %)	368 (99.7 %)	389 (99.7 %)
"Know your transaction" e-learning with front office staff			Employees	255 (96.6 %)	241 (83.1 %)	300 (100 %)
"AIA/FATCA/Qualified Intermediary (OI)" e-learning with front office staff			Employees	438 (100 %)	427 (97.7 %)	385 (98.7 %)
"Operational companies/domiciliary companies" e-learning with front office staff			Employees	318 (95.8 %)	285 (98.3 %)	307 (100 %)
Legal incidents	206-1: Legal incidents relating to anticompetitive behaviour	Number	Employees	0	0	0

¹⁾ The figures below 100 % are attributable to the following reasons:

- Newly arrived staff who need to complete the e-learning within a specified period of time.
- Refresher e-learning that needs to be completed within a specified period of time.

3. Sustainable financing

Relevance of the material topic for AKB

AKB is an important financing partner for private individuals and businesses, in particular local SMEs. It generates a large part of its income from interest operations within financing business, with the lion's share coming from the mortgage business. In principle, access to AKB financing is open to all private individuals and companies in the market area. This takes into account the requirements for creditworthiness and credit eligibility.

When granting loans, AKB takes account of environmental and social criteria in addition to financial criteria. Activities financed by loans have both positive and negative impacts on the environment, society and the economy. These effects occur indirectly for the bank through the borrowers: For example, financed properties can cause CO₂ emissions while SME financing can create jobs. Loans can also promote economic activities that are unsustainable – for example, if the loan is used to provide financial support to a company that is involved in human rights abuses such as child labour. AKB can manage these effects by structuring its lending policy, products and services.

A credit portfolio with a sustainable focus represents a lower risk for AKB over the long term as it demonstrates higher value stability. At the same time, increasing demand for sustainable financing is opening up new business opportunities. AKB actively supports its clients on the path towards greater sustainability with advice and comprehensive financial products.

Management system of material topics

AKB relies on the following levers to ensure the long-term, sustainable focus of its credit portfolio: Financial incentives and bespoke products promote environmental and/or social behaviour among its clients. In a face-to-face meeting, the Bank raises its clients' awareness for instance of the energy efficiency of any residential properties and holiday homes to be financed. With a responsible credit policy, AKB can exert a direct influence in terms of the companies or private individuals with which it establishes partnerships, or to which it grants financing, and on what terms. The credit check process also involved an assessment of identifiable material reputational risks. In order to counteract client over-indebtedness, AKB does not offer any micro-credit (and also does not offer any brokerage services).

Socially responsible lending

All financing requests are checked for credit eligibility (financial requirements applicable to the borrower) and

creditworthiness (personal requirements applicable to the borrower). AKB has six different competence levels. The particular competence level under which credit is approved depends on the size of the credit facility, the client segment, the credit rating and the type of financing. AKB's credit policy is based on clearly defined criteria. The aim is to ensure that borrowers only enter into obligations that reflect their financial capacity and do not take on disproportionate risks as a result. AKB pays particular attention to private clients aged 60 and above who have an increased need for advice and for whom loan affordability must be analysed in advance in view of their forthcoming retirement.

Homeowners often worry that their mortgage will not be continued by the Bank after retirement. As a reliable partner, AKB provides security to clients who have complied with their mortgage obligations reliably over the long term. The mortgage remains in place even after the borrower's retirement. In doing so, AKB is laying the foundations for peace of mind during retirement in one's own home, thus offering even more security and support to pensioners. In addition, the Bank provides comprehensive information on the subject of "home ownership during retirement" in order to prepare in the best possible way for the opportunities and challenges of this phase of life. Further information is available at akb.ch/sorgenfrei.

Dealing with clients in financially challenging circumstances

AKB seeks to establish a partnership with its clients, even if they fall into financial difficulty (clients with debt repayment problems). Every client with outstanding credit has a personal client advisor, who is familiar with the client's specific circumstances. Any financial difficulties arising are discussed comprehensively within advisory discussions so as to be in a position to understand and assess the situation. With this aim in mind, the client advisor receives assistance in the form of advice from internal credit specialists. Wherever possible and expedient, the Bank seeks an individual, long-term solution together with the client, subject to compliance with regulatory requirements. Possible support measures from AKB include the approval of overdraft increases against additional collateral, repayment deferrals, repayment plans to settle existing debts or the examination of a reasonable and appropriate modification of existing credit conditions on a case-by-case basis. In accordance with Article 104 of the Swiss Code of Obligations, AKB applies a maximum default interest rate of 5% per annum for mortgage-backed positions flagged to be wound down, i.e. clients in default who are not cooperating. The Bank complies with legal requirements during any debt collection process and assesses the circumstances of the client

involved when choosing the joint course of action. According to the law, the following warning signs in particular result in restructuring measures for corporate clients: a loss of one half of the capital (Article 725(1) CO) as well as liquidity problems or reasonable suspicion of over-indebtedness (Article 725(2) or (3) CO). In some cases AKB recommends that affected clients contact a restructuring advisor. AKB keeps a list of appropriate advisors. Clients are free to choose their own advisor and can decide for themselves whether and with whom they would like to cooperate.

AKB keeps a list of real estate agents and can make appropriate recommendations to private clients wishing to sell their property who require assistance. If a process involving the disposal of real estate cannot be prevented, AKB always complies with the applicable law and with the provisions of the Federal Act on Debt Enforcement and Bankruptcy, which ensures that the borrowers are given a fair hearing and that the dispute between the Bank and the debtor is overseen by an independent legal authority. Enforcement of the real property charge is only carried out as a last resort, and is always carried out by the competent government agency. In addition, the Federal Act on Debt Enforcement and Bankruptcy also provides for deadlines and the right to object. This ensures that a reasonable period of time until the ownership and/or creditor actually changes. The Bank files an application for disposal at the earliest six months after the issue of the payment order. AKB does not sell mortgages on owner-occupied homes without the explicit consent of the borrowers concerned.

ESG assessment criteria for corporate credit

The credit assessment for credit applications involving operating and investment credit as well as the financing of operational properties for operating companies is carried out primarily with reference to a classic creditworthiness and solvency check, as well as the future viability of the business model along with the revenue, asset and liquidity position. On the other hand, during the credit check process, AKB examines whether the primary business activities of a company applying for credit are centred on a particular field that is sensitive from an ESG perspective. The Bank has published its credit policy on the "Sustainable lending" website: akb.ch/nachhaltige-kreditvergabe.

The ESG sensitivity of a company is assessed on the basis of publicly available information as well as information available either to the company itself or to AKB. If a company has both a loan volume of at least CHF 500,000 (excluding mortgages) and at least 50 employees, the review is documented in the credit process using the "Sustainable lending" checklist. This checklist helps client advisors identify relevant ESG aspects for the client's respective industry. The structured lending process for larger transactions ensures that new applications are reviewed with the necessary care and sensitivity.

Companies seeking credit are divided into three categories:

- **No ESG sensitivity:** The company does not operate in sensitive areas from an ESG perspective and qualifies for normal lending conditions.

- **ESG sensitivity:** Credit applications made by companies with any of the business models indicated below are assessed exclusively by the highest credit approval authority with the involvement of internal sustainability experts:

- Production of or trade in alcoholic beverages – beer, wine and regional specialities are not affected by this
- Production of or trade in tobacco products
- Operation of gambling and casinos
- Production of or trade in weapons, accessories for weapons and munitions
- Operation of nuclear power plants, gas-fired power plants and oil-fired power plants as backup and emergency facilities

In doing so, the AKB also takes into account regional characteristics, traditions, cultural aspects, as well as security of supply. Where credit is provided to a company with increased ESG sensitivity, a higher interest rate and/or specific additional measures may be agreed upon with the company. The resulting contribution margin is used to promote sustainable activities in the market area.

- **Exclusion:** AKB does not provide any financing if it would entail any harm to humans or animals and/or damage to the environment or a violation of applicable law. Examples of this include child labour, forced labour or animal cruelty, and other ethically unacceptable practices. The principles of protecting people and the environment must be taken into account in relation to lending. The specific exclusion criteria as part of the credit policy can be found here: akb.ch/nachhaltige-kreditvergabe-kriterien.

AKB sustainability experts are systematically involved in the decision-making process for potentially critical loan applications. The check is documented in the loan application and assessed by the highest credit approval authorities.

Sustainable lending

"Sustainable lending" refers to the granting of loans and financing that take social and/or environmental sustainability criteria into account. AKB offers sustainable lending services to both private clients and companies.

AKB supports energy-efficient renovations in the mortgage business with the AKB green mortgage, which has a lower interest rate than conventional fixed-rate mortgages. The AKB allocation criteria can be applied for all types of property, i.e. both for owner-occupied homes as well as income-generating or commercial property. During the reporting year, the AKB green mortgage framework was reviewed and decoupled from the green bond and green time deposit products (for details, see below in the relevant section on developments during the reporting year). Whilst other financing products require a label or certificate, for renovations AKB relies on a bottom-up approach and rewards specific individual measures. These may include for instance renewal of energy source or window renovation, optimisation of insulation / outer shell or installing renewable energy sources, such as for instance a photovoltaic system. Evidence of energy-related measures must not be more than two years old. Once the AKB green mortgage

has expired, the mortgage will continue with conventional mortgage products.

Within the corporate client business, the Bank finances environmental or social projects with AKB sustainability loans. The AKB sustainability loan is offered at a more favourable interest rate compared to conventional investment loans. The AKB Sustainability-linked Loan promotes a sustainable focus for companies' overall business models, or individual aspects of them. AKB sustainability-linked loans are offered to clients who have already developed a clear sustainability strategy. The Bank actively engages in dialogue with the aim of jointly formulating tailor-made sustainability targets. The targets set are linked to the credit limit in the case of AKB sustainability-linked loans. If the targets are met, clients benefit from an interest rate advantage, and thus lower financing costs. Credit applications made by companies wishing to benefit from these sustainable financing variants are assessed by the highest credit approval authority with the involvement of internal sustainability experts. AKB bases its lending decisions on the Sustainability-linked Loan Principles, the Social Loan Principles and the Green Loan Principles of the Loan Syndications and Trading Association (LSTA). Further information: akb.ch/sustainable-lending.

Advisory services concerning all aspects of energy efficiency

Within the mortgage business, AKB raises awareness and advises clients as part of the advisory process (engagement) on the energy efficiency of residential properties and holiday homes as well as the financial and environmental value of renovation over the entire life cycle of the property. Client advisors can use tools to provide an initial assessment of the energy efficiency and CO₂ rating of a building. The rating is based on the cantonal building energy certificate (GEAK).

In addition, the tool can be used to propose potential investments to clients and to present modernisation plans to them. In addition, the possibility of municipal, cantonal or federal subsidies may be addressed directly in the advisory discussion with the client.

As energy-related renovation is demanding on both a technical and a planning level, AKB recommends that specialists are involved, and refers interested clients in the market area to energieberatungAARGAU or the Energy Advisory Unit of the Canton of Solothurn. Further information: akb.ch/klimafreundlich-modernisieren.

Developments during the reporting year

Achievement of targets in 2025

In the 2025 financial year, AKB granted CHF 8.8 million in AKB green mortgages for renovation. AKB thus narrowly missed its target of CHF 10 million in AKB green mortgages for renovation. By adjusting the eligibility criteria for taking out an AKB green mortgage and launching a new renovation product (see below), the proportion of financing for renovations is to be increased in future.

Information on the implementation of the Climate Strategy in the mortgage business and corporate lending is explained in greater detail in the Climate Report on page 54.

Adjustment to the AKB green mortgage framework and new framework conditions for green and social investment products

The AKB green mortgage framework was thoroughly reviewed in the reporting year. Following an in-depth analysis, it was decided to decouple the AKB green mortgage from the green bond and green time deposit products. In taking this action, AKB is better adapting to the market standard for green bonds.

The following action was taken: During the initial stage, the previous AKB Green Investment Products Framework was revised. It no longer focuses on the refinancing of the AKB green mortgage, but rather on financed properties. The new AKB Green and Social Investment Products Framework comprises two key areas.

- The Green Asset Pool contains Minergie-certified properties. The pool can be refinanced via green bonds and green time deposits.
- The social asset pool covers receivables from non-profit housing developers. The pool could be financed via a social bond or a social time deposit. Both of these would be new products for AKB. There are currently no plans to offer a social bond or social time deposit.

The framework has been externally certified by ISS Corporate. To date, no new green bonds and no social bonds have been issued under the new framework. Likewise, no new green time deposit was issued. The framework, the second party opinion of ISS and reporting on the use of funds are available on the AKB website: akb.ch/nachhaltige-bonds.

The AKB green mortgage framework will be further developed during the next stage. The focus will remain on energy-efficient renovation, sustainable new buildings and certified properties. When doing so, AKB attaches particular importance to providing targeted support for energy-related measures such as the replacement of heating or windows, thereby making an effective contribution to the sustainable renovation of real estate.

Credit portfolio

The loan portfolio of AKB is still comprised (unchanged) largely of mortgages, most of which are providing financing for owner-occupied homes (48.5%). 91.1% of financed properties are located in the market area of AKB. The remaining financed properties are located in other regions of Switzerland. During the reporting year the overall mortgage portfolio increased to CHF 27.3 billion.

Mortgage loans with an environmental benefit (AKB green mortgages) increased to CHF 545 million at the end of 2025. This equates to 2.0% of AKB's entire mortgage portfolio. The proportion of AKB green mortgages out of the overall mortgage portfolio might appear to be small at first, and can be explained by the more than 100-year history of AKB and the associated development of the mortgage portfolio. It must be borne in mind that the evidence of financing in the form of an AKB green mortgage must not be more than two years old and that the AKB green mortgage is automatically transformed into a conventional mortgage product at the end of the fixed term.

Across the entire mortgage portfolio, the Bank financed 2710 Minergie buildings, which equates to 7.0% of the mortgage volume. In addition, the partner IAZI rated 8459 properties with an energy and CO₂ rating of A or B, which corresponds to 26% of the mortgage volume. IAZI's energy and CO₂ calculator uses a statistical model based on SIA standard 380/1. The energy and CO₂ rating derived from this is based on the GEAK rating scale. Buildings that achieve class A or B for both ratings are characterised by a well-insulated building shell. They do not cause any or only cause minimal CO₂ emissions, which in most cases meets with the legal requirements for new buildings. IAZI's valuation is determined on the basis of heat carrier data from the Federal Register of Buildings and Dwellings (GWR). As more than 60% of the data contained in the GWR originate from the year 2000, AKB intends to carry out further projects to update building data in the market area. This project is part of the defined Climate Strategy (akb.ch/climatestrategy). During the reporting year, the Canton of Aargau approved the plan devised for updating GWR data. Due to the significance of the data, AKB is providing financial support to the Canton for this project.

AKB grants companies both commercial credit limits as well as commercial mortgages. All financed companies are based in Switzerland, with 83% of the financed companies in the market area of AKB. The Bank largely finances SMEs (more than 90%), which is consistent with its service mandate. In 2025, the loan portfolio from corporate financing grew to CHF 11,201 million. It is comprised of unsecured loans, loans secured by a mortgage or other collateral, as well as mortgages for corporate clients. During the reporting year 2025, two new credit limits were granted as AKB sustainability loans. One credit limit was provided to finance a biogas plant, while the other is being used to purchase electric buses.

Sustainable lending

During the reporting year, AKB introduced seven new credit limits, which were classified as being subject to more stringent ESG scrutiny. A total of six loan applications that were somewhat sensitive from an ESG perspective were examined in detail by AKB's sustainability specialists. In 2025, the sustainable lending criteria of AKB were fulfilled in all cases. The "Sustainable lending" checklist has been revised and further adjusted. In addition, sector heads in the corporate client area were trained in how to use the checklist and have passed on this knowledge throughout their teams.

The total contribution margin from loans subject to more stringent ESG scrutiny was CHF 353,890 during the 2025 financial year. In addition to the contribution margin, the interest reductions from the green bonds (CHF 120,000) and green time deposits (CHF 2067) are also used to carry out sustainable activities in the market area. The contribution margin was used for the AKB Sustainability Support Programme for SMEs (CHF 120,000), the CAS "Sustainability as a Success Factor" (CHF 39,700) as well as for the interest discount on AKB green mortgages (CHF 1,049,900) and AKB sustainability-linked loans (CHF 24,833). Costs totalling CHF 1,234,067 were CHF 758,110 higher than the effective contribution margin. This difference was absorbed by AKB.

Advisory

Client advisors of AKB carry out an initial energy efficiency assessment in every financing meeting in which a new loan or an increase in the mortgage is requested for an owner-occupied or rented single-family home or holiday home. The process was further improved and simplified over the course of the year. An initial assessment is now only mandatory for properties that are more than 10 years old. For those built more recently, the initial assessment can be carried out as needed. As a result of this change, AKB is focusing on the relevant properties and providing clients with added value.

AKB is also supporting the Canton of Aargau in the series of lectures entitled "Future-proofing your home – energy, finance and generational transfer". At four information events held at different locations in the Canton, AKB explained why the life cycle of a property is also important from a banking perspective and presented the advisory services and products it offers in this context.

In accordance with the AKB Climate Strategy, AKB also aims to support sustainability ratings for SMEs. During the reporting year, various tools were evaluated and a pilot project with *esg2go* was successfully carried out. The findings will be incorporated into the further expansion of AKB's sustainability product range.

Outlook

In order for AKB to be able to cooperate with official bodies also in the area of corporate credit in future, discussions were held with various advisory bodies within the federal government and the cantons on various sustainability topics such as the circular economy and energy efficiency. In addition, the entire advisory process for corporate loans is to be expanded, taking account of sustainability aspects. Both projects will be pursued over the coming reporting year.

AKB also plans to launch a new sustainable lending product for energy-related renovation. The focus will be placed on replacing heating systems and windows, facade and roof renovation and solar systems.

Targets for 2026

Within the financing business, a mortgage product is being developed that specifically promotes energy-efficient renovation.

Key figures

Topic	GRI	Unit	2023	2024	2025
Mortgage loans	Own standard	in CHF million	24 228	25 869	27 288
Breakdown according to property type	GRI G4-FS6: Composition of the lending business by specific region, size and type of borrower	Number (total)	38 309	39 255	40 477
Residential properties		Number	34 517	35 364	36 487
Commercial properties		Number	2 165	2 251	2 334
Other properties		Number	1 627	1 640	1 656
AKB green mortgages	G4-FS8: Lending business with specific environmental benefits	in CHF million	389	495	545
AKB green mortgages as a proportion of mortgage loans		in percent	1.6 %	1.9 %	2.0 %
Proportion of mortgage loans for properties with an energy and CO ₂ rating of A or B		in percent		22.0 %	25.8 %
Proportion of mortgages for Minergie-certified buildings		in percent		6.5 %	7.0 %
Loans for non-profit housing developers	G4-FS8: Lending business with specific environmental benefits	in CHF million			341

Topic	GRI	Unit	2023	2024	2025
Composition of corporate client business including credit volume drawn down					
1–49 employees	G4-FS6: Composition of the lending business by specific region, size and type of borrower	Number			4 545
		in CHF million			8 056
50–249 employees		Number			333
		in CHF million			1 253
250+ employees		Number			139
		in CHF million			1 549
No information		Number			230
		in CHF million			343
Total corporate client business		Number	–	–	5 247
		in CHF million	–	10 679	11 201
AKB sustainability-linked loans	GRI G4-FS7 and GRI G4-FS8: Lending business with specific environmental and social benefits	Number	1	1	1
AKB sustainability loans		Number	0	1	3
AKB green corporate mortgages		Number	–	9	10
Portfolio volume of loans under ESG sensitivity	Own standard	in CHF million	29.4	5.2	15.1
Volume contribution margin including amount carried forward	Own standard	in CHF	583 524	348 158	475 957
Volume usage of contribution margin	Own standard	in CHF	790 102	1 098 639	1 234 067

4. Sustainable investment products offering

Relevance of the material topic for AKB

Revenues from asset management and investment advice account for a significant proportion of AKB's undifferentiated income. The Bank exerts a significant influence on how its clients' assets are invested and takes seriously its responsibility for the positive and negative effects on sustainable development of the respective investments. Wherever possible, AKB therefore takes account of sustainability criteria when assessing investment opportunities.

Management system of material topics

AKB's Sustainable Investment Policy aims to invest only in investments that have robust sustainability strategies. This reflects a sustainable tolerance objective in accordance with the self-regulatory instruments of the Swiss Bankers Association (SBA) and the Asset Management Association of Switzerland (AMAS).

The Bank is convinced that the incorporation of sustainable criteria into the process of selecting investments improves their risk profile and also opens up opportunities for companies and issuers alike, and thus also for investors, thanks to good sustainability management.

All asset management mandates for private clients along with the AKB funds ESG Fokus are subject to the AKB Sustainable Investment Policy. AKB does not pay retrocessions or passes any such amounts on to clients. The investor profile that determines the client's investment strategy is regularly updated. Where possible, the advisory universes for advisory clients also contain only investments that comply with the AKB Sustainable Investment Policy.

ESG preferences

At AKB, clients can choose between two ESG preferences: "neutral to interested regarding sustainability" and "very interested in sustainability". The investment approaches "exclusions," "solid sustainability management," "corporate engagement" and "engagement with real estate funds" are used for "neutral to interested regarding sustainability". Under the "very interested in sustainability" preference, these three investment approaches are supplemented by the "impact" investment approach.

Investment concept with four sustainability approaches

Exclusions

For direct investments in equities and bonds, the sustainability approaches "exclusions" and "solid sustainability management" are applied. During the first stage, business models involving high sustainability and reputational risks are excluded. These exclusion criteria are periodically

reviewed. Companies that violate any of the ten principles of the UN Global Compact (UNGC) are excluded. The principles require companies to respect international labour standards, to prevent damage to the environment and the combat corruption. AKB's portfolio companies and issuers respect the declaration of human rights by the application of exclusions in accordance with the UNGC Principles.

Solid sustainability management (best-in-class)

During the second stage, the sustainability performance of companies and issuers is assessed with reference to sustainability criteria. The sustainability performance of a company or issuer is considered to be solid by AKB if it is rated by the sustainability rating agency MSCI ESG as at least "BBB". This assessment guarantees that the management of the most important sustainability issues is done at least at an average level compared to the respective industry. The current catalogue of exclusion criteria and the detailed descriptions, including revenue thresholds, can be consulted at any time at akb.ch/nachhaltig-anlegen.

Around 14% of issuers have been excluded from the global bond universe with reference to exclusions and the assessment of sustainability management, and around 26% of companies from the global equity universe. The sustainability assessments of companies and issuers are reviewed monthly. Any stocks that are no longer sustainable are sold from the portfolio within a defined period of time (asset management business) or their sale is recommended (Advisory business) and the investment universe is adjusted accordingly.

The sustainability approaches "exclusions" and "solid sustainability management" are applied to the entire investment universe, within both asset management as well as advisory business.

Corporate engagement and engagement with real estate funds

In addition to these two sustainability approaches, working in partnership with Ethos Services AG, AKB has been conducting a dialogue (engagement) on sustainability topics since July 2024 with companies that have invested in the equity holdings of AKB funds and AKB asset management mandates. In addition, Inrate AG has been pursuing engagement with the fund management companies of listed Swiss real estate funds on behalf of AKB since January 2025.

In doing so, the Bank is fulfilling its responsibility as an active investor. The aim of the engagement is to improve

how companies and real estate funds deal with key sustainability topics.

Corporate engagement is currently focusing on the following topics:

- Climate protection
- Nature and biodiversity
- Working conditions and human rights
- Corporate governance

Ethos approaches the companies in the event of serious controversy on these topics (= reactive engagement). In Switzerland, Ethos systematically engages with the top 150 companies in the Swiss Performance Index (SPI). For international companies, the focus is on large-cap companies with exposure to the focus topics. In the event of any conflicts of interest with regard to the AKB client base, the interests of investment clients take precedence.

Within the dialogue, companies are shown where there are gaps compared to best practice and what improvements are expected based on the analyses of Ethos. In most cases, the engagement takes place over several years. However, if the engagement does not produce the expected results, Ethos may take intensification measures: these may include intervention at the Annual General Meeting, the issue of voting recommendations against motions and members of the Board of Directors or the submission of a shareholder proposal. If engagement does not bear fruit despite intensification measures, the positions of the company in question within the portfolios actively managed by AKB are significantly underweighted or sold.

Engagement with fund managers of real estate funds is currently focusing on the following topics:

- Climate
- Resource use
- Quality of life

The aim is to reduce greenhouse gas emissions from the properties included in the funds to net zero by 2050 by improving the management of these topics. The natural resources used by the properties should be protected and biodiversity preserved. Improving tenants' quality of life is another key objective.

A form of "light engagement" is pursued with all real estate funds listed on the Swiss Stock Exchange by e-mail or telephone. The primary objective is to exchange views on the results of the "ESG Impact Ratings for Real Estate," which Inrate prepares for all funds once a year. Five funds are selected each year for "full engagement" in partnership with AKB. Personal discussions are held with the fund managers on the topics for which Inrate has identified the greatest potential for improvement. In the event of any conflicts of interest with regard to the AKB client base, the interests of investment clients take precedence. During this engagement, fund management companies are shown where there are gaps to best practice and which improvements are expected based on Inrate's analyses. In most cases, the engagement takes place over several years.

If a commitment remains unsuccessful for an extended period of time and it is apparent, following consultation with Inrate, that this will not change in the foreseeable future, this may have a negative impact on the Inrate ESG Impact Rating for Real Estate, which is incorporated into the AKB rating system for the fund in question. AKB's investment in the fund concerned may be reduced or the fund may be removed from AKB's list of recommendations. The relevant decisions are documented internally and listed in the report on dialogue with Swiss real estate funds.

Further information on this engagement can be found in the "AKB Guidelines for Corporate Engagement on Sustainability Issues in the Investment Business" and the "AKB Guidelines for Engagement on Sustainability Issues with Real Estate Funds in the Investment Business" at akb.ch/nachhaltiges-anlegen.

Corporate engagement is one of AKB's stewardship measures for companies. As regards the second measure, the exercise of voting rights, the Fund Management Company Swisscanto exercises voting rights for AKB investment funds in accordance with ESG criteria. Further details can be found in the voting policy at annual general meetings of Swisscanto.¹

Impact

For clients who are "very interested" in sustainable investments, the "impact" sustainability approach is also applied. This includes investments that are classified by AKB as "sustainability leaders". Sustainability leaders are companies or issuers whose sustainability management is leading according to an industry or country comparison and therefore receive a rating of AAA from MSCI ESG. Impact-oriented bonds such as green bonds also fall into this category. In the case of collective investments, the following funds count amongst the sustainability leaders: Funds that meet AKB's selection criteria for collective investments to a very high degree, as well as impact-oriented collective investments that aim to achieve a previously identified and measurable impact on sustainable development. AKB is guided by the definition of impact used by the Global Impact Investing Network (thegiin.org).

Since 2024, AKB has been offering product lines that take into account all four sustainability approaches described above and thus specifically cover the needs of clients that are "very interested" in sustainable investing, including a "sustainable plus" asset management mandate. Currently, at least 40% of the portfolio for the "very interested in sustainability" investment solution is invested in investments that are classified as sustainability leaders by the Bank.

In 2025, 2.8% (previous year: 4.7%) of asset management and advisory clients profiled opted for the "very interested in sustainability" sustainability preference.

¹⁾ swisscanto-fondsleitungen.com/media/swcfl/dokumente/abstimmungspolitik-flag-de.pdf

Coverage of investment universes

Until now, the Sustainable Investment Policy of AKB has covered the investment categories of equities and bonds as well as the thematic areas of micro-finance, insurance-linked securities and gold. At the start of 2025, the sustainability approach was also implemented for fund of funds structures for listed Swiss real estate funds. Real estate funds that do not have a sustainability strategy are excluded. Sustainable criteria based on the Inrate ESG Impact for Real Estate are integrated into the model for selecting individual real estate funds. As described in the “Corporate engagement and engagement with real estate funds” section, engagement is also conducted with the managers of the real estate funds on sustainability topics. AKB applies accordingly the sustainable investment approaches “exclusion” and “ESG integration and dialogue (engagement)” for real estate funds of funds. When doing so, AKB pursues the objective of promoting sustainable business strategies and practices. Accordingly, the name of the retail fund AKB Immobilienwerte now also features the supplement “ESG Fokus”, which has been approved by FINMA.

Other investments such as commodities are classified by AKB as “unrated” owing to the lack of any sustainability standards. The proportion of unrated or unsustainable investments may not exceed 30% for all AKB funds and AKB asset management mandates for private clients. The respective proportions for AKB funds can be found on the sustainability factsheets at akb.ch/anlagefonds. Statements of assets also contain this information.

The Bank closely monitors developments in terms of the offering of sustainable products and policies and regularly reviews whether to expand the Sustainable Investment Policy to additional investment categories and themes. A list of the other – clearly justified – exceptions from the Sustainable Investment Policy can be found at akb.ch/nachhaltig-anlegen.

Sustainability assessments of third-party funds and ETFs

The system of sustainability assessments for investment products of third-party providers is based on two pillars. First of all, the ESG Policy applied by the provider of the product is compared with that of AKB and assessed in order to establish its compatibility. Secondly, AKB makes sure whether the strategies referred to in the policy are being implemented within the product and whether there are any discrepancies with the AKB approach in terms of implementation. For thematic products, the assessment examines whether the theme is deemed to be sustainable from the perspective of AKB as well as the quality of implementation.

Two types of collective investment schemes qualify as “sustainability leaders”:

- Collective investments that fulfil AKB’s selection criteria to a very high degree
- Impact-oriented collective investments that aim to achieve a previously identified and measurable impact on sustainable development

In 2021 to 2025, AKB assessed more than 200 third-party products and was able to confirm the robustness and

reliability of its approach. 36 third-party products were classified as “sustainability leaders” at the end of 2025. Classifications are reviewed at least once a year.

Comprehensive transparency

AKB transparently indicates in periodic statements of assets, in asset reports and in e-banking how the relevant investment has been assessed by AKB in terms of the sustainability approach and focus. The reasons for classifying a company or issuer as “unsustainable” are also indicated in the statement of assets. In its investment proposals and statements of assets, AKB also discloses the proportion of portfolio positions that are regarded as sustainable and sustainability leaders. During the reporting year, a chart showing the distribution of direct investments in equities and bonds according to MSCI ESG ratings was added to investment proposals and statements of assets. A chart showing the proportion of each custody account for which engagement on ESG topics is being conducted on behalf of AKB with issuers of equities and bonds was also added. This informs clients about how their ESG preferences are reflected in their portfolios. Mandates for clients with the sustainability preference “very interested in sustainability” are reviewed quarterly to ensure compliance with the minimum proportion of sustainability leaders.

AKB prepares annual reports on corporate engagement and engagement with Swiss real estate funds conducted during the previous financial year, which it publishes on its website. The first report on corporate engagement was published in 2025. The first report on engagement with the fund management companies of real estate funds is planned for the second quarter of 2026.

AKB publishes quarterly sustainability factsheets on the AKB ESG portfolio funds. These provide information on the products’ most important sustainability characteristics, including Swiss Climate Scores since early 2025. As such, AKB is making a contribution to transparency concerning sustainable investment, thereby preventing greenwashing.

Procurement of precious metals

AKB acts in accordance with the “Swiss Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (VSoTr; SR 221.433)” and declares that it procures physical precious metals for its clients exclusively via Zürcher Kantonalbank (ZKB). Under the terms of the contract concluded with ZKB, the Bank only purchases and sells precious metals that comply with the relevant market standards. For gold and silver these are the “Good Delivery Rules” of the London Bullion Market Association (LBMA), and for platinum and palladium the “Good Delivery Rules” of the London Platinum and Palladium Market Association (LPPM). These standards ensure that no breaches of human rights and no child labour occur and that no minerals are obtained from conflict-affected areas. This means that AKB is not subject to an additional due diligence obligation.

Developments during the reporting year

Achievement of targets in 2025

The development of sustainable selection criteria for individual real estate funds planned for 2025 has been

implemented. As of 1 December 2025, listed Swiss real estate funds have been marked as sustainable or unsustainable based on the Inrate ESG Impact Ratings for Real Estate.

Implementation of Self-Regulation 2.0

The revised versions of the self-regulations on sustainable investing, taking account of clients' ESG preferences issued by the industry associations AMAS and SBA in 2024 (SR 2.0) affect AKB's investment business in several respects and have had to be implemented since 1 January 2026. They focus on client documentation and reporting on the sustainability focus of asset management mandates and advisory accounts. According to the self-regulation, investment solutions that are marketed as sustainable (ESG Focus mandates and AKB funds) must comply with stricter requirements as regards sustainability objectives and the measurement of the sustainability approach. In order to comply with these regulations, AKB has updated all client documentation and included additional information in statements of assets on the sustainability focus of the investments held in client custody accounts. Statements of assets issued on 31 December 2025 contain information on the percentage distribution of MSCI ESG ratings for direct investments in equities and bonds as well as on the proportion of the portfolio for which AKB pursues corporate engagement on sustainability topics.

Although AKB's sustainable investment policy remained unchanged, its description has been clarified with regard to self-regulation and legal aspects. The fund documents of ESG Fokus AKB funds have also been amended in accordance with Self-Regulation 2.0. The revised fund documents took effect on 4 November 2025.

Implementation of the Climate Strategy

Various measures were taken to implement the Climate Strategy within the investment business in accordance with the 2028 Target Vision. Further information can be found in the Climate Report on page 54.

Reporting on the sustainability characteristics of investment solutions

Since 2024, AKB has provided institutional clients with sustainability reports on their custody accounts that meet with the requirements of the Swiss Pension Fund Association (ASIP). Since the start of 2025, AKB has been publishing supplementary quarterly sustainability factsheets on behalf of investors in AKB ESG Fokus portfolio funds which, in addition to providing a range of sustainability indicators, also include the Swiss Climate Scores recommended by the Federal Council. At the end of 2025, statements of assets also started to include the MSCI ESG rating distribution of direct investments as well as the proportion of the portfolio for which corporate engagement is being conducted on behalf of AKB. In doing so, AKB is further increasing transparency regarding the sustainability focus of its investments.

The first report on the corporate engagement on sustainability topics was published in June 2025: [akb.ch/unternehmensdialog-nachhaltigkeit-anlagen](https://www.akb.ch/unternehmensdialog-nachhaltigkeit-anlagen).

Introduction of engagement with real estate funds

Since January 2025, Inrate has been conducting engagement on ESG topics with listed Swiss real estate funds on behalf of AKB. The new sustainable focus of real estate funds of funds features the exclusion of real estate funds that do not have a sustainability strategy as well as the integration of sustainability criteria into the selection process.

Asset management mandates

AKB investment funds and standardised asset management mandates have been fully aligned with the Sustainable Investment Policy of AKB since the middle of 2021. Accordingly, as at 31 December 2025, 100% of private client mandates as well as the AKB investment funds ESG Fokus were invested according to the AKB Sustainable Investment Policy. The proportion for institutional mandates was 41.9%, which was slightly higher than the previous year (34.9%). In most cases, these mandates reflect specific client requirements, which are as a rule set out in separate investment regulations, and are not compatible with the application of the Sustainable Investment Policy in all instances. Over the longer term, AKB aims to further enhance the reach of sustainable investment by raising its clients' awareness of the benefits of a sustainable investment strategy.

The "sustainable plus" asset management mandates used for the sustainability preference "very interested in sustainability" accounted for 1.2% of all private asset management mandates at the end of 2025, representing a slight increase year on year (0.8%). The proportion of sustainability leaders within these mandates was between 44 and 48%.

Advisory mandates

Where possible, the investment advisory universes (equities, bonds, funds) only include sustainable investments. Clients are periodically informed about unsustainable investments in their custody accounts or about investments that deviate from their ESG preferences, and sustainable investment alternatives are recommended to them. At the end of 2025, 9.1% of the Portfolio and Fokus advisory accounts were invested by clients in sustainability leaders and 47.4% in sustainable investments. 38.9% originated from unrated investment categories (around 11.5% of which are indirect real estate investments) and 4.5% were rated by AKB as not sustainable. Under the sustainable investment approach for real estate introduced in 2025, the proportion of unrated asset classes has fallen by three percentage points.

Clients who manage securities positions independently without any advice from AKB are classified as "execution only". Since AKB is unable to exert any decision-making influence over these assets held in custody, they have not been assessed.

Green time deposit

Since 2022, AKB has been offering a sustainable alternative to the existing time deposit in the form of the "green time deposit". Until the end of 2025, the green time deposit was used exclusively to refinance the AKB green mortgage. As a result of the adjustment of the Green and Social Investment Products Framework in 2025, receivables relating to Miner-gie-certified properties will now be refinanced. With a small interest discount of 0.05% compared to conventional time

deposits, clients support environmentally friendly construction projects. The new framework for the green time deposit has been externally certified by ISS Corporate. The portfolio of green time deposits declined (volume -37.5%) in 2025 as a result of interest rate cuts by the Swiss National Bank (SNB) and the corresponding interest rate adjustments.

Training employees in the investment business

In November 2025, all client advisors at the Bank received training on the changes associated with Self-Regulation 2.0. Further training in the area of sustainable investing was provided on the new reporting (ASIP Reports and Swiss Climate Scores).

The internal publication "Sustainable Investment News" provides monthly updates concerning sustainability issues, including articles on the following topics in 2025:

- Emissions trading schemes (ETS)
- Swiss climate scores
- AKB green bond and AKB green mortgage
- Exclusion criterion: weapons
- Reporting on corporate engagement in the investment business
- Impact of sustainable investment approaches on the real economy
- Sustainability approach for real estate funds

Outlook

Targets for 2026

For 2026, AKB has set itself the target of ensuring that at least 90% of impact bonds in its investment universes have the documentation required by the most important and widely used standards, such as a second-party opinion and an impact report.

Key figures

Topic	GRI	Unit	2023	2024	2025
Delegation Proportion of assets managed according to the Sustainable Investment Policy of AKB ¹⁾	GRI G4-FS11: Assets subject to positive and negative environmental or social screening				
Private clients (VVA ²⁾)		in CHF million	1 531	1 752	2 004
		in percent	100 %	100 %	100 %
AKB investment funds ESG Fokus ³⁾		in CHF million	1 698	1 996	2 399
		in percent	100 %	100 %	100 %
Institutional clients (VVA ²⁾ and AKB funds)		in CHF million	1 347	1 516	1 958
		in percent	33.8 %	34.9 %	41.9 %
Advisory Portfolio and Fokus advisory accounts ⁴⁾					
Proportion of sustainable investments		in percent	58.8 %	54.7 %	56.6 %
Proportion of non-sustainable investments		in percent	2.9 %	3.5 %	4.5 %
Proportion of unrated investments		in percent	38.3 %	41.8 %	38.9 %

¹⁾ The AKB Sustainable Investment Policy exclusively is applied to asset management mandates of private clients and AKB's own funds. In most cases client requirements, which only embrace the Sustainable Investment Policy to a limited extent, are most relevant for institutional clients.

²⁾ Asset management mandates

³⁾ Covers all category, portfolio and pension funds admitted for public distribution, excluding holdings in VVA.

⁴⁾ Investments in advisory accounts are based on individual recommendations.

Expansion of reporting

In 2026, AKB will publish detailed reports on corporate engagement as well as on engagement with real estate funds. The report on impact investments within "sustainable plus" asset management mandates, which will also be published for the first time in 2026, will provide AKB clients with information on the impact that their investments are having on the environment and society.

Implementation of the Climate Strategy

Implementing the measures defined in the Climate Strategy remains a priority. Clarification of the selection criteria for Paris-aligned investments as well as their integration into portfolio and fund construction will be further pursued during the 2026 financial year. Further details are explained in the Climate Report on page 54.

5. Attractiveness as an employer

Relevance of the material topic for AKB

AKB is based on a business model that focuses on personal advice and close client relationships. In order to uphold this commitment in a dynamic and increasingly competitive environment, AKB is intensifying its focus on ensuring long-term viability.

In the coming years, a significant number of employees will take regular or early retirement. This development calls for proactive personnel and succession planning in order to ensure the transfer of knowledge and build up the necessary skills in good time. The aim is to preserve the existing know-how and at the same time develop new skills to cater to future market and technological requirements.

AKB attaches major importance to promoting a corporate culture rooted in learning and development while maintaining a strong focus on the individual. The skills base is expanded on an ongoing basis through targeted training and development initiatives as well as the promotion of talented young employees. This not only increases the Bank's ability to innovate and adapt, but also enables it to position itself as an attractive employer for current and future employees.

Management system of material topics

AKB is aware of the challenges posted by forthcoming retirements, the ongoing shortage of skilled workers and the dynamic changes in the economic environment. The Bank is setting the course for a sustainable future by implementing a comprehensive HR strategy geared towards strengthening the employer brand and the targeted development of specialists and young professionals.

The company offers secure jobs in a successful, long-term environment based on shared values and leadership principles. AKB promotes the personal and professional development of all employees and creates perspectives within a modern working environment that guarantees equal pay and equal opportunities.

Future-oriented personnel development and employer attractiveness

The Bank is developing on an ongoing basis as an attractive employer with the objective of attracting and retaining highly qualified employees in the future. A key component of these efforts is active consideration for the future viability of the organisation. This includes comprehensive training and development programmes that

promote both professional qualifications as well as personal development. As part of the ongoing dialogue with employees, the employer promise to be an attractive employer is regularly reviewed and developed, with a focus on personal, authentic dialogue.

Under the motto "Your strength – our future", AKB is stepping up its measures for the targeted promotion of employees in order to meet future staffing requirements proactively at an early stage. Particular attention is paid to the training and development of talented young people who make a significant contribution to securing the company's skills over the long term. Modern working models, the option of de-localised working, a wide range of ongoing training and regular performance reviews are fixed points of reference in the corporate culture and underline the Bank's commitment to future-proof personnel development.

Corporate culture

The corporate culture of AKB is characterised by respectful, appreciative cooperation and open communication across all hierarchical levels. The culture is based on core values and leadership principles centred on trust, expertise and a sense of responsibility. These principles create a working environment that is characterised by mutual respect, team spirit and a strong sense of community and that promotes sustainable, value-focused cooperation. These values are rooted in the AKB Code of Conduct and Ethics (akb.ch/codeofconduct).

A key component of the corporate culture is the culture of feedback and learning, which is promoted at all levels and developed on an ongoing basis. The objective is to promote trust and openness, to increase motivation and commitment and to continuously improve, as well as to increase the ability to adapt to change step by step. Annual team days reinforce trust within the teams. The open working environment encourages constructive discussion. AKB has established a whistleblowing process in order to strengthen AKB's culture, promote integrity and at the same time ensure that employees are protected as whistleblowers (further details can be found in chapter 2, page 15). In addition, AKB has been offering its employees an external, free employee assistance programme through Lyra Switzerland for a number of years. Lyra provides professional help for work-related or personal concerns and problems – confidentially, anonymously and with a focus on solutions.

With the overall banking strategy for 2025–2028, AKB focuses on inspiring, results-based, people-centric and performance-focused management, which is open to

change and actively involves all employees. AKB conducts annual employee surveys to gauge employee satisfaction and needs. These anonymised surveys enable the Executive Board and the Board of Directors to take targeted action if necessary and introduce changes in order to continuously improve the framework conditions and culture.

Equal opportunities for all

AKB is actively committed to equal opportunities, diversity and inclusion within the company. This is reflected not only in the guarantee of equal pay (salary and benefits), but also in the systematic promotion of equal opportunities in recruitment, internal development and succession planning.

AKB regards the diversity of its employees as a key to success and a source of enrichment for the corporate culture. It aims to create a working environment that is

free from prejudice and that promotes respectful and appreciative interaction with one another.

AKB is cooperating with the Kinder-Camps association to further improve the work-life balance. This service supports employees by providing childcare during holiday periods, helping to relieve the burden and make it easier to reconcile work and family commitments.

Equal opportunities for men and women in the areas of pay and benefits are audited every two years by an independent external company.

Staff development at AKB

AKB invests around 1.4% of its personnel costs in the external training and development of its employees through a wide range of job-specific and subject-specific training sessions, workshops and impulse events. This actively helps to maintain the employability of all employees. It not only promotes technical and management skills, but also social skills as well as individual responsibility and employee self-organisation. The AKB training offered also includes various continuing education and incentive events in, among others, the field of sustainability that enable AKB employees to incorporate this knowledge into their day-to-day work. The offer is rounded off by regular training on compliance issues for all employees.

Internal specialist and sales training

Internal specialist and sales training at AKB is geared towards sector-specific content. Specialist trainers at AKB perform these training tasks and impart practical knowledge that is tailored to the high standards of banking services. Practice transfer is supported at key points through targeted coaching measures. In future, line managers and team members will be even more actively involved in the specific implementation and application within everyday life in order to ensure a lasting learning effect. Thanks to a comprehensive and constantly growing range of training courses, the skills of the various teams are continuously expanded. A particular focus is placed on integrating sustainability aspects into AKB's core business in order to strengthen the Bank's long-term success and responsible focus. This is underpinned by the inclusion of sustainability workshops in the induction process for new employees, personal development programmes as well as other formats and initiatives.

Internal leadership training

The values and management principles of AKB provide a binding framework and act as a radar device that managers can use to guide their everyday behaviour. AKB's internal leadership programmes incorporate this framework and in doing so support managers in building up and developing their skills in line with the management understanding in order that they can play an active role in shaping the corporate culture.

Changes caused by an evolving environment are anticipated and translated into targeted training modules, with particular focus on leadership development. The specifically designed Certificate of Advanced Studies in Leadership DUAL, which AKB has helped to develop in partner-

Evelyn Meier



Success becomes sustainable when people know why their contribution counts. For Executive Board member Evelyn Meier, this is where good leadership starts by providing meaning, direction and energy. It combines clear objectives with a strong sense of purpose – and focuses consistently on people. Empowering employees and teams to take responsibility and realise their potential is key to Evelyn Meier's work. She leads by example: trust, personal responsibility and commitment. At AKB, she appreciates the culture in which performance is demanded and humanity is embraced authentically – and in which diversity is recognised and promoted as an added value.

ship with the Lucerne University of Applied Sciences and Arts, offers managers a further opportunity to network and build up relevant management skills.

External advanced training

AKB attaches great importance to the targeted individual and needs-based development of all employees. It supports participation in internal and external training courses to promote professional and personal development. 17.5% of the workforce took part in external core or advanced training during the reporting year. Up to 80% of the costs are covered, depending on the relevance and benefit for the current position (short term) and as part of development planning within the ambit of systematic succession planning (medium and long term). In terms of time, AKB supports its employees with up to ten days of advanced training per calendar year.

Talent pipeline

Up-and-coming talented staff are the future of AKB. The Bank creates sustainable prospects for young people by systematically expanding its range of training courses. Through a wide range of apprenticeships (Banking and D&A Salesperson, IT Technician EFZ [Swiss Federal Certificate of Competence], Digital Business Developer EFZ [Swiss Federal Certificate of Competence]), AKB promotes a broad and future-oriented mix, catering to the various requirements of the organisation as well as the individual interests and strengths of trainees. As a training organisation that views competitive sports in a positive light, AKB promotes equal opportunities and creates flexibility, with the first commercial apprentice focusing on competitive sports started a four-year apprenticeship in summer 2025.

More than 120 practical trainers work daily with the Bank's young professionals. Following the 2023 reform of the commercial apprenticeship, their role has shifted from performance-focused to development-focused leadership. In workshops, they reflect on their role as coaches and explore their understanding of people. The new approach fosters a vibrant, self-directed culture of learning within the company.

The "AKB Future Workshop", a well-established internal development programme, provides targeted support to young, talented and motivated employees in their personal development. This programme offers the opportunity to discover and develop individual talents and potential.

Trainee programme

AKB offers trainee programmes which provide ambitious employees with comprehensive training and the necessary tools to take on a challenging position as a client advisor or in a specialist role. A future-proof programme design helps specifically to prepare young professionals for their new role and to continue to fill their baggage with the necessary skills. Trainee programmes are offered in three areas: Private Clients, Corporate Clients and Specialist Unit. The Bank trained 27 trainees during the reporting year. In addition, AKB supports external training both financially and through the opportunity to reduce working hours, which offers participants additional flexibility.

Sandro Freda



Sandro Freda started his sports apprenticeship in summer 2025. He is training as a banking clerk and preparing for a career as a professional kickboxer. Even as a child, he knew how crucial flexible training models were for young athletes: anyone wanting to achieve their sporting ambitions at the highest level needs to complete an apprenticeship with an employer that actively supports competitive sport. Today, Sandro Freda juggles a challenging everyday life involving study, work and daily training. Thanks to adjusted working hours, a reduced workload and the opportunity to complete his training over four years, he is able to rigorously pursue his sporting and professional goals. Despite his heavy workload and long days at work, Sandro Freda is convinced that his perseverance will pay off.

Developments during the reporting year

Achievement of targets in 2025

The aim was to strengthen AKB as an attractive employer through the targeted further development of its management culture. Managers play a key role in promoting a corporate culture focused on learning and play an active role in preparing the company for the continuous changes within the market and the working environment.

Specific leadership development programmes were offered during the reporting year with the aim of supporting managers, which included training in the areas of change management, dealing with change, a culture of feedback and communication as well as coaching. The objective has been to empower leaders to actively shape

processes of change, provide targeted support to employees and establish an organisation focused on learning.

Through these measures, AKB has not only strengthened the skills of its managers, but also invested in its long-term attractiveness as an employer and also in the overall future viability of the company.

Young talent

The numbers of training places and the number of trainee places were increased in the reporting year. With the introduction of the 2023 reform of the commercial apprenticeship, the emphasis has moved from purely technical training to a more reflective and self-directed form of learning. The trainees independently assess their skills on an ongoing basis and compare their own self-perception with that of the trainer. They take personal responsibility, for example by conducting the taster day in full independence. A one-to-one coaching session was also introduced during the reporting year as part of the continued employment process.

Employer attractiveness of AKB

AKB received the "Swiss Employer Award" at the start of 2025 and was ranked third in the category of companies with 250–999 employees. This confirms that AKB is perceived as an attractive employer on the market. AKB was also once again awarded the "Top Company 2026" rating by the employer platform kununu.

In addition, a new AKB employer film was published during the reporting year. While the film highlights the long-term commitment of employees, it will also play an important role in attracting staff in the future. Employees performed various roles in the employer film. The scenes depicted reflect the corporate values and working atmosphere experienced at the Bank, thereby promoting stronger identification with AKB.

Fair and reasonable

In 2025 AKB received Fair-ON-Pay advanced certification, once again distinguishing itself as a fair employer and underscoring its commitment to equal pay (pay and benefits) for men and women.

Employee survey

During the reporting year, a comprehensive employee survey was carried out once again with a high level of participation. In addition to the annual topics of "organisational energy", "acceleration trap", and "management climate", it also focused on the topics "vision and strategy", "corporate culture and values of AKB" and "AKB as an employer". While other companies fared worse against the 2025 benchmark, AKB recorded a very good increase in its energy index and in terms of the management climate and was thus able to extend its lead over the benchmark.

Corporate culture

Two incidents involving discrimination were reported during the reporting year, which were reviewed and dealt with accordingly. Both incidents were resolved and closed. No form of discrimination, bullying or harassment is tolerated at AKB.

Outlook

AKB continues to focus on the targeted promotion of young talent and is expanding both the number and variety of its training opportunities. The aim is to strengthen the professional skills and professional qualifications of future employees, thereby contributing to ensuring long-term competitiveness. The focus on practical training and the ongoing development of skills is a key to success in countering the shortage of skilled workers.

Against the backdrop of demographic change and constantly changing requirements, AKB is pursuing a comprehensive approach for attracting, integrating and retaining different generations within the company. This approach aims to ensure the future viability of the organisation and to create an attractive, intergenerational working environment.

The measures include flexible working models, proactive succession planning and individually tailored development and career paths. In addition, AKB relies on targeted training and further education programmes, in particular to strengthen management skills in dealing with processes of change. This enhances both the adaptability of the organisation as well as the long-term employability of employees.

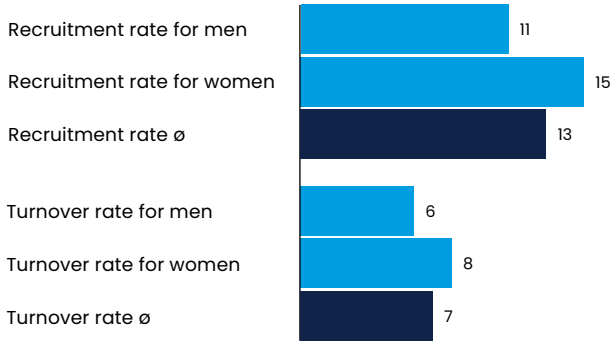
Targets for 2026

Managers are further expanding their central role in promoting a corporate culture focused on learning. They play an active role in shaping change within the company, dealing with a dynamic environment and ensuring AKB's long-term viability.

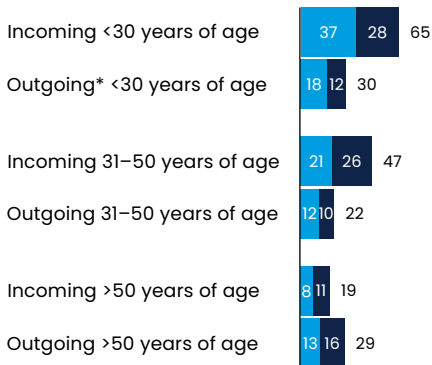
Key figures

	GRI	Unit	2023	2024	2025
Changes in staffing levels as at 1 January 2026					
Employees including apprentices and trainees	2-7	Number	940	985	1 035
Proportion of women		in percent		41.6	42.1
Proportion of men		in percent		58.4	57.9
Employees with a permanent appointment		Number		898	936
Proportion of women		in percent		41.9	41.9
Proportion of men		in percent		58.1	58.1
Employees without a permanent appointment		Number		87	99
Proportion of women		in percent		39.1	44.4
Proportion of men		in percent		60.9	55.6
Full-time employees		Number		638	669
Proportion of women		in percent		29.0	28.7
Proportion of men		in percent		71.0	71.3
Part-time employees		Number		347	366
Proportion of women		in percent		64.8	66.7
Proportion of men		in percent		35.2	33.3
Employees (FTE)		Jobs		837.4	877.9
Proportion of women		in percent		37.7	38.0
Proportion of men		in percent		62.3	62.0
Total part-time ratio		in percent		35.2	35.4
Proportion of women		in percent		54.9	56.0
Proportion of men		in percent		21.2	20.4
Employees (AKB employees excl. employees in education)		Number	851	891	923
Trainees		Number	17	18	27
Apprentices and interns in education		Number	72	76	85
FTEs (AKB employees excl. employees in education)		Total	763.6	791.3	826.5
FTEs (including apprentices and interns)		Total	807.4	837.4	877.9
Employee promotion					
Internal appointments as at 1 January 2026	Own standard	in percent	31.3 %	24.0 %	20.0 %
Training and development: Training and development: average hours per year per employee	404-1	Hours	25	20	22
		Men		20	22
		Women		20	23
		Employees and authorised agents (AA)			35
		Member of middle management			16
		Members of Senior Management/Executive Board			6
Parental leave					
Total number of employees entitled to parental leave	401-3	Women			438
		Men			606
Total employees taking parental leave	401-3	Women	9	7	18
		Men	13	12	14
Total number of employees who returned to work after the end of the period of parental leave	401-3	Women		9	16
		Men		12	14
Total number of employees who were still employed 12 months after their return to work	401-3	Women			9
		Men			12
Rate of return to work	401-3	Women (percentage)	100 %	100 %	88.9 %
		Men (percentage)	100 %	100 %	100.0 %
Retention rate of employees taking parental leave	401-3	Women (percentage)			100.0 %
		Men (percentage)			100.0 %
Salary (without expenses) as at 31.12.2025					
Salary difference between the lowest and the highest salary	2-21	Ratio	1:10.5	1:10.2	1:10.8
Salary difference between the median and the highest salary		Ratio	1:5.0	1:4.7	1:4.8
Highest in CHF		in CHF	612 233	632 000	639 500
Median in CHF		in CHF	121 765	133 853	132 305
Lowest in CHF		in CHF	58 000	62 000	59 000

Recruitment and turnover rate as a proportion of year-end headcount in percent



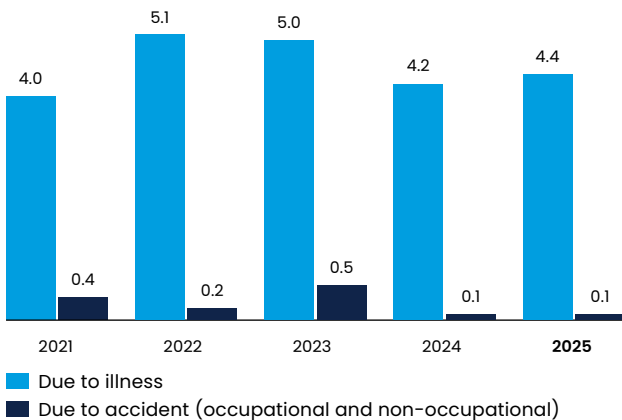
Age distribution of employee turnover in 2025



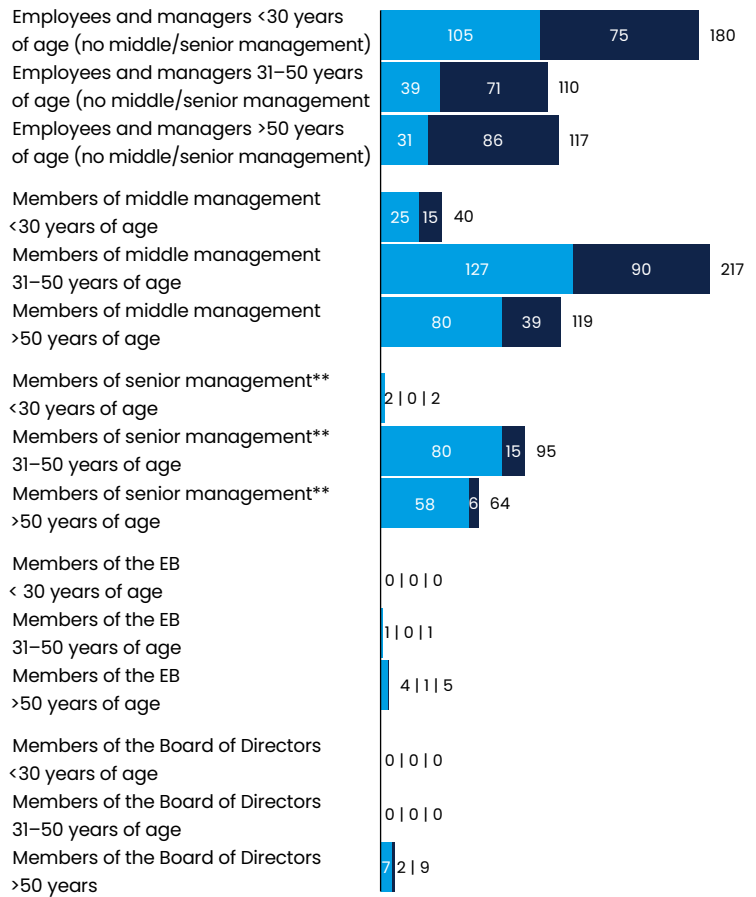
* Outgoing staff, retirements, fixed-term appointments and dismissals by the employer

■ Men, total 66 incoming and 43 outgoing
 ■ Women, total 65 incoming and 38 outgoing

Average absences in days per employee



Diversity of governance bodies and employees by rank and age



** Members of senior management/managing directors/executive officers/deputy/executive officers

■ Men
 ■ Women

6. Climate responsibility

Relevance of the material topic for AKB

The relevance of the material topic is described in chapter 1 “Introduction”, page 55 of the Climate Report.

Reporting on climate issues

Since 2024, AKB has been providing detailed information in a Climate Report on how it is dealing with nature-related and climate-related opportunities and risks in a Climate Report. The Climate Report is based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and describes the governance, risk management of nature-related and climate-related financial risks, the strategy, key figures and targets, as well as the materiality assessment of climate issues. This includes key figures on concentration risks in climate-sensitive sectors, nature-related liquidity risks and a holistic carbon accounting of AKB’s operational and financed emissions.

Management system of material topics

AKB has adopted specific management systems to the various relevant aspects of climate change for AKB and its clients:

a) Management of the lending and investment business:

AKB is developing its products and services on an ongoing basis, including advisory services, with a clear focus on the climate-compatibility of the financial services offered and their contribution to climate protection. In client conversations, the Bank raises awareness of climate issues and highlights opportunities and risks associated with climate change. The disclosures concerning the management systems in chapter 3, page 19 and chapter 4, page 24 provide comprehensive information.

b) Management of opportunities and risks: AKB deals with the financial opportunities and risks of climate change for the Bank within the framework of the Bank’s sustainability and risk management structures and processes. Comprehensive information can be found in the AKB Climate Report.

c) Operational environmental management: The Bank’s environmental management system has been certified in accordance with ISO 14001:2015 since 2022. Re-certification was achieved in 2025. AKB strives to continuously reduce resource consumption and the related environmental impact within its own operations, and to lead by example.



Developments during the reporting year

Achievement of targets in 2025

A number of projects have been launched according to the defined priorities in order to implement the Climate Strategy (akb.ch/climatestrategy). The Climate Report contains detailed information on the measures implemented, in particular within the core business.

Further developments in the core business

With a focus on climate-friendly financial services, AKB continued to develop its products and advisory services in a targeted manner during the reporting year. This includes the targeted distribution of sustainable credit products such as the AKB green mortgage, sustainability-linked loans and sustainable loans, including energy efficiency advisory services (further information can be found in chapter 3, page 19 and in the Climate Report on page 54) along with the implementation of the SBA Self-Regulation 2.0 and the Climate Strategy within the investment business (further information can be found in chapter 4, page 24 and in the Climate Report on page 54).

Operational measures to reduce resource consumption

The focus in the reporting year was on the topic of “energy efficiency throughout the entire building portfolio”. The objective was to continuously improve energy efficiency for all buildings, eliminate unnecessary energy consumption and thereby reduce resource consumption. For example, the previous inefficient lighting was replaced with LED lights at a number of branches. In addition, individual motion sensors were retrofitted to prevent the continuous lighting in individual zones or rooms. In addition, defective floor lamps that remained constantly switched on at night were replaced at several locations.

Projects

Projects have been implemented at individual AKB branches to increase energy efficiency and reduce the carbon footprint of the company’s own operations:

- Gränichen branch: the ventilation system was replaced and optimised, and individual room heating controls were introduced to create an energy-efficient indoor climate.
- Ancillary building to the regional headquarters in Wohlen, which is currently being renovated: the building comprising residential and commercial space, which had previously been heated using fossil fuels, was connected to the district heating network and will be heated in a climate-friendly manner in the future.
- Mutschellen branch: the newly occupied space was equipped with an efficient HVAC system (heating, ventilation, air conditioning) as well as a comprehensive metering concept as the basis for optimising energy efficiency.
- Brugg branch: the annex building underwent thermal renovation (roof insulation).

In addition, employees have been informed and motivated about how to save resources through their everyday actions in the office via various communication channels and training. As in the previous year, ten internal audits were carried out at various branches and departments by the Infrastructure and Security Office. The aim was to check the employees' level of knowledge, raise their awareness and support them in behaving in an environmentally friendly manner. This established that employees are familiar with AKB's Sustainability Strategy and know how to behave in an environmentally friendly manner during everyday work in the office. Client advisors are aware of their role as ambassadors to clients and act in accordance with the Sustainability Strategy and values of AKB.

Further decline in resource and energy consumption during the reporting year

The measures described above along with additional measures enabled the Bank to further reduce its resource and energy consumption:

- Heating energy consumption amounted to 1.9 million kWh. The share of environmentally friendly heating energy increased slightly, once again, to 64%.
- Electricity requirements totalled 2.1 million kWh, representing a reduction of 5.9% compared to 2024. 100% of the electricity used originates from renewable energy sources.
- Wherever possible, AKB employees did not engage in business travel or used public transport or AKB's own electrical vehicles for this purpose. Business travel declined slightly by 1.1% compared to 2024. 755 half-fare travelcards were issued to AKB employees.
- Paper consumption fell by 34% compared to 2024. This is because the consumption of fanfold paper has fallen and there have been fewer special letter campaigns.

The key figures on CO₂ emissions for the company's own operations are presented in the Climate Report on page 68.

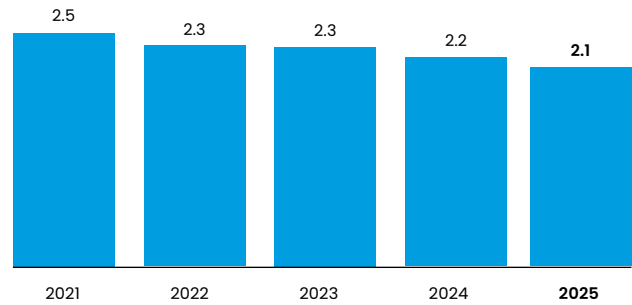
Outlook

Based on the Climate Strategy, various plans projects will be initiated in all relevant areas, in the core business, in opportunity and risk management and in operational

Key figures

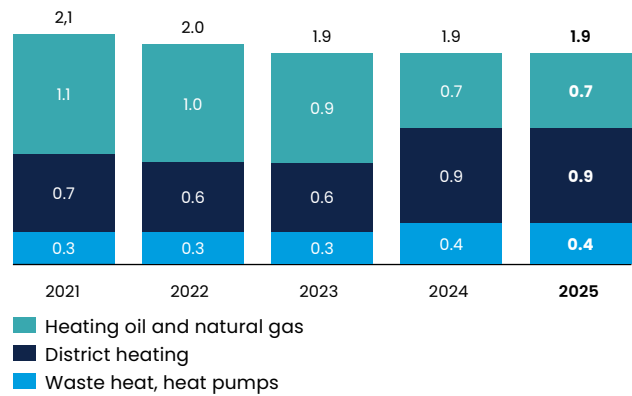
2.1 million

Electricity consumption in millions of kWh



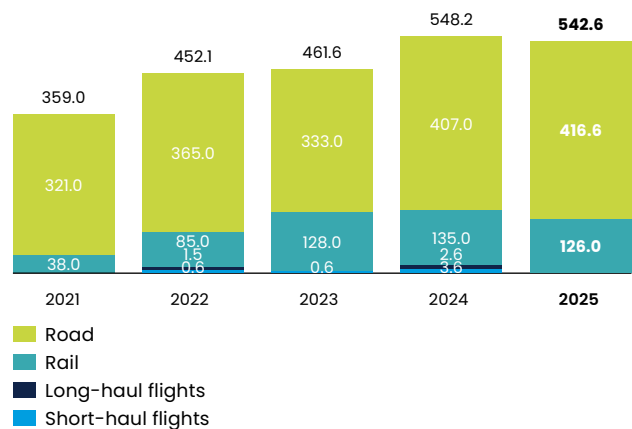
1.9 million

Heating energy consumption in millions of kWh



542.6

Distance travelled according to means of transport in 1,000 km

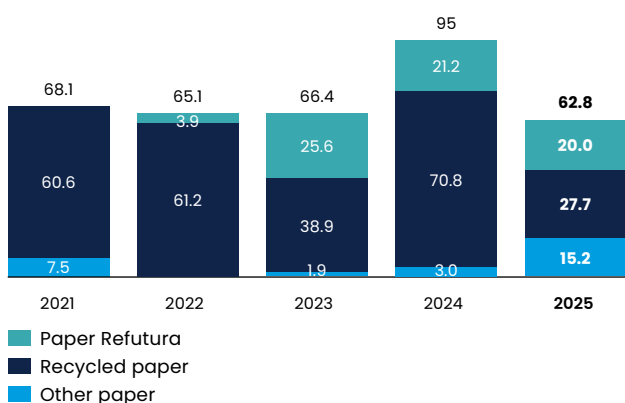


Charging stations for electric cars at the main building	2023	2024	2025
Number of charges	1 886	2 854	3 178
Charges in kWh	26 437.1	50 887.7	44 102.3

Half-fare travelcards	2023	2024	2025
Number of half-fare travelcards	644	718	755

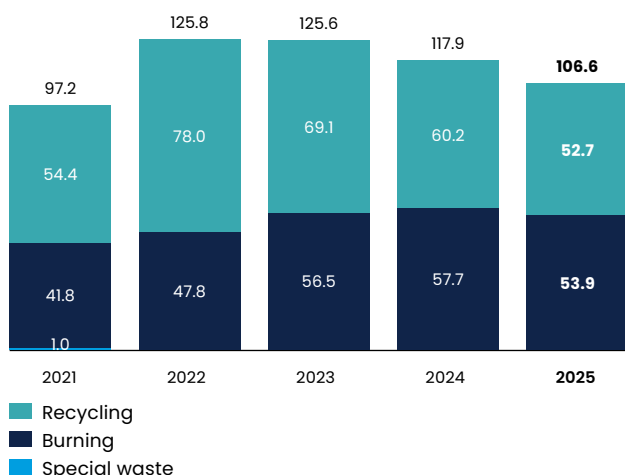
62.8

Paper consumption in tonnes



106.6

Waste generation and recycling in tonnes



environmental management, which should have a positive impact on climate protection.

The following projects relating to our own operations will be launched during the coming year:

- The renovation of the regional office in Wohlen will be completed and the property will be connected to the climate-friendly district heating network. A PV system will be installed and a comprehensive measurement concept introduced.
- The Brittnau branch will change its system for heat generation, switching from gas to a heat pump.
- Some isolated independently operated air conditioning systems at the regional headquarters in Baden will be converted and connected to the more environmentally friendly district cooling network.
- The energy concept for the Aarau station location is being reviewed and alternatives to the current gas heating system are being explored.

The measures within core business are dealt with in chapter 3, page 19 and chapter 4, page 24. Opportunity and risk management measures are presented in the Climate Report.

The internal audits as part of the environmental management system have proven to be a useful vehicle. They will be repeated on the same scale in different departments and at different branches.

Targets for 2026

When creating the HQLA bonds for liquidity management (own financial investments), the relative proportion of ESG bonds in CHF is increased. At least 50% of bonds maturing in 2026 are invested in ESG bonds.

7. Economic development In the Canton of Aargau

Relevance of the material topic for AKB

Under the terms of the AKB Act (Section 2(2)) and according to the ownership strategy of the Canton of Aargau, AKB has the task of promoting economic development within the Canton. In addition to conventional financing offers, the Bank also specifically promotes the sustainable development of the local economy through free activities, projects and initiatives. This has a positive impact on the environment and society and AKB is thus positioning itself as a committed partner. Working within a sustainable economy and with businesses that incorporate long-term planning and sustainability into their business model has a positive impact on AKB (reduced risk, along with long-term, sustainable success), and also means that it is better placed for the future.

Management system of material topics

AKB has more than 15,000 corporate clients in its market segment. It has a strong regional presence at its 32 locations. Client advisors are familiar with local conditions and incorporate their knowledge into the advice given to SMEs.

Teams of experts based at the headquarters in Aarau provide support to major clients (key account management) and institutional clients.

All corporate clients at AKB have their own specific contact person. This enables client advisors to offer added value to corporate clients through needs-based solutions and assist them with bespoke financing solutions. In addition, AKB accepts its responsibility within the local economy through unremunerated engagement, such as by providing assistance in relation to corporate succession as well as through the AKB Sustainability Support Programme for SMEs.

AKB's economic engagement is open to everyone. A prior business relationship is not required. In this way, AKB fulfils its social and economic service mandate, as set out in the ownership strategy.

AKB is an important business and financing partner for local businesses, primarily SMEs. It can support its corporate clients on the path towards a sustainable future and provide targeted support for sustainable business models. In addition, the Bank provides committed support to new entrepreneurs in the form of sound financial solutions. This is because Aargau as an economy is reliant on the dynamism of young, innovative firms. Through the AKB network, founders gain direct access to corporate know-how or flexible infrastructure.

Sustainability management in corporate client advisory services

Sustainability and ensuring cooperation rooted in partnership are of equal importance when providing advice to corporate clients. The advisory approach is based on trust, regional ties and practical support that systematically takes environmental, social and economic factors into account.

Corporate client advisors encourage their clients to take responsibility for the environment and society and support them with suitable financing solutions. In this way, AKB positions itself as a future-oriented financial partner that embraces sustainable entrepreneurship.

Dealing with sustainability can have an impact on the business model of any company. Accordingly, advisors are regularly made aware of the topic. They are also supported by internal and external experts.

AKB equity financing

For 18 years AKB has been holding events for young technology and start-up firms in partnership with Standortförderung Aargau and the Business Angels Club Aargau, since it was founded in 2018. AKB puts start-ups in contact with investors at the Aargau Start-up Investor Session in order to create the best possible starting point for an exchange of views between founders and investors.

Since 2011, AKB has been one of the few banks to invest directly in selected start-ups, up to a maximum of CHF 0.5 million per company. Start-ups in the Canton of Aargau or in the Olten-Gösgen-Gäu region that develop innovative products or services are eligible, in some instances in partnership with a scientific institution such as the Paul Scherrer Institute (PSI) in Villigen or the University of Applied Sciences and Arts Northwestern Switzerland (FHNW).

The following criteria are examined by internal experts according to the dual-control principle when deciding whether to invest:

- Connection with the AKB market area
- Level of innovation of the product and scalability of the business model
- Focus on lasting, positive development in relation to economic performance, innovation, jobs etc.
- Current or imminent market maturity of the product ("proof of market")

In addition, the start-up must be willing to work together with a lead investor. This person will take on a leadership

role on the investment round, support the founder team regarding entrepreneurial aspects and represent investors, thus also including AKB, on the start-up's board of directors. In contrast to venture funds, the investments made by AKB are not subject to any time limits, although it should be possible to withdraw after a few years.

AKB itself engages actively with startups and can be contacted via akb.ch/startup at any time with online financing enquiries from start-ups.

Assistance in relation to corporate succession

As a further key aspect of the promotion of sustainable partnerships, AKB supports companies in planning, coordinating and implementing their succession plans (akb.ch/nachfolge). At an initial meeting, AKB's successor experts draw up a structured analytical overview covering the three thematic areas of "company", "entrepreneur" and "successor". This service is free of charge and is available to both clients and non-clients. This helps ensure that companies continue to operate in Aargau, remain economically stable and protect jobs as well as the region's status as a place to do business.

Promoting innovation

As a joint founder of innovAARE AG (parkinnovaare.ch) at the Paul Scherrer Institute (PSI) Villigen and co-promoter of the Aargau Technopark (technopark-aargau.ch) in Brugg/Windisch, for a number of years AKB has been sustainably providing operating contributions to promote the innovation and start-up ecosystem in the Canton of Aargau. Since 2025, AKB has also sponsored the Health Innovation Hub Aargau with the aim of promoting innovation in the areas of digital health, medical technology and healthcare throughout the region.

Sustainable activities in partnership with the FHNW

As part of the annual AKB Sustainability Support Programme for SMEs, ten selected regional companies are supported over a period of six months by AKB and the University of Applied Sciences and Arts Northwestern Switzerland (FHNW) in their sustainability efforts and are supported through a tailored package of measures. More information on the support programme can be found at akb.ch/foerderprogramm. The results obtained through the Sustainability Support Programme are incorporated into the advice provided to corporate clients in order to support them in their sustainable development.

Developments during the reporting year

Achievement of targets in 2025

In 2025, AKB invested CHF 489,869 in five start-ups (previous year CHF 427,296 in six start-ups).

The start-ups are developing products and business models that directly pursue an ecological purpose (such as CO₂ reduction, animal welfare and energy efficiency).

The 2025 Aargau Start-up Investor Session at the Health Innovation Hub Aargau in Baden was attended by around sixty investors from Aargau and the wider region. Eight start-ups were introduced to them, more than ever before. Yeastup AG is one company in which AKB has

invested. It develops and produces proteins from yeast mushrooms, which are used in innovative foods such as meat substitutes and vegan protein bars.

AKB Sustainability Support Programme for SMEs

The AKB Sustainability Support Programme was carried out for the fourth time in 2025. All participating companies rated the programme as good to very good. 29 companies applied to participate in the fourth programme. Out of this total, ten companies were selected by a specialist jury comprised of representatives of AKB, the FHNW and the Aargau business community. Most of the participants developed a sustainability strategy comprising a package of measures.

CAS "Sustainability as a Success Factor"

AKB also supported the CAS "Sustainability as a Success Factor" developed by the FHNW. The CAS was conducted for the second time from April to November 2025 and seven people took part. They rated the CAS as good to very good.

AKB Lab

The AKB Lab acts as a hub for the Aarau Impact Programme. Whereas the initial focus was on providing space, during the reporting year the focus shifted to higher-value, community-oriented activities. The AKB Lab enhances the regional start-up ecosystem and promotes innovation by offering events for founders with extensive support from specialists and peer-to-peer exchanges.

Various formats have been set up. For example, "Aarau Impact: Impulse" launched a series of expert lectures. In addition, the "Startup Stammtisch" was expanded into a regular meetup and "Aarau Impact: Connect" provides a moderated networking format that systematically establishes relevant contacts and helps participants advance their plans and ideas.

Various forms of engagement for the economy

In order to support SMEs on their path towards greater sustainability, during the reporting year AKB tested the online tool [esg2go](https://esg2go.ch) in a pilot project together with ten companies. This enables SMEs to evaluate their own sustainability performance in a structured manner, document progress and compare themselves against their competitors. The successfully completed pilot project provides valuable insights into how AKB's sustainability product range can be further expanded.

Acting in partnership with the Aargau Trade Association, in 2025 AKB presented the Aargau Business Award (akb.ch/unternehmenspreis) for the 18th time to the best enterprises in the canton. The awards in the categories "Best Aargau company regional" and "national" recognise successful businesses whose services and ideas influence and fuel the development of the economy. The jury takes long-term, sustainable success into account as a key criterion in the selection process. In the "Lighthouse Award" category introduced during the reporting year, the jury honoured individual projects from companies that achieved outstanding results in one of the three sustainability dimensions: environmental, economic or social.

Acting in partnership with the Wyrsh Unternehmerschule AG from Freienbach, the Bank held the AKB Entrepreneur Workshop. The 3.5-day workshop dealt with the most important aspects of corporate management in a simple and compact format, addressed all topical issues and focused on practical action and an exchange of views with like-minded people. The topic of sustainability and its importance for SMEs has been presented in this context since 2024. In addition, each year a specially designed training course is offered to members of foundation councils of occupational benefits schemes, which covers the various aspects of corporate responsibility and equips attendees to deal with upcoming challenges.

Each year, the “AKB Wirtschaftskongress” (AKB Economic Congress; akb.ch/wirtschaftskongress) focuses on a current topic in sustainability. In the reporting year, speakers from the world of politics and business engaged with the issue of “people and teams as a key to success” in the presence of around 800 participants. The aim of the Business Conference is to raise awareness, stimulate action, inspire and transparently present ideas and examples of other companies.

Outlook

AKB plans to further strengthen its corporate client advisory services focused on sustainability, thereby further increasing its contribution to the ongoing sustainable development of the regional economy.

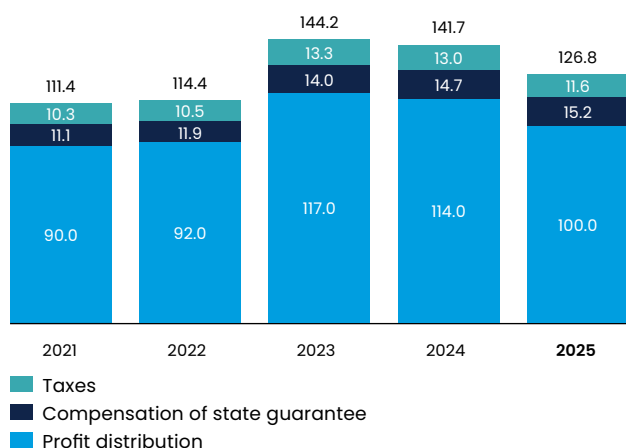
Targets for 2026

AKB makes targeted investments in innovative start-ups, the business purpose, products or services of which contribute to sustainable development.

Key figures

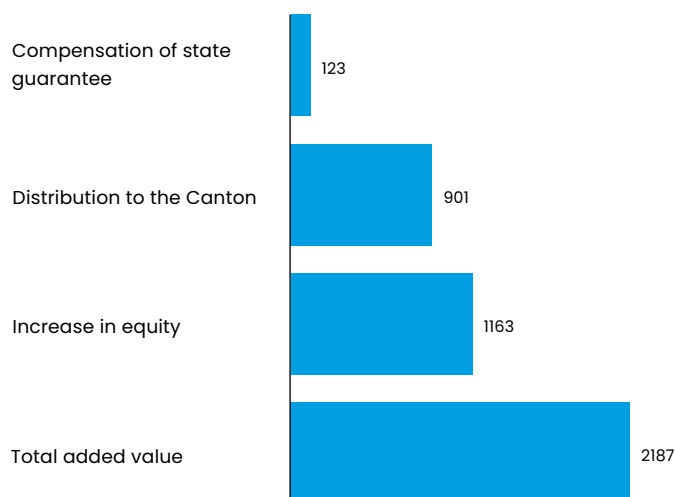
126.8 million

Total compensation to public authorities in CHF million



2187 million

Added value for the Canton in CHF million (2016–2025)



Initiatives for promoting a sustainable business model for corporate clients

Topic	GRI	Unit	2023	2024	2025
Initiatives for promoting a sustainable business model for corporate clients: Investments in startups	GRI G4-EC1: Expenditure on social/ economic engagement as a proportion of pre-tax profit	in CHF	718 000	427 296	489 869
		in percent	0.3 %	0.2 %	0.2 %
Initiatives for promoting a sustainable business model for companies: Investments by the AKB Sustainability Support Programme for SMEs	GRI G4-EC1: Expenditure on social/ economic engagement as a proportion of pre-tax profit	in CHF	123 450	156 500	159 700
		in percent	0.0 %	0.1 %	0.1 %
Total		in CHF	841 450	583 796	649 569
		in percent	0.3 %	0.2 %	0.3 %

8. Social engagement in the Canton of Aargau

Relevance of the material topic for AKB

AKB is actively committed to society in the region in line with its service mandate under the AKB Act (§2 (2)) and the ownership strategy. This involves sponsorship, the holding of its own events as well as the support contributions through the non-profit foundation LEBENSRAUM AARGAU. The Bank supports a wide range of projects, events and initiatives in the region that promote quality of life and social exchange. Every year, AKB organises and sponsors over 150 events, the social and environmental impact of which must be taken into account.

Management system of material topics

LEBENSRAUM AARGAU Foundation

In 2021, AKB established the non-profit foundation LEBENSRAUM AARGAU (lebensraum-aargau.ch). The independent foundation, which is chaired by former Aargau Government and National Councillor Dr Urs Hofmann, was endowed with CHF 5 million by AKB. In addition, the Foundation receives up to 1% of AKB's profit from the previous year (for 2025: CHF 2.5 million), as well as private donations.

The foundation promotes projects to enhance quality of life and social cohesion in the Canton of Aargau and the Olten-Gösgen-Gäu region. Support is provided to charitable projects in the fields of Society & Social, Art & Culture, Movement & Health and Environment, Nature & Animals. The spectrum of projects supported ranges from art and cultural initiatives through measures to promote biodiversity via nature conservation associations and social commitments to exercise opportunities for young people and senior citizens. Advisory boards assess applications according to various criteria such as accessibility to the general public, environmental compatibility and innovative character. The projects funded will be publicly announced on the foundation's website and in a press release.

Funding decisions are made by four specialist panels, each comprising three external experts, the Foundation's managing director and the five members of the Foundation Council. AKB covers all administrative costs, ensuring that the Foundation's funds are dedicated entirely to project funding.

Sponsorship: Sustainable engagements and implementation

AKB only supports regional institutions and events in the areas of culture, sport, society and economic affairs. In order to fulfil its long-term responsibility, AKB has defined ESG criteria for selecting engagements – for example, there is no sponsorship of car races – as well as for the planning and implementation of events.

Corporate volunteering programme

AKB allows its employees to dedicate one day of work to charitable work in the market area per calendar year that benefits society and/or the environment.

Developments during the reporting year

Achievement of targets in 2025

LEBENSRAUM AARGAU Foundation

In 2025, the foundation LEBENSRAUM AARGAU received 257 applications, of which 141 were approved, resulting in the allocation of a total of CHF 1.4 million.

Significantly more social and cultural institutions submitted applications to the Foundation than institutions operating in the fields of environment, exercise and health.

Events and sponsorship

In order to reduce the environmental footprint of major events organised by AKB itself (with more than 250 participants), a partnership with SBB was launched in 2024. AKB encourages participants to travel by public transport and covers travel costs where public transport is used. After almost 800 tickets worth more than CHF 6,100 were purchased in 2024, the offer was also expanded to smaller, regional events in the reporting year. Demand accordingly increased further, both in the regions and at the level of the Bank as a whole. In total, guests benefited from more than 1,500 free journeys by public transport, which equates to a total of just under CHF 10,800.

In addition, guidelines for sustainable events at AKB have been developed within the ambit of project work. Particular attention is paid to travel and meals. This tool will be available to all event organisers from 1 January 2026.

Corporate volunteering day

The aim was for at least 10% of AKB employees to contribute to the voluntary corporate volunteering day in the Canton of Aargau. During the year under review, around 10% of all employees once again performed this voluntary work: for example, they helped a foundation that provides care to people with disabilities as well as an organisation working to combat food waste.

Outlook

Targets for 2026

More than 10% of AKB employees make a positive contribution to society and the environment in the Canton of Aargau within the ambit of the voluntary corporate volunteering day.

Key figures

Topic	GRI	Unit	2023	2024	2025
Overall Bank sponsorship as a proportion of pre-tax profit	GRI G4-EC1: Expenditure on social engagement as a proportion of pre-tax profit	CHF	1 892 559	2 345 630	2 415 460
		in percent	0.7 %	0.9 %	1.2 %
Lebensraum Foundation engagements engagement as a proportion of pre-tax profit	GRI G4-EC1: Expenditure on social engagement as a proportion of pre-tax profit	CHF	2 500 000	2 500 000	1 500 000
		in percent	0.9 %	0.9 %	0.7 %
Total engagements as a proportion of pre-tax profit		CHF	4 392 559	4 845 630	3 915 460
		in percent	1.6 %	1.8 %	1.9 %
Corporate volunteering days	GRI G4-EC1: Time volunteered for social engagement	Days	53	83,5	89
		Number of people	61	81	99

Other issues

Client focus

The personal touch and close engagement with its clients sets AKB apart even during the era of digitalisation, focusing its activities on responsible, individual advice provided in person. The 32 interactive branches bring together the physical and the digital worlds. In addition, AKB does not charge an account management fee for private and corporate accounts, and provides a free Mastercard debit card.

Interactive branches

Since 2018, the Bank has structured its seven regional hubs and 25 branches according to the 2-zone concept of interactive branches (akb.ch/interaktive-geschaeftsstellen). In 2025, AKB carried out further optimisation work in Bremgarten, Magden and Wildegg, among others. In addition, the new spaces in the Mutschellen branch at Mutschellenplatz 1 were occupied in June and formally inaugurated in September. With the completion of the renovation of the Gränichen branch in early 2026, the interactive concept will have been rolled out at all 32 locations. AKB also provides its clients with one or more ATMs at 39 locations.

“Welcome@AKB” – actively inspiring clients

As part of the hospitality training programme “Welcome@AKB”, managers and employees in the client zone once again discussed how hospitality is experienced at AKB during the reporting year in partnership with SHL Schweizerische Hotelfachschule Luzern.

Client satisfaction

The Bank uses the “Willingness to recommend” indicator to measure client satisfaction as reported in YouGov Switzerland’s Swiss Brand Observer. The KPI is anchored in the overall bank strategy and is relevant for the variable remuneration of the AKB Executive Board. This key figure was high during the reporting year compared to other banks in the market area at 68.1%. 68 out of 100 people surveyed would therefore recommend AKB to others.

Non-discriminatory access to financial services

AKB is committed to ensuring equal access to its financial services. All clients are supported throughout the different stages of their lives and supported in choosing their financial options according to their needs.

Responsible issue of credit cards

AKB attaches major importance to the responsible issue of credit cards in order to protect its clients against over-indebtedness. The Bank offers flexible payment options and provides transparent information on the terms and dead-

lines for settling credit card invoices. Invoices are settled by direct debit (LSV) or QR-bill. The latter includes the option of paying by instalment, which is why it is subject to stricter requirements in order to ensure that the financial burden remains sustainable for clients. Credit cards are issued according to clearly defined instructions: these apply to submission criteria, competencies and conditions. A key principle is that credit card limits must be aligned with the client’s individual needs and creditworthiness. In doing so, AKB ensures that credit card use is always responsible and remains within the client’s own financial limits. If a credit card bill cannot be paid, client advisors monitor possible breaches of credit limits caused by excess card usage. If the Bank is exposed to a default risk, measures such as blocking or withdrawing the card are taken in order to stabilise the client’s financial situation and minimise risks.

Sustainable procurement

As a general rule, AKB takes account of regional suppliers and focuses on professional and fair business relationships. AKB also accepts responsibility for the procurement of work equipment such as hardware, office furniture, etc. The Sustainability Guidelines for Suppliers and Partner Companies apply to the purchasing and procurement policy (akb.ch/nachhaltige-beschaffung). The Guidelines set out requirements concerning environmental standards as well as social and labour standards. They stipulate basic environmental and ethical minimum requirements. In signing up to them with legal effect, suppliers confirm that the same environmental and labour standards will be complied with also when selecting third-party suppliers. No breaches of the procurement guidelines came to the attention of AKB during the reporting year 2025. Compliance with due diligence and transparency obligations laid down by Article 964 of the Swiss Code of Obligations affects AKB in particular with regard to the procurement of precious metals and marketing giveaways. The processes and how due diligence obligations are complied with are explained in chapter 4, page 24 and in the following chapter “Responsible marketing”.

Responsible marketing

AKB pursues a marketing strategy that combines environmental and social sustainability objectives with economic efficiency. Decision-making processes throughout the product life cycle are based on the defined sustainability criteria, which are transparently announced through internal communications.

All advertising campaigns are designed and implemented by the company’s own Marketing Department, which is set

up like an advertising agency with internal specialists. This ensures that all communication originates from employees who identify strongly with the company's values. AKB has introduced a sustainability score into the procurement process for evaluating promotional items and gifts. This score is based on quantifiable indicators such as CO₂ emissions, resource intensity and labour law standards throughout the supply chain. The aim is to ensure environmental and social procurement standards on an ongoing basis. The product range has been significantly streamlined over the past three years, creating a much more sustainable and durable range of promotional items. Promotional items are generally used with caution and are tailored to the needs of the respective client segments.

AKB attaches importance to content integrity within external communication and advertising measures. Promotional statements – including legally relevant notices – are formulated in a clear, concise and understandable manner. It is essential that communications avoid discriminatory or racist content and do not make any excessive or misleading representations.

AKB reflects social diversity within its brand presence. It takes care to include different age groups and people from different backgrounds. This inclusive presentation underscores the Bank's aspiration to be a company for everyone.

In order to strengthen financial education, AKB has been running the "Finanz-Tanz" podcast since 2022 and, as a member of the association Finance Mission, is committed to raising awareness among young people regarding the use of financial resources.

Memberships and initiatives

Association of Swiss Cantonal Banks (VSKB)

The VSKB is an association of the 24 cantonal banks in Switzerland. The Association upholds the common interests its members (the cantonal banks) and promotes cooperation among them. AKB works with the Association to promote sustainable framework conditions.

Swiss Bankers Association (SBA)

The SBA is the umbrella organisation for banks in Switzerland and represents the interests of the Swiss financial centre as a whole. The SBA represents Swiss banks in dealings with politicians, business and the general public.

Swiss Sustainable Finance (SSF)

AKB is a member of the Swiss sectoral association Swiss Sustainable Finance (sustainablefinance.ch).

United Nations Principles for Responsible Investments (UNPRI)

AKB has signed up to the global investors' initiative set out in the United Nations Principles for Responsible Investments (unpri.org).

Partnership for Carbon Accounting Financials (PCAF)

AKB has been a member of the PCAF – Partnership for Carbon Accounting Financials – since the summer of 2023.

The PCAF is an initiative that supports financial institutions in quantifying and reporting greenhouse gas emissions according to a unitary industry standard.

Paris Agreement Capital Transaction Assessment (PACTA)

Since 2017, the PACTA climate test has regularly shown how climate-friendly the investment made by the Swiss financial market is. AKB took part in 2020, 2022 and 2024 and had its investment and mortgage portfolio as well as its own operations analysed. This test supports AKB in achieving its net zero target and creates transparency regarding AKB's financed emissions. The next test is planned for 2026.

Öbu – Association for Sustainable Business

As a member of the Association for Sustainable Business (oebu.ch), AKB supports the development of the Swiss economy in accordance with the principles of sustainability.

Climate protection projects

AKB is doing its bit to further climate protection by supporting various climate protection projects in Switzerland and abroad to offset the remaining emissions from its own operations. The climate protection projects supported can be consulted on akb.ch/nachhaltigkeit.

Ratings

Ratings agency	Current rating	Scale	Date of report	Description
MSCI ESG	A	AAA to CCC	27 August 2024	Annual and Sustainability Report 2023
ISS ESG	C "Prime"	A+ to D-	29 November 2025	Annual and Sustainability Report 2024
InRate	B	A+ to D-	31 October 2023	Annual and Sustainability Report 2022
WWF	"Mediocre"	"laggard" to "visionary"	19 November 2024	Annual and Sustainability Report 2023

About this report

AKB publishes a Sustainability Report once each year as part of the Annual Report. AKB's 2025 Sustainability Report was published on 26 March 2026 and was prepared in accordance with the GRI Standards 2021. Unless indicated otherwise, this Sustainability Report covers the year 2025. In addition, AKB publishes the Climate Report at the same time as the Annual Report and Sustainability Report. This Climate Report is based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). With the Annual Report, the Sustainability Report and the Climate Report, AKB complies with the requirements laid down by Article 964 of the Swiss Code of Obligations (CO) on non-financial reporting as well as the related ordinances.

In terms of scope of consolidation, AKB's Annual Report, Sustainability Report and Climate Report are relevant exclusively for Aargauische Kantonalbank itself along with its 32 branches. AKB does not hold any participating interests in other companies that are subject to consolidation (Annual Report 2025, Notes to the Annual Financial Statements, information on the balance sheet, chapters 1.6 and 1.7, page 54*). AKB's sustainability and climate reporting has not been subject to an external audit. The annual financial statements of AKB were audited by the external auditor PricewaterhouseCoopers Ltd (2025 Annual Report, Auditor's Report, page 68*). The Report on Non-Financial Matters was approved by the Board of Directors on 12 March 2026.

Contact person for questions relating to sustainability reporting

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CO Content Index 2025

Aargauische Kantonalbank

Index for reporting on non-financial matters according to the Swiss Code of Obligations (CO) (Art. 964). Swiss Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (VSoTr) and TCFD

Topic	Subtopic	Location of disclosure	
Business Model		Annual Report: chapter on business model and strategy (page 9*)	
Climate Issues	Materiality/risks	Sustainability Report: chapter on material topics (page 8) Sustainability Report: chapter on climate responsibility, section on relevance of the material topic for AKB (page 35) Climate Report: chapter Introduction (page 55) Climate Report: chapter on strategy, section on nature-related and climate-related opportunities (page 60) Climate Report: chapter on strategy, section on impact on core business (page 60) Climate Report: chapter on strategy, section on nature-related and climate-related financial risks (page 61) Climate Report: chapter on key figures and targets, section on concentration risks in climate-sensitive sectors (page 66)	
	Governance	Climate Report: chapter on governance (page 56)	
	Concept/management system	Climate Report: chapter on risk management, nature-related and climate-related financial risks (page 58) Climate Report: chapter on strategy, section on nature-related and climate-related opportunities (page 60) Climate Report: chapter on strategy, section on the impact of nature-related and climate-related opportunities on the core business (page 60) Sustainability Report: chapter on climate responsibility, section on management system of material topics (page 35)	
	CO₂ targets	Climate Report: chapter on key figures and targets, section on carbon accounting, own operations: objectives and measures (page 69) Climate Report: chapter on key figures and targets, section on carbon accounting, own financial assets: objectives and measures (page 69) Climate Report: chapter on key figures and targets, section on carbon accounting, mortgage business: objectives and measures (page 71) Climate Report: chapter on key figures and targets, section on carbon accounting, corporate loans: objectives and measures (page 74) Climate Report: chapter on key figures and targets, section on carbon accounting, investment business: objectives and measures (page 76) AKB will also devise science-based reduction targets for its investment and mortgage business, corporate credit, its own operations as well as its own financial investments by the end of the 2025–2028 strategy period.	
	Due diligence	Climate Report: chapter on risk management, nature-related and climate-related financial risks (page 58)	
	Measures	Climate Report: chapter on key figures and targets, section on carbon accounting, own operations: objectives and measures (page 69) Climate Report: chapter on key figures and targets, section on carbon accounting, own financial assets: objectives and measures (page 69) Climate Report: chapter on key figures and targets, section on carbon accounting, mortgage business: objectives and measures (page 71) Climate Report: chapter on key figures and targets, section on carbon accounting, corporate loans: objectives and measures (page 74) Climate Report: chapter on key figures and targets, section on carbon accounting, investment business: objectives and measures (page 76) Sustainability Report: chapter on climate responsibility, section on developments during the reporting year (page 35)	
	Performance indicators	Climate Report: chapter on key figures and targets (page 66) Sustainability Report: chapter on climate responsibility, section on developments during the reporting year (page 35)	
	Efficacy review	Sustainability Report: chapter on climate responsibility, section on developments during the reporting year (page 35) Climate Report: chapter on strategy, section on transition plan (page 65)	
	Other Environmental Issues	Materiality/risks	Sustainability Report: chapter on material topics (page 8) Sustainability Report: chapter on sustainable financing, section on relevance of the material topic for AKB (page 19) Sustainability Report: chapter on offer of sustainable investment products, section on relevance of the material topic for AKB (page 24)
		Concept/management system	Sustainability Report: chapter on sustainable financing, section on management system of material topics (page 19) Sustainability Report: chapter on offer of sustainable investment products, section on management system of material topics (page 24) Sustainability Report: chapter on further issues, section on sustainable procurement (page 43) Sustainability Report: chapter on further issues, section on responsible marketing (page 44)
Targets		Sustainability Report: chapter on the AKB Sustainability Strategy, section on objectives (page 9)	
Due diligence		Sustainability Report: chapter on further issues, section on sustainable procurement (page 43) Annual Report: chapter on Financial Report, Notes to the Financial Statements, section on risk management (page 36*)	
Measures		Sustainability Report: chapter on sustainable financing, section on developments during the reporting year (page 21) and section on outlook (page 23) Sustainability Report: chapter on offer of sustainable investment products, section on developments during the reporting year (page 27) and section on outlook (page 28) Sustainability Report: chapter on further issues, section on sustainable procurement (page 43) Sustainability Report: chapter on further issues, section on responsible marketing (page 44)	
Performance indicators		Sustainability Report: chapter on sustainable financing, section on developments during the reporting year (page 21) Sustainability Report: chapter on offer of sustainable investment products, section on developments during the reporting year (page 27)	
Efficacy review		Sustainability Report: chapter on sustainable financing, section on developments during the reporting year, achievement of targets in 2025 (page 21) Sustainability Report: chapter on offer of sustainable investment products, section on developments during the reporting year, achievement of targets in 2025 (page 27)	
Social Issues	Materiality/risks	Sustainability Report: chapter on material topics (page 8) Sustainability Report: chapter on engaging with digital responsibility, section on relevance of the material topic for AKB (page 12) Sustainability Report: chapter on compliance with legal requirements, section on relevance of the material topic for AKB (page 15) Sustainability Report: chapter on sustainable financing, section on relevance of the material topic for AKB (page 19) Sustainability Report: chapter on offer of sustainable investment products, section on relevance of the material topic for AKB (page 24) Sustainability Report: chapter on economic development in the Canton of Aargau, section on relevance of the material topic for AKB (page 38) Sustainability Report: chapter on social engagement in the Canton of Aargau, section on relevance of the material topic for AKB (page 41)	

Topic	Subtopic	Location of disclosure
	Concept/management system	Sustainability Report: chapter on engaging with digital responsibility, section on management system of material topics (page 12) Sustainability Report: chapter on compliance with legal requirements, section on management system of material topics (page 15) Sustainability Report: chapter on sustainable financing, section on management system of material topics (page 19) Sustainability Report: chapter on offer of sustainable investment products, section on management system of material topics (page 24) Sustainability Report: chapter on economic development in the Canton of Aargau, section on management system of material topics (page 38) Sustainability Report: chapter on social engagement in the Canton of Aargau, section on management system of material topics (page 41) Sustainability Report: chapter on further issues, section on client focus (page 43) Sustainability Report: chapter on further issues, section on sustainable procurement (page 43) Sustainability Report: chapter on further issues, section on responsible marketing (page 44)
	Targets	Sustainability Report: chapter on the AKB Sustainability Strategy, section on objectives (page 9)
	Due diligence	Sustainability Report: chapter on further issues, section on sustainable procurement (page 43) Annual Report: chapter on Financial Report, Notes to the Financial Statements, section on risk management (page 36*)
	Measures	Sustainability Report: chapter on engaging with digital responsibility, section on developments during the reporting year (page 13) and section on outlook (page 14) Sustainability Report: chapter on compliance with legal requirements, section on developments during the reporting year (page 17) and section on outlook (page 17) Sustainability Report: chapter on sustainable financing, section on developments during the reporting year (page 21) and section on outlook (page 23) Sustainability Report: chapter on offer of sustainable investment products, section on developments during the reporting year (page 27) and section on outlook (page 28) Sustainability Report: chapter on economic development in the Canton of Aargau, section on developments during the reporting year (page 39) and section on outlook (page 40) Sustainability Report: chapter on social engagement in the Canton of Aargau, section on developments during the reporting year (page 41) and section on outlook (page 42) Sustainability Report: chapter on further issues, section on client focus (page 43) Sustainability Report: chapter on further issues, section on sustainable procurement (page 43) Sustainability Report: chapter on further issues, section on responsible marketing (page 44)
	Performance indicators	Sustainability Report: chapter on engaging with digital responsibility, section on developments during the reporting year (page 13) Sustainability Report: chapter on compliance with legal requirements, section on developments during the reporting year (page 17) Sustainability Report: chapter on offer of sustainable investment products, section on developments during the reporting year (page 21) Sustainability Report: chapter on economic development in the Canton of Aargau, section on developments during the reporting year (page 27) Sustainability Report: Chapter on social engagement in the Canton of Aargau, section on developments during the reporting year (page 39) Sustainability Report: Chapter on social engagement in the Canton of Aargau, section on developments during the reporting year (page 41)
	Efficacy review	Sustainability Report: chapter on engaging with digital responsibility, section on developments during the reporting year (page 13) Sustainability Report: chapter on compliance with legal requirements, section on developments during the reporting year, achievement of targets in 2025 (page 17) Sustainability Report: chapter on sustainable financing, section on developments during the reporting year, achievement of targets in 2025 (page 21) Sustainability Report: chapter on offer of sustainable investment products, section on developments during the reporting year, achievement of targets in 2025 (page 27) Sustainability Report: chapter on economic development in the Canton of Aargau, section on developments during the reporting year, achievement of targets in 2025 (page 39) Sustainability Report: chapter on social engagement in the Canton of Aargau, section on achievement of targets in 2025 (page 41)
Employee Issues	Materiality/risks	Sustainability Report: chapter on material topics (page 8) Sustainability Report: chapter on attractiveness as an employer, section on relevance of the material topic for AKB (page 29)
	Concept/management system	Sustainability Report: chapter on attractiveness as an employer, section on management system of material topics (page 29)
	Targets	Sustainability Report: chapter on the AKB Sustainability Strategy, section on objectives (page 9)
	Due diligence	Annual Report: chapter on Financial Report, Notes to the Financial Statements, section on risk management (page 36*)
	Measures	Sustainability Report: chapter on attractiveness as an employer, section on developments during the reporting year (page 32) and section on outlook (page 32)
	Performance indicators	Sustainability Report: chapter on attractiveness as an employer, section on developments during the reporting year (page 32)
	Efficacy review	Sustainability Report: chapter on attractiveness as an employer, section on developments during the reporting year, achievement of targets in 2025 (page 32)
Respect for Human Rights	Materiality/risks	Sustainability Report: chapter on material topics (page 8) Sustainability Report: chapter on compliance with legal requirements, section on relevance of the material topic for AKB (page 15) Sustainability Report: chapter on offer of sustainable investment products, section on relevance of the material topic for AKB (page 24)
	Concept/management system	Sustainability Report: chapter on compliance with legal requirements, section on management system of material topics (page 15) Sustainability Report: chapter on offer of sustainable investment products, section on management system of material topics (page 24)
	Targets	Sustainability Report: chapter on the AKB Sustainability Strategy, section on objectives (page 9)
	Due diligence	Annual Report: chapter on Financial Report, Notes to the Financial Statements, section on risk management (page 36*)
	Measures	Sustainability Report: chapter on compliance with legal requirements, section on developments during the reporting year (page 17) and section on outlook (page 17) Sustainability Report: chapter on offer of sustainable investment products, section on developments during the reporting year (page 27) and section on outlook (page 28)
	Performance indicators	Sustainability Report: chapter on compliance with legal requirements, section on developments during the reporting year (page 17) Sustainability Report: chapter on offer of sustainable investment products, section on developments during the reporting year (page 27)
	Efficacy review	Sustainability Report: chapter on compliance with legal requirements, section on developments during the reporting year (page 17) Sustainability Report: chapter on offer of sustainable investment products, section on developments during the reporting year, achievement of targets in 2025 (page 27)
Combating Corruption	Materiality/risks	Sustainability Report: chapter on material topics (page 8) Sustainability Report: chapter on compliance with legal requirements, section on relevance of the material topic for AKB (page 15)
	Concept/management system	Sustainability Report: chapter on compliance with legal requirements, section on management system of material topics (page 15)
	Targets	Sustainability Report: chapter on the AKB Sustainability Strategy, section on objectives (page 9)
	Due diligence	Annual Report: chapter on Financial Report, Notes to the Financial Statements, section on risk management (page 36*)
	Measures	Sustainability Report: chapter on compliance with legal requirements, section on developments during the reporting year (page 17) and section on outlook (page 17)
	Performance indicators	Sustainability Report: chapter on compliance with legal requirements, section on developments during the reporting year, combating corruption (page 17)

* 2025 Annual Report available for download at report.akb.ch, only available in German.

Topic	Subtopic	Location of disclosure
	Efficacy review	Sustainability Report: chapter on compliance with legal requirements, section on management system of material topics (page 15) and section on developments during the reporting year (page 17)
Due diligence obligations and transparency with regard to minerals and metals from conflict-affected areas	Supply chain policy	Sustainability Report: chapter on compliance with legal requirements, section on developments during the reporting year, respect for human rights, due diligence obligations within supply chains with regard to minerals and metals from conflict-affected areas and child labour (page 17) Sustainability Report: chapter on offer of sustainable investment products, section on management system of material topics, procurement of precious metals (page 26)
Due diligence obligations and transparency with regard to child labour	Supply chain policy	Sustainability Report: chapter on compliance with legal requirements, section on developments during the reporting year, respect for human rights, due diligence obligations within supply chains with regard to minerals and metals from conflict-affected areas and child labour (page 17) Sustainability Report: chapter on offer of sustainable investment products, section on management system of material topics, procurement of precious metals (page 26) Sustainability Report: chapter on further issues, section on sustainable procurement (page 43) Sustainability Report: chapter on further issues, section on responsible marketing (page 44)
	Risk assessment	Sustainability Report: chapter on offer of sustainable investment products, section on management system of material topics, procurement of precious metals (page 26) Sustainability Report: chapter on further issues, section on sustainable procurement (page 43) Sustainability Report: chapter on further issues, section on responsible marketing (page 44)

GRI Content Index 2025

Aargauische Kantonalbank

Statement	Aargauische Kantonalbank has reported in accordance with the GRI Standards for the period from 1 January 2025 to 31 December 2025.
GRI used	GRI 1: Foundation 2021
Applicable GRI Industry standard	GRI G4: Sector supplement for financial services providers 2013

Applicable GRI Industry standard	Disclosure	Location of disclosure/information	Omission Requirement
General disclosures			
GRI 2: General Disclosures 2021	2-1 Organizational details	Annual Report: Notes to the Annual Financial Statements (page 32*)	
	2-2 Entities included in the organization's sustainability reporting	Sustainability Report: chapter about this Report (page 46)	
	2-3 Reporting period, frequency and contact point	Sustainability Report: chapter about this Report (page 46)	
	2-4 Restatements of information	Sustainability Report: chapter about this Report (page 46)	
	2-5 External assurance	Sustainability Report: chapter about this Report (page 46)	
	2-6 Activities, value chain and other business relationships	Annual Report: chapter on business model and strategy (page 9*)	
	2-7 Employees	Sustainability Report: chapter on attractiveness as an employer, section on key figures (page 33)	Breakdown according to region: This information does not apply to AKB, as AKB only has branches in the market area (Canton of Aargau and the Olten-Gösgen-Gäu region).
	2-8 Workers who are not employees	In the reporting year, there were 40 workers who were not employees. Most of these were external advisors cooperating on AKB projects.	
	2-9 Governance structure and composition	Annual Report: chapter on corporate governance, sections 3. Board of Directors (page 75*) and 4. Executive Board (page 78*)	
	2-10 Nomination and selection of the highest governance body	Annual Report: chapter on corporate governance, section 3. Board of Directors (page 75*)	
	2-11 Chair of the highest governance body	Annual Report: chapter on corporate governance, section 3. Board of Directors (page 75*)	
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Report: chapter on the AKB Sustainability Strategy, section on corporate governance – sustainable corporate governance (page 6) Annual Report: chapter on corporate governance, section 3.2. Internal organisation (page 76*)	
	2-13 Delegation of responsibility for managing impacts	Sustainability Report: chapter on the AKB Sustainability Strategy, section on corporate governance – sustainable corporate governance (page 6) Annual Report: chapter on corporate governance, section 3. Board of Directors (page 75*)	
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Report: chapter on the Sustainability Strategy, section on corporate governance – sustainable corporate governance (page 6) Annual Report: chapter on corporate governance, section 3. Board of Directors (page 75*)	
	2-15 Conflicts of interest	AKB Code of Conduct and Ethics: akb.ch/codeofconduct Annual Report: chapter on corporate governance, section 3. Board of Directors (page 75*) Annual Report: chapter on Remuneration Report, section 4. Loans and credit granted to members of governance bodies (page 84*)	
	2-16 Communication of critical concerns	Annual Report: chapter on corporate governance, section 3.4 information and control instruments (page 78*)	
	2-17 Collective knowledge of the highest governance body	Annual Report: chapter on Corporate Governance, section 3.1 Members of the Board of Directors (page 75)	
	2-18 Evaluation of the performance of the highest governance body	Annual Report: chapter on corporate governance, section 3.2 internal organisation (page 76*)	
	2-19 Remuneration policies	Annual Report: chapter on Remuneration Report, section 1. Salary system (page 82*) Annual Report: chapter on Remuneration Report, section 2. Content, method for determining and remuneration of members of governance bodies (page 82*)	
	2-20 Process to determine remuneration	Annual Report: chapter on Remuneration Report, section 2. Content, method for determining and remuneration of members of governance bodies (page 82*)	
	2-21 Annual total compensation ratio	Sustainability Report: chapter on attractiveness as an employer, section on key figures (page 33) Annual Report: chapter on Remuneration Report (page 82*)	
	2-22 Statement on sustainable development strategy	Sustainability Report: Foreword (page 3) Sustainability Report: chapter on the AKB Sustainability Strategy (page 5)	

Applicable GRI Industry standard	Disclosure	Location of disclosure/information	Omission Requirement
	2-23 Policy commitments	AKB Code of Conduct and Ethics: akb.ch/codeofconduct Sustainability Report: chapter on compliance with legal requirements, section on implementation within everyday business (page 15) Sustainability Guidelines for Suppliers and Partner Companies of AKB: akb.ch/nachhaltige-beschaffung Sustainability Report: chapter on the AKB Sustainability Strategy (page 5) Sustainability Report: chapter on further issues, sustainable procurement (page 43)	
	2-24 Embedding policy commitments	AKB Code of Conduct and Ethics: akb.ch/codeofconduct Sustainability Report: chapter on compliance with legal requirements, section on implementation within everyday business (page 15) and section on regular employee training concerning ethical standards (page 16) Sustainability Guidelines for Suppliers and Partner Companies of AKB: akb.ch/nachhaltige-beschaffung Sustainability Report: chapter on the AKB Sustainability Strategy, section on corporate governance – sustainable corporate governance (page 6) Sustainability Report: chapter on further issues, sustainable procurement (page 43)	
	2-25 Processes to remediate negative impacts	AKB Code of Conduct and Ethics: akb.ch/codeofconduct Sustainability Report: chapter on compliance with legal requirements, section on management system of material topics (page 15) and section on handling consumer complaints (page 17)	
	2-26 Mechanisms for seeking advice and raising concerns	AKB Code of Conduct and Ethics: akb.ch/codeofconduct Sustainability Report: chapter on compliance with legal requirements section on whistleblowing (page 17)	
	2-27 Compliance with laws and regulations	AKB Code of Conduct and Ethics: akb.ch/codeofconduct Sustainability Report: chapter on compliance with legal requirements, section on developments during the reporting year (page 17)	
	2-28 Membership associations	Sustainability Report: chapter on memberships and initiatives (page 45)	
	2-29 Approach to stakeholder engagement	Sustainability Report: chapter on the AKB Sustainability Strategy, section on dialogue with stakeholders (page 7) and section on material topics (page 8)	
	2-30 Collective bargaining agreements	No AKB employees are subject to a collective bargaining agreement.	
Material topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability Report: chapter on the AKB Sustainability Strategy, section on material topics (page 8)	
	3-2 List of material topics	Sustainability Report: chapter on the AKB Sustainability Strategy, section on material topics (page 8)	
Engaging with digital responsibility			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: chapter on engaging with digital responsibility, section on relevance of the material topic for AKB (page 12) and section on management system of material topics (page 12)	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sustainability Report: chapter on engaging with digital responsibility, section on developments during the reporting year (page 13)	
Compliance with legal requirements			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: chapter on compliance with legal requirements, section on relevance of the material topic for AKB (page 15) and section on management system of material topics (page 15)	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Sustainability Report: chapter on compliance with legal requirements, section on combatting corruption (page 17)	All AKB employees are screened for corruption risks by means of various controls. Due to the size of AKB, not only individual establishments are audited. The same guidelines apply to everyone.
	205-2 Communication and training about anticorruption policies and procedures	Sustainability Report: chapter on compliance with legal requirements, section on training concerning ethical standards (page 17)	
	205-3 Confirmed incidents of corruption and actions taken	Sustainability Report: chapter on compliance with legal requirements, section on combatting corruption (page 17)	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Sustainability Report: chapter on compliance with legal requirements, section on developments during the reporting year (page 17)	
Sustainable financing			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: chapter on sustainable financing, section on relevance of the material topic for AKB (page 19) and section on management system of material topics (page 19)	
GRI G4: Sector supplement for financial services providers 2013	G4-HR1 Human rights clauses and screening for human rights aspects in lending business	Sustainability Report: chapter on sustainable financing, section on ESG assessment criteria for corporate credit (page 20)	
	G4-FS6 Composition of the lending business by specific region, size and type of borrower	Sustainability Report: chapter on sustainable financing, section on credit portfolio (page 22) Sustainability Report: chapter on sustainable financing, section on key figures (page 23) Climate Report, chapter on concentration risks in climate-sensitive sectors (page 66)	
	G4-FS7 Lending business with specific social benefits	Sustainability Report: chapter on sustainable financing, section on key figures (page 23)	
	G4-FS8 Lending business with specific environmental benefits	Sustainability Report: chapter on sustainable financing, section on key figures (page 23)	

Applicable GRI Industry standard	Disclosure	Location of disclosure/information	Omission Requirement
Own standard	Portfolio volume of loans under ESG sensitivity	Sustainability Report: chapter on sustainable financing, section on sustainable lending (page 22)	
	Volume contribution margin	Sustainability Report: chapter on sustainable financing, section on sustainable lending (page 22)	
	Volume usage of contribution margin	Sustainability Report: chapter on sustainable financing, section on sustainable lending (page 22)	
Offer of sustainable investment products			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: chapter on offer of sustainable investment products, section on relevance of the material topic for AKB (page 24) and section on management system of material topics (page 24) Sustainable investing: akb.ch/nachhaltiges-anlegen	
GRI G4: Sector supplement for financial services providers 2013	G4-HR1 Human rights clauses and human rights due diligence in the asset management business	Sustainability Report: chapter on offer of sustainable investment products, section on investment concept with four sustainability approaches (page 24) Sustainable investing: akb.ch/nachhaltiges-anlegen	
	G4-FS11 Assets subject to positive and negative environmental or social screening	Sustainability Report: chapter on offer of sustainable investment products, section on key figures (page 28)	
Attractiveness as an employer			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: chapter on attractiveness as an employer, section on relevance of the material topic for AKB (page 29) and section on management system of material topics (page 29)	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Sustainability Report: chapter on attractiveness as an employer, section on key figures (page 33)	Information incomplete. The figures will be expanded over the coming year.
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	At AKB, all company benefits are available without restriction to part-time and full-time workers. Different rules apply to fixed-term employees concerning for instance the pension fund and loss of income insurance.	
	401-3 Parental leave	Sustainability Report: chapter on attractiveness as an employer, section on key figures (page 33)	
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	Sustainability Report: chapter on attractiveness as an employer, section on key figures (page 33)	
	404-2 Programs for upgrading employee skills and transition assistance programs	Sustainability Report: chapter on attractiveness as an employer, section on staff development at AKB (page 30) Advanced training: akb.ch/die-akb/jobs-karriere/weiterbildung	
GRI 405: Diversity and equal opportunity 2016	GRI 405-1 Diversity of governance bodies and employees	Sustainability Report: chapter on attractiveness as an employer, section on key figures (page 33)	Information incomplete. The figures will be expanded over the coming year.
	GRI 405-2 Ratio of basic salary and remuneration of women to men	Sustainability Report: chapter on attractiveness as an employer, section on fair and reasonable (page 32)	
GRI 406: Non-discrimination 2016	GRI 406-1 Incidents of discrimination and corrective actions taken	Sustainability Report: chapter on attractiveness as an employer, section on corporate culture (page 32)	
Own standard	Average absences in days per employee due to illness or accident	Sustainability Report: chapter on attractiveness as an employer, section on key figures (page 33)	
Climate responsibility			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: chapter on climate responsibility, section on relevance of the material topic for AKB (page 35) and section on management system of material topics (page 35) Climate Report: chapter Introduction (page 55) Climate Report: chapter on governance (page 56) Climate Report: chapter on risk management, nature-related and climate-related financial risks (page 58) Climate Report: chapter on strategy, section on nature-related and climate-related opportunities (page 60), section on impact on core business (page 60) and section on transition plan (page 65)	
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Climate Report: chapter on strategy, section on nature-related and climate-related opportunities (page 60) and section on impact on core business (page 60) and section on nature-related and climate-related financial risks (page 61) Climate Report: chapter on key figures and targets, section on concentration risks in climate-sensitive sectors (page 66)	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Climate Report: chapter on key figures and targets, section on carbon accounting (page 66)	
	305-2 Energy indirect (Scope 2) GHG emissions	Climate Report: chapter on key figures and targets, section on carbon accounting (page 66)	
	305-3 Other indirect (Scope 3) GHG emissions	Climate Report: chapter on key figures and targets, section on carbon accounting (page 66)	
	305-4 GHG emissions intensity	Climate Report: chapter on key figures and targets, section on carbon accounting (page 66)	
	305-5 Reduction of GHG emissions	Climate Report: chapter on strategy, section on transition plan (page 65)	
	305-6 Emissions of ozone-depleting substances		These key figures are not currently collected as part of the accounting for greenhouse gas emissions from the company's own operations, as they are not relevant for a service company.
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		These key figures are not currently collected as part of the accounting for greenhouse gas emissions from the company's own operations, as they are not relevant for a service company.

Applicable GRI Industry standard	Disclosure	Location of disclosure/information	Omission Requirement
Economic development in the Canton of Aargau			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: chapter on economic development in the Canton of Aargau, section on relevance of the material topic for AKB (page 38) and section on management system of material topics (page 38)	
GRI G4: Sector supplement for financial services providers 2013	G4-EC1 Expenditure on social/economic engagement as a proportion of pre-tax profit	Sustainability Report: chapter on economic development in the Canton of Aargau, section on key figures (page 40)	
Social engagement in the Canton of Aargau			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: chapter on social engagement in the Canton of Aargau, section on relevance of the material topic for AKB (page 41) and section on management system of material topics (page 41)	
GRI G4: Sector supplement for financial services providers 2013	G4-EC1 Expenditure on social engagement as a proportion of pre-tax profit	Sustainability Report: chapter on social engagement in the Canton of Aargau, section on key figures (page 42)	
	G4-EC1 Time volunteered for social engagement	Sustainability Report: chapter on social engagement in the Canton of Aargau, section on key figures (page 42)	

Climate Report

1 Introduction

Aargauische Kantonalbank (AKB) recognises climate change as one of the largest global challenges of our times and accepts its responsibility as a financial service provider and part of the economic system. Climate protection constitutes the necessary basis for a liveable future. AKB is engaging with the challenges and risks associated with climate change.

Climate change and its effects have a direct impact on the business operations of AKB and on its clients. This is already becoming tangible, and the trend will become more marked over the medium to long term. Both the core business (lending and investment business) as well as the company's own operations are affected.

However, AKB also has the opportunity to contribute to climate protection and to minimise climate-related risks for its clients and for the Bank itself through its products, services and targeted advice. Last but not least, AKB itself causes environmental impacts through its own operations that contribute to climate change in the form of direct or indirect greenhouse gas emissions. These must be avoided entirely, wherever possible, and continuously reduced through targeted measures.

Consequently, the topic of the climate is a material topic for AKB in accordance with the 2021 standards of the Global Reporting Initiative (GRI) and is defined accordingly in the Sustainability Report. In this Climate Report, AKB reports transparently on climate issues as well as climate-related opportunities and risks.

This report on climate-related matters is based on the report "Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)" in the version adopted in June 2017 and the annex "Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures" in the version adopted in October 2021. AKB thus complies with the requirements of the Swiss Code of Obligations for non-financial reporting in accordance with the TCFD. Information is disclosed in accordance with the TCFD on the topics of governance, risk management of nature-related and climate-related financial risks, strategy as well as key figures and targets.

This report also describes potential nature-related financial risks and their impact on AKB. The analysis is based on the requirements of the Swiss Code of Obligations applicable to non-financial reporting on climate issues as well as the Ordinance on Climate Disclosures.

The report primarily uses the term "nature-related financial risks", which covers all environmental aspects and is intended to enable a holistic view of environmental risks. However, the focus within this Climate Report is primarily on climate-relevant topics, as it was previously the regulatory focus of disclosure obligations and is also considered to be relevant to AKB's strategic orientation.

2 Governance

The approach to climate change and the associated nature-related and climate-related opportunities and risks is embedded in the organisation of AKB. Appropriate structures and processes are incorporated into sustainability and risk management. The way in which nature-related and climate-related opportunities are dealt with is described in chapter 4.1.

2.1 Anchoring within the Bank as a whole

Climate issues are anchored at all levels of the Bank's hierarchy. Further details on sustainable corporate governance can be found from page 6 of the Sustainability Report 2025.

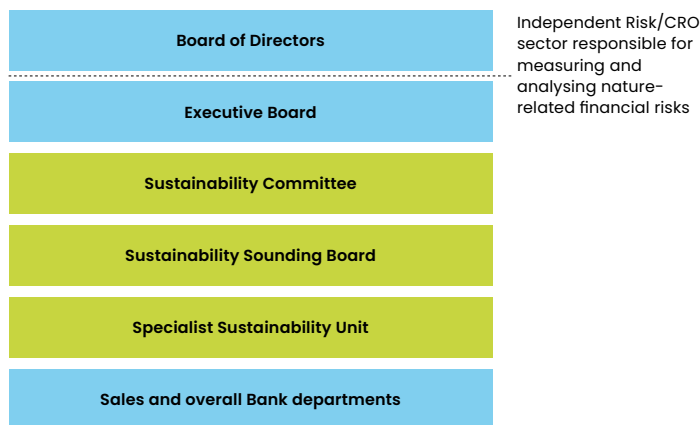


Figure 1: Structure and organisation of AKB in relation to climate issues

Board of Directors

The Board of Directors makes strategic decisions in relation to climate issues, such as the adoption of the Climate Strategy, defines strategic metrics as part of annual targets and reviews their implementation via the Personnel and Compensation Committee. The Strategy Committee plays a preparatory role. The Board of Directors approves reporting on climate-related matters via the Audit and Risk Committee.

Executive Board

The Executive Board is responsible for the operational implementation of AKB's Climate Strategy. Area heads ensure implementation in their respective areas. The Executive Board also implements internal processes and controls to ensure that nature-related financial risks are managed appropriately.

Sector Risk/CRO

The Risk/CRO sector is independent from operational nature-related financial risk management and everyday operations, and in functional terms is

responsible for measuring and analysing nature-related financial risks. It reports regularly to the Executive Board, the Board of Directors and the Sustainability Committee.

Sustainability Committee

The Sustainability Committee is made up of representatives from various departments and, as an expert committee, drives forward developments in climate-related matters. This includes the designation of priority areas for action, the drafting of preparatory decisions for the Executive Board and the pre-emption of trends and developments in relation to the climate.

Sustainability Sounding Board

The Sustainability Sounding Board is comprised of employees working in various areas and at various hierarchical levels within the Bank. It is intended as a reflection group for the Sustainability Committee, the Specialist Sustainability Unit as well as the relevant departments and as a source of input, especially in response to concerns and issues raised by client advisors.

Specialist Sustainability Unit

The Specialist Sustainability Unit coordinates and promotes efforts relating to the climate throughout the Bank. It acts as an interface with all stakeholders and reports at least every six months to the Sustainability Committee, the Executive Board and the Board of Directors. It implements the short-term, medium-term and long-term climate goals of AKB, acting in conjunction with individual departments.

Sales and overall Bank departments

Client advisors are ultimately responsible for implementing climate targets in sales, i.e. in contact with clients. This applies in particular to private clients in the investment and mortgage business as well as to the corporate client business. Other specialist departments support client advisors in developing attractive and climate-friendly products and services as well as corresponding processes and training.

Remuneration policy

Climate targets are incorporated into AKB's strategic metrics and are therefore relevant for the variable remuneration (bonus) of the Executive Board. The Board of Directors does not receive any variable remuneration, and as a result climate targets cannot be linked to the remuneration of the Board of Directors.

2.2 Nature-related and climate-related financial risks

At AKB, the three lines of defence model is used, which creates transparency with regard to organisational responsibilities for risk and control activities. Figure 2 shows the competence levels with the corresponding governing bodies in relation to nature-related financial risks:

	Competence levels	Executive bodies
	Risk responsibility	Board of Directors
1st line of defence	Risk ownership, assessment and management	Executive Board
		Risk Owner
2nd line of defence	Independent risk monitoring and control of aggregated risks	Risk Compliance
3rd line of defence	Independent assurance	Internal Audit

Figure 2: The three lines of defence model in the context of nature-related financial risks

Risk responsibility

At AKB the Board of Directors bears overall responsibility for risk management for nature-related financial risks. The framework for Bank-wide risk management specified by the Board of Directors for risk management is reviewed and approved at least once each year by the Audit and Risk Committee or by the Board of Directors.

First line of defence

The assumption of nature-related financial risks occurs at Executive Board level (first line of defence). Here, the main types of risk for the Bank as a whole are defined using risk limits derived from the risk tolerance of the Board of Directors. Natural financial risks, where a distinction is drawn between physical risks and transition risks, can manifest themselves in the traditional risk categories of market, credit, operational and liquidity risks. Nature-related financial risks may potentially be

managed and limited by the respective risk owner (also first line of defence) within the framework of the defined standards for managing and assuming nature-related and climate-related risks with regard to the traditional types of risk.

In order to determine the materiality assessments of nature-related financial risks, sectors from the first line of defence are primarily designated as risk owners. Assessments of the materiality of nature-related financial risks are prepared as part of risk control assessments (organised and implemented by the Risk/CRO sector).

Second line of defence

In the second line of defence, the Risk/CRO sector, under the authority of the Chief Risk Officer, is responsible for the framework of nature-related financial risks (i.e. identification, assessment, monitoring and reporting). The Risk/CRO sector is also responsible for preparing various reports in connection with nature-related financial risks. With regard to investment advice and asset management, the Compliance department (also known as the second line of defence) has competence over random checks into the implementation of the AKB Sustainable Investment Policy.

Third line of defence

Internal Audit (third line of defence) manages an audit universe in which AKB's activities, products and risks are mapped and bundled together into audit areas. On this basis, Internal Audit conducts a comprehensive risk analysis every year in order to update and assess risks within the individual audit areas. Taking this risk analysis into account, the annual plan for the auditing activities of Internal Audit is then drawn up and the rolling multi-year plan updated. The annual budget is approved by the Audit and Risk Committee of the Board of Directors.

2.3 Reporting

AKB reports on nature-related and climate-related issues both internally and externally through various channels:

Reporting	Frequency	Recipient	Contents
Climate Report	annual	Executive Board, Board of Directors, owner and the public	Reporting on nature-related and climate-related financial risks and opportunities
Sustainability Report	annual	Executive Board, Board of Directors, owner and the public	Reporting on all sustainability matters in accordance with GRI Standards 2021
Financial and capital planning	annual	Executive Board, Audit and Risk Committee, Board of Directors	Assessment of the impact of natural and climate change on the resilience of AKB's business activities
Reporting on strategy controlling	half-yearly	Executive Board, Board of Directors	Reporting on sustainability and climate targets and measures taken
Consolidated report on nature-related and climate-related financial information	quarterly	Executive Board, Audit and Risk Committee, Board of Directors	Summary of nature-related and climate-related financial information
Sustainability reporting	monthly	Sustainability Committee, Executive Board	Primarily nature-related and climate-related financial information

3 Risk management

Nature-related and climate-related financial risks

The framework for nature-related financial risks comprises risk identification, risk assessment, risk monitoring and management, and reporting (Figure 3). The following sections contain details of the individual dimensions.

Nature-related financial risk framework

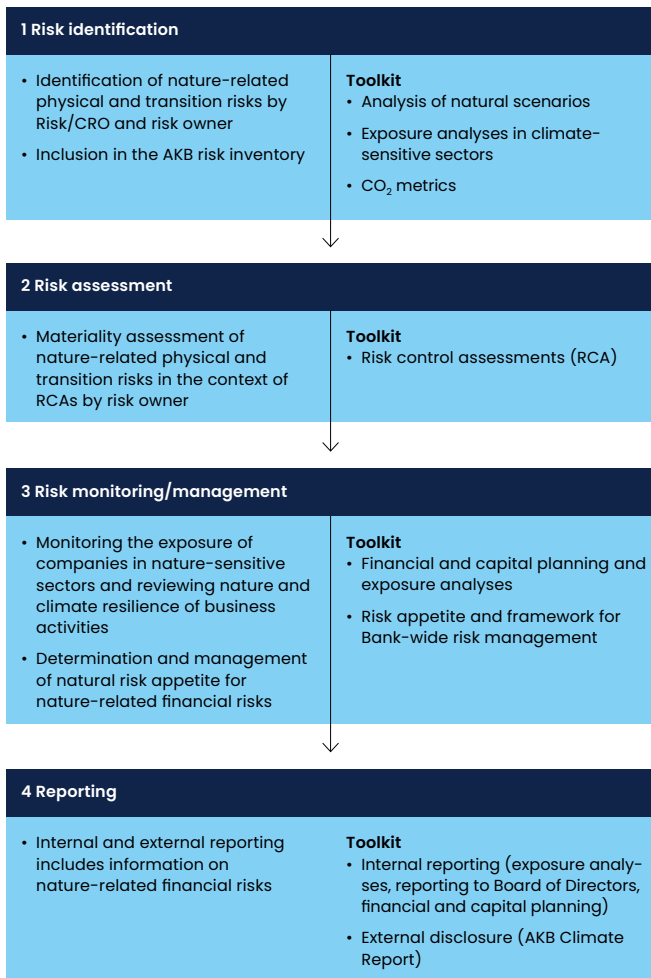


Figure 3: Nature-related and climate-related financial risks framework

3.1 Risk identification

The systematic identification of nature-related financial risks at AKB is based on internal expert opinions of the risk owners as well as risk analyses by the Risk/CRO sector. This includes e.g. evaluations of the exposure of nature and climate-sensitive sectors or physical and transition scenario analyses. Identification takes place as part of regular risk control assessments (RCAs). Natural financial risks are not regarded as a new

type of risk in their own right but are classified as “horizontal risks”. This means that they manifest themselves within the financial risk types already identified, such as credit or market risks.

3.2 Risk assessment

The materiality assessment of nature-related financial risks is also carried out within the RCAs in consultation between internal specialists in their capacity as risk owners and the Risk/CRO sector. In this context, the risk owners assess the materiality of nature-related financial risks in accordance with an “AKB base scenario”, which is validated and approved annually by the Specialist Sustainability Unit. The results of the materiality assessment are subject to approval by the Board of Directors or its Audit and Risk Committee and by the Executive Board. Any nature-related financial risks that are classified as material are reassessed annually.

The materiality assessment of nature-related financial risks is carried out on a scale ranging from “not relevant” to “very high”, and the temporal dimension of short, medium and long-term is also taken into account. A very low assessment of the risk potential indicates that the potential financial losses of the nature-related financial risk under consideration would generally speaking have little impact on the Bank when they occurred. By contrast, a rating of “very high” implies that financial losses would have a material impact on AKB. For nature-related financial risks that are classified as very low, a decision is made on a case-by-case basis and depending on the context as to whether the risk is classified as material for AKB. All other nature-related financial risks, insofar as they are applicable to AKB, are automatically classified as material irrespective of the time horizon:

Dimensions	Risks not applicable to AKB	Risks applicable to AKB	
Risk potential	○ ○ ○ ○ ○	● ○ ○ ○ ○	● ● ○ ○ ○ to ● ● ● ● ●
Time horizon	short to long-term	short to long-term	short to long-term
Classification of risk materiality	non-material risks	not clearly material, case-by-case decision	material risks

Time horizon

ST: short term <1 year (transition) and <10 years (physical)
 MT: medium term 1–5 years (transition) and 10–20 years (physical)
 LT: long term >5 years (transition) and >20 years (physical)

Risk potential of nature-related financial risks

no relevance (○ ○ ○ ○ ○)
 very low (● ○ ○ ○ ○)
 very high (● ● ● ● ●)

Table 1: Assessment and classification of nature-related financial risks

The assessment of physical risks is based on a long-term observation period (even >20 years), as their effects only materialise gradually and over extended periods of time in terms of the increased duration, frequency and intensity of natural and climatic extremes. In contrast, a shorter time horizon is assumed for transition risks (e.g. >5 years for “long-term”) since here, for example, changes to the law and regulatory adjustments can take place quickly and have a financial impact on AKB within a short space of time.

3.3 Risk monitoring and management

At AKB, nature-related financial risks are embedded and managed within the framework for Bank-wide risk management, which defines requirements with regard to identification, analysis, evaluation, management, monitoring and reporting for the traditional types of risk.

The AKB Risk Policy Regulations set out the framework for Bank-wide risk management as well as the principles applicable to individual types of risk, the risk strategies, risk tolerance and regulations of the Board of Directors as well as the risk limits of the Executive Board, and the guidelines based on these. According to the risk policy, nature-related financial risks specifically qualify as potentially relevant risk drivers.

A specific strategy on nature-related and climate-related financial risks is also defined within the ambit of the risk strategies adopted by the Board of Directors:

- *Long-term objective:* The Bank aims to achieve a climate-resilient loan portfolio that is robust over the long term in the face of transitional and physical changes.
- *Avoidance of cluster risks:* Cluster risks from significant physical (e.g. natural hazards such as flooding) and transition risks (e.g. regulatory requirements for fossil fuels) are systematically limited.
- *Bank-wide risk management framework:* Material nature-related financial risks are appropriately limited within the Risk Appetite Framework and – if relevant and appropriate – specified and refined in further risk-related guidelines.

- *Monitoring and reporting:* Material natural and climate risks are monitored periodically and the relevant committees are regularly informed of the risk situation within risk reports.

The framework for Bank-wide risk management is comprised of regulations and guidelines. With regard to lending, the framework comprises the Credit Regulations as well as the Credit Policy and Credit Guidelines. These sets out the implementing provisions for sustainable lending. Clients are reviewed as part of the lending process in order to ascertain their ESG sensitivity. This means that if the primary business activity of a company applying for a loan is in an area that is sensitive from an ESG perspective, and may therefore have undesirable effects on society or the environment, the Bank analyses and assesses the situation more thoroughly. AKB does not grant loans if ethical values and principles of environmental protection are not being complied with or if applicable law is being violated. Further information on sustainable lending can be found in the “Sustainable financing” chapter of the Sustainability Report.

Liquidity and balance sheet structure management also includes requirements for financial investments, such as the requirement for an MSCI ESG rating of at least “BBB”. These requirements are intended to ensure that investments comply with the defined sustainability criteria. These measures are intended to promote responsible capital allocation that actively takes nature-related and climate-related financial risks into account.

3.4 Reporting

Chapter 2.3 provides an overview of the most important reports on nature-related financial risks, their frequency, the respective recipients and the content.

4 Strategy

AKB endorses the commitments made in the Paris Climate Agreement of 2015 to limit average global warming compared to pre-industrial levels to significantly below 2 degrees Celsius, endeavouring to achieve a maximum temperature increase of 1.5 degrees Celsius.

The AKB Climate Strategy is based on the climate strategies of the Federal Government and the Canton of Aargau. The overarching objective of the AKB Climate Strategy is to achieve net zero emissions by 2050 across the Bank as a whole, including financed emissions within the core business, in particular the investment and lending business. The target of net zero by 2050 was enshrined in law with the entry into force of the Climate and Innovation Act on 1 January 2025. The Swiss people approved that law in a referendum held on 18 June 2023. The Climate Strategy is described in the ownership strategy of Aargauische Kantonalbank dated 24 January 2024 and is a key component of the mandate "AKB acts sustainably and aligns its actions with the three ESG target dimensions".

4.1 Nature-related and climate-related opportunities

Positioning

AKB accepts its responsibility as a sustainable bank and also sees climate protection as a source of multiple opportunities. It is well prepared to engage proactively with developments and to convince the market. The Bank is raising its clients' awareness concerning climate issues by providing targeted advice, identifying opportunities and risks and offering attractive products and services that contribute to climate protection. AKB thus provides targeted incentives for climate protection in its core business.

Over-arching climate strategy

The Climate Position Paper (akb.ch/positionspapier) forms the basis and strategic overarching structure of AKB's Climate Strategy (akb.ch/climatestrategy). AKB has set targets for 2028 in the individual areas and has defined three strategic priorities that are aligned with those of the Climate Strategy of the Canton of Aargau:

- **Advisory:** Active support in the transition to a climate-neutral economy and society based on dialogue. AKB is an expert partner in raising clients' awareness and supporting them in the transition to a sustainable economy.
- **Implementation:** Contribution to national and cantonal climate strategies. Focusing on the needs of

clients and acting in partnership with them and other stakeholders, products and services are developed that promote a climate-friendly economy and society, protect the climate and maintain AKB's competitiveness. As regards its own operations, AKB is reducing its own greenhouse gas emissions and leading by example.

- **Transparency:** Ensuring transparency. AKB regularly measures and discloses both its own and financed emissions. Annual reports provide information on action plans and the achievement of targets.

The Climate Strategy is reviewed on an ongoing basis to ensure it is up to date and that it is being implemented. The Climate Strategy will be adjusted accordingly in the event of a significant change in framework conditions and the environment of AKB. This may involve for example the accentuation of a particular risk or the emergence of opportunities such as increased financing requirements within a given climate-relevant sector.

4.2 Impact on the core business

Through its core business, in particular in the lending and investment business, AKB aims to have a positive impact on climate change by aligning financial flows with climate-friendly development. It is thus contributing to the achievement of the objectives of the Climate Strategy of the Canton of Aargau, primarily in the following fields in the area of climate protection:

- "Resource-saving, energy-efficient and CO₂-free building stock" and "heat-adapted housing development" – through the offer of sustainable mortgage financing
- "Climate-neutral industry and trade based on the circular economy" – through their economic promotion and responsible lending.
- "Investments, procurement and financing" through the review and implementation of green finance within the investment and lending business as well as within the Group's own operations.
- "Promoting innovation and participation" – by contributing to climate protection together with clients within private and corporate client business

The climate transition in Switzerland requires annual investments of CHF 12.9 billion whereas the natural transition requires CHF 5.3 billion.¹⁾ The financing of this transition offers AKB a major opportunity as an expert

¹⁾ swissbanking.ch/de/themen/sustainable-finance/publikationen-zu-sustainable-finance

financial partner to increase lending volume. The Bank has major leverage in contributing to a climate-friendly Switzerland. It also believes that a sustainably oriented loan portfolio represents a lower risk and will have greater recoverability.

4.3 Memberships and initiatives

AKB has joined several initiatives that seek to promote climate protection in a targeted manner both globally and in Switzerland:

Partnership for Carbon Accounting Financials (PCAF)

AKB has been a member of the PCAF since the summer of 2023. It is an initiative led by the financial sector. PCAF helps financial institutions calculate and disclose on a scientific basis the greenhouse gas emissions associated with their loans and investments.

United Nations Principles for Responsible Investments (UNPRI)

AKB has signed up to the global investor initiative UNPRI (unpri.org). Signatories commit to adhering to the ten Principles for Responsible Investment, to incorporating sustainable factors into investment decisions, to increasing transparency, and to acting as active investors to improve companies' sustainability management through engagement and the exercise of voting rights.

Paris Agreement Capital Transition Assessment (PACTA)

AKB took part in the PACTA climate compatibility test carried out by the Swiss Federal Office for the Environment (FOEN) in 2020, 2022 and 2024. This test supports AKB in achieving its net zero target and creates transparency regarding AKB's financed emissions. The climate compatibility test was not carried out in 2025, and is scheduled to take place again in 2026.

AKB is considering adhering to other initiatives.

4.4 Nature-related and climate-related financial risks

4.4.1 Identification and materiality assessment of nature-related financial risks

Nature-related financial risks describe the potential financial losses that could arise as a result of natural changes, including climate change. In this context, AKB distinguishes between nature-related transition and physical risk drivers. These risk drivers can amplify traditional risks or materialise as such through transmission channels.

In order to identify nature-related financial risks, two simplified adverse scenario narratives for transition and physical risks are defined by the Risk/CRO sector. These scenario narratives are based, among other things, on reference scenarios from the Network for Greening the Financial System (NGFS):

- Under an adverse scenario "transitional nature-related risks", nature-related financial risks are identified that

result from a rapid transition to a more sustainable economy and society, including its decarbonisation in order to comply with the Paris climate targets. Transition risk drivers include, for example, increased regulation through laws on climate and environmental policy or serious market disruptions as a result of the transition.

- Under an adverse scenario "physical nature-related risks", nature-related financial risks resulting from drastic natural changes and the associated impairment of ecosystem performance (land use, climate regulation, fresh water supply, etc.) are identified. Physical risk drivers include, for example, climate change, pollution or overuse of natural resources.

The assessment of the materiality of the nature-related financial risks identified by the respective risk owners is based on the developments assumed under the AKB baseline scenario:

- The "AKB baseline scenario" assumes a delayed but orderly transition to a more climate-friendly and largely decarbonised economy and society over the long term. Politicians and institutions act with caution within the framework of legislation and regulations. Physical risks tend to manifest themselves more frequently over the long term. Insurance coverage, especially in the property sector, continues to be available, although premiums may rise due to climate adaptation. At the same time natural resources, particularly construction materials relevant for real estate, are expected to remain largely accessible and the ecosystem services provided by nature are anticipated to remain usable over the long term.

4.4.2 Materiality assessment of nature-related financial risks

Data and information basis

The nature-related financial risks identified in the following sections, which are assessed mostly in qualitative terms in the context of transition and physical natural scenarios, are based primarily on various internal and external data sources. These include AKB's carbon footprint calculations (Scope 1-3, including financed emissions), cantonal hazard maps the impact of natural and climate change on the Canton of Aargau, exposure analyses of nature-sensitive sectors of the corporate and financial investment portfolio (based on Nomenclature Générale des Activités économiques NOGA codes and industry codes) as well as analyses of adverse transition and physical natural scenarios.

Significance of materiality assessments

AKB's materiality assessments are based on the Bank's current estimates and are regularly reviewed and adjusted to take due account of any changes in methodology, data or economic and social conditions. However, their explanatory force is limited. First of all, there is a lack of historical data and robust empirical evidence on financial losses arising from nature-related and climate-related risks. As a result, simplified scenarios and qualitative narratives are applied. Secondly, the methods and models used for risk identification are still at an early stage of development. Comprehensive quantitative analyses are currently only available to AKB

on a limited scale. Against this backdrop, the Bank's materiality assessments are primarily qualitative assessments that highlight the impact on the Bank of nature-related and climate-related risks and are further refined through future iterations (e.g. by conducting quantitative analyses).

Result of the materiality assessment

The following overview summarises the materiality assessment of nature-related financial risks in Table 2. The materiality assessment was carried out in 2025 within the ambit of AKB RCAs and was approved by both the Executive Board and the Board of Directors. There were no changes compared to the 2024 financial year.

The following findings were made in the RCAs carried out:

- At AKB, nature-related financial risks are not classified as top risks. However, the risk assessments identified the fundamental relevance of nature-related financial risks for the Bank's risk profile.

- The impact of nature or climate change on the credit risk was identified as the primary consideration, as the Bank's business activities are predominantly focused on credit and mortgage business. Natural credit risks have therefore been classified as material risks for AKB.
- In particular, unsecured (uncollateralised) exposure to commercial loans was identified as a material nature-related credit risk. Due to its risk characteristics, such exposure is already subject to greater scrutiny.

Nature-related financial risks	Transition risk			Material	Physical risk			
	ST	MT	LT		ST	MT	LT	Material
Credit risks	●○○○○	●●○○○	●●○○○	Yes	●○○○○	●●○○○	●●○○○	No
Market risks	●○○○○	●○○○○	●○○○○	No	●○○○○	●○○○○	●○○○○	No
Liquidity risk	●○○○○	●○○○○	●○○○○	No	●○○○○	●○○○○	●○○○○	No
Operational risks and resilience (including legal and compliance risks)	●○○○○	●○○○○	●○○○○	No	●○○○○	●○○○○	●○○○○	No
Reputational risks	●○○○○	●○○○○	●○○○○	No	●○○○○	●○○○○	●○○○○	No

Time horizon

ST: short term <1 year (transition) and <10 years (physical)
 MT: medium term 1–5 years (transition) and 10–20 years (physical)
 LT: long term >5 years (transition) and >20 years (physical)

Risk potential of nature-related financial risks

no relevance (○○○○○)
 very low (●○○○○)
 very high (●●●●●)

Table 2: Results of the materiality assessment of nature-related financial risks

Further details on materiality assessments of the individual nature-related financial risks can be found in the following table:

Nature of risk	Risk type	Identified risk types under a physical or transition scenario	Materiality assessment according to the AKB baseline scenario
Credit risks	Physical risk	Due to the geographical location of the Bank and the Canton, there is a potential risk of serious natural hazards affecting properties financed by AKB. The natural hazard flooding represents the greatest potential for damage in the Canton of Aargau, particularly for mortgage-backed loans. Such an occurrence would result in falling collateral values for the properties in question for AKB and an increasing likelihood of default by the borrowers concerned. In addition, physical risks could cause immediate financial losses for companies, such as production losses, and could make it significantly more difficult to resume operations.	The nature-related credit risks identified (physical and transition) have been assessed and classified as relevant and material (low risk potential) for AKB over the medium to long term. Commercial lending has been identified as the primary risk driver. According to the baseline scenario, AKB expects physical risks to increase over the long term. In this context, mortgage-backed loans would only be at risk of default if the financial losses caused by natural hazards exceeded the coverage under the buildings insurance, where the remaining damage exceeded the unencumbered part of the property. In addition, a quantitative analysis carried out in the 2025 financial year showed that the potential risk of natural hazards from flooding in the mortgage-backed mortgage portfolio can be assessed as comparatively low. This does not result in any significant risk exposure in the short term.
	Transition risk	Stricter regulations, higher CO ₂ prices and the ban on fossil fuels could lead to payment difficulties for borrowers with emission-intensive properties or commercial borrowers in emission-intensive industries due to higher operating costs or replacement investments. This would result in increased default risks on mortgage-backed or commercial loans with AKB.	In contrast with the mortgage business, the credit risk for AKB due to natural hazards is higher in relation to commercial loans as there is also entrepreneurial risk – for example if companies are no longer able to produce due to flooding or in the event of production stoppage or harvest failure. For this reason, this area is regarded as a significant risk over the medium to long term. The AKB baseline scenario does not assume a disruptive transition. As a result, no rapid and significant adjustment costs are anticipated for private households and companies. However, there is a residual risk in particular in relation to commercial loans which, unlike mortgage-backed loans, are mostly granted without any collateral (unsecured).
Market risks	Physical and transition risk	Nature-related market risks can have an impact on the profitability of the trading book if transition (e.g. stricter legislation) or physical (e.g. natural disasters) risk drivers lead to the permanent impairment of or even complete write-offs on natural assets (= stranded assets). AKB could also be exposed to stricter regulations or stricter legal requirements for the financial investment portfolio. The investment universe might then be further restricted because, for example, emission-intensive stocks could lose their status as high-quality liquid assets (HQLA).	The nature-related market risks identified (physical and transition) were assessed and classified as being relevant, although not material for AKB (short-term to long-term with very low risk potential). <ul style="list-style-type: none"> The main reason for this is the small trading portfolio at AKB, which is primarily driven by client foreign exchange trading. Trading positions are also managed through daily risk management. The AKB financial investment portfolio, which is primarily used to manage regulatory key figures, is comprised of highly liquid securities issued by various issuers with a high credit rating (HQLA). Diversification requirements apply when buying financial investments and the investment universe is restricted in the form of through minimum rating requirements (MSCI ESG rating “BBB”) and in relation relative to stocks from sectors that are particularly exposed to carbon emissions.
Liquidity risk	Physical risk	Following extreme natural disasters (e.g. flooding or hail damage), private or corporate clients might withdraw their deposits in order to cover the costs of repairs or reinstatement work. Under this scenario, making up for the funds withdrawn via the money or capital market could lead to a significant increase in refinancing costs or financial losses for the Bank.	The nature-related liquidity risks identified (physical and transition) have been assessed and classified as relevant but not material for AKB (very low risk potential over the short to long term). <ul style="list-style-type: none"> A quantitative analysis carried out by AKB shows that even major liquidity outflows from company account deposits would not immediately force AKB to secure corresponding offsetting funds via the money or capital market. Furthermore, according to the assumptions under the AKB baseline scenario, the likelihood of a sharp rise in refinancing costs or limited market liquidity is currently considered to be low.
	Transition risk	The Bank’s refinancing options could become more difficult or severely limit market liquidity, as the transition to a more nature and climate-friendly, decarbonised economy starts to trigger high liquidity requirements. Rising refinancing costs or limited market liquidity could also make it very difficult to comply with regulatory liquidity requirements.	

Nature of risk	Risk type	Identified risk types under a physical or transition scenario	Materiality assessment according to the AKB baseline scenario
Operational risks and resilience (including legal and compliance risks)	Physical risk	An impact of climate change can be identified primarily over the medium to long term through the realisation of physical risks in the form of natural disasters. These may cause physical damage to AKB's business-critical infrastructure (e.g. data carriers/servers), which may lead to data loss or interruptions in banking operations.	<p>The nature-related operational risks and resilience (physical and transition) identified were assessed and classified as relevant, but not material for AKB (with very low risk potential in the short to long term).</p> <ul style="list-style-type: none"> AKB's operations result in low greenhouse gas emissions and AKB supports climate protection projects in Switzerland and abroad to offset the remaining emissions. AKB has also introduced the ISO 14001:2015 environmental management system within its own operations. Precautions have been taken and processes and escalation procedures have been put in place for critical business processes and infrastructure in AKB's Business Continuity Management (BCM) as part of operational resilience management. New products are also subject to a comprehensive approval process that also takes into account greenwashing risks.
	Transition risk	In the context of a transition scenario, i.e. during the transition to a decarbonised, nature and climate-friendly economy, AKB could be affected by high financial burdens as a result of new legal regulations (e.g. pricing of CO ₂ emissions or new environmental regulations applicable to operations). It is also conceivable that AKB could be affected by lawsuits based on allegations of greenwashing (e.g. with the launch of new sustainable products).	
Reputational risks	Physical and transition risk	Measures to combat climate change that are overly hesitant or even inadequate can lead to a reputational loss for the Bank. Third parties could draw greater attention to the Bank, which could potentially lead to public campaigns or negative reporting via various media (lack of specialist staff, withdrawal of client deposits, reduced client demand for AKB products and services). Increasing regulatory requirements in relation to climate issues heighten the reputational risk in the event of non-compliance.	<p>The nature-related reputational risks identified (physical and transition) have been assessed and classified as relevant but not material for AKB (very low risk potential over the short to long term).</p> <ul style="list-style-type: none"> AKB already focuses on nature-related and climate-related aspects and has developed a sustainable product range. The business strategy is being developed in consultation with various stakeholders in order to maintain a balance among owner interests, regulations and entrepreneurial freedom. AKB also demonstrates its commitment to sustainability through measures such as sustainable credit criteria and the introduction of environmental and socially responsible products and services.

4.4.3 Business resilience

AKB assesses the resilience of its business model with regard to natural and climate risks by analysing both the impact of financial risks on the Bank as well as strategic challenges for the business model. The aim is to ensure that the Bank is also prepared for the changes caused by nature-related and climate factors over the long term.

AKB as a universal bank with a focus on the mortgage business

AKB is a Swiss bank with its registered office in Aarau, which as a matter of business strategy concentrates primarily on the lending business, in particular the granting of loans to finance real estate in the Canton of Aargau. Under a transition or physical scenario, the resilience of business activities is characterised primarily by (indirect) dependence on environmental assets (natural resources) and ecosystem services:

- *Resource consumption*: the construction of real estate requires the use of various resources such as wood, concrete, steel or water. Their availability and use are decisive for construction projects.
- *Land use*: real estate needs land. The construction of new properties therefore results in the conversion of natural areas into developed and paved areas.

- *Energy and water consumption*: real estate uses energy for heating, cooling, electronic equipment and water, such as for sanitary facilities or irrigation.

Impact of a physical and transition scenario on business operations

Dependence on environmental assets shows that an increasing scarcity of these resources – especially in the context of physical climate scenarios – can lead to significant cost increases. This could have a direct negative impact on the Bank's business operations and strategy in relation to mortgage lending. Higher costs for raw materials or resources, for example, lead to rising construction costs, thus affecting both demand for real estate as well as financing.

Under a transition scenario, laws and regulations aim to accelerate the transition to a more sustainable economy. This could lead to restrictions on or increases in the cost of using certain natural resources, for example through environmental taxes or stricter regulations. For example, regulations on the extraction of wood could be tightened up or the use of concrete – due to the high CO₂ emissions associated with its production – could be heavily regulated. Measures of this type would increase

construction costs and make real estate projects more expensive.

Assessment of the resilience of business operations

Under AKB's baseline scenario, which assumes a delayed transition to a sustainable economy and increased physical risks over the long-term horizon, issues such as water and resource scarcity in particular gain prominence. Physical risks could have a significant impact on nature-sensitive economic sectors such as the construction industry, including the mortgage business. However, the fact that physical risks emerge gradually creates time for market innovations, such as the development of substitutes for scarce natural resources. It also enables affected companies in nature-sensitive sectors, and also AKB itself, to adapt their business strategies.

The materiality assessment established that nature-related financial risks are not a top risk for the Bank. Considered together with the strategic considerations in this section, the resilience of AKB's business strategy, particularly in the mortgage business, is assessed as being robust. The Bank's long-term financial stability is generally considered to be secure, as measures are continuously being taken to prepare for long-term environmental and climate change. In addition, the Bank is closely monitoring regulatory developments in order to be able to react in good time to new requirements.

4.5 Transition plan

The Board of Directors has decided to publish a quantitative reduction pathway (decarbonisation roadmap) for the defined areas of the Climate Strategy (own operations, own financial assets and core business), provided that data quality is good enough in order to calculate financed emissions, particularly in the investment and lending business. For example, more than 60% of GWR (Federal Register of Buildings and Dwellings) data currently available comes from the 2000 census and is therefore massively outdated. AKB is liaising with the Canton of Aargau and offering assistance in updating the data (see chapter 5.2.3).

Nevertheless, as part of the overall banking strategy for 2025–2028, the Board of Directors has set itself the target of devising science-based reduction targets for its investment and mortgage business, corporate credit, its own operations as well as its own financial investments by the end of 2028. The focus in 2025 lay on a transition plan for the company's own operations and the mortgage business. These reduction targets are currently being devised and will be reviewed regularly after they have been published in line with regulatory developments and the market environment.

Measures required to achieve targets

In order for the Bank to achieve its overarching target of net-zero by 2050, it is reliant on laws that prohibit the use of fossil fuels, e.g. in new buildings. Broad political acceptance is also required for other measures featuring price controls or exclusion criteria. These prerequisites are not currently met.

5 Key figures and targets

5.1 Concentration risks in climate-sensitive sectors

Climate-sensitive sectors are economic sectors that are particularly vulnerable to the effects of climate change or new legal developments in the area of climate protection. These sectors are particularly sensitive because, for example, their production processes or business strategy have relatively high exposure to climate change or legal climate protection. When defining climate-sensitive sectors, AKB is guided by the sector or NOGA code selection used in the "Climate-related Financial Risks" data collected by the Swiss Financial Market Supervisory Authority (FINMA). In order to determine more precisely AKB's potential nature-related credit and liquidity risks with regard to companies in climate-sensitive sectors, the Bank prepares the following monthly figures:

- an assessment of unsecured credit exposure in climate-sensitive sectors (asset side);
- an assessment of corporate client exposure in climate-sensitive sectors (liability side).

The explanatory force of the exposure analysis carried out until now on climate-related financial risks remains limited, as only provides a rough snapshot and, among other things, does not take into account the sustainability efforts of individual companies. Against this backdrop, an in-depth quantitative analysis of physical financial risks was carried out in the 2025 financial year. The findings were incorporated in particular into the materiality assessment of nature-related financial risks (see also chapter 4.4.2). Additional quantitative analysis focusing on transition risks is planned for the 2026 financial year.

5.2 Carbon accounting

The following key figures in individual areas, in particular Scope 3 emissions from category 15 in accordance with the Greenhouse Gas Protocol, apply for the 2025 financial year. The key figures are compared with previous years (first published for the 2024 financial year) and any changes are commented on.

	Reference date 31 December 2025					
	Asset side			Liability side		
	Exposed limit in CHF million	as a percentage of the total	of which unsecured credit lines in CHF million total	as a percentage of the total	Corporate accounts exposure in CHF million	as a percentage of the total
Non-climate-sensitive sectors	14 500	100.0	3 195	100.0	6 043	100.0
Financial and insurance activities	3 607	24.9	1 577	49.3	3 136	51.9
Human health and social work activities	1 654	11.4	821	25.7	1 589	26.3
Public administration and defence; compulsory social security	780	5.4	199	6.2	322	5.3
Provision of professional, scientific and technical services	404	2.8	374	11.7	193	3.2
Other	311	2.1	52	1.6	407	6.7
Rest	457	3.2	130	4.1	625	10.3
Climate-sensitive sectors	10 894	75.1	1 618	50.7	2 908	48.1
Property and residential (real estate)	6 702	46.2	18	0.6	885	14.7
Construction	1 134	7.8	208	6.5	490	8.1
Manufacturing	948	6.5	498	15.6	633	10.5
Wholesale and retail trade; repair of motor vehicles and motorcycles	922	6.4	361	11.3	615	10.2
Electricity, gas, steam and air-conditioning supply	364	2.5	356	11.1	56	0.9
Transportation and storage	482	3.3	92	2.9	94	1.6
Accommodation and food service activities	141	1.0	13	0.4	49	0.8
Agriculture, forestry, fishing	75	0.5	5	0.1	32	0.5
Water supply; sewerage, waste management	74	0.5	25	0.8	45	0.7
Mining and quarrying	53	0.4	42	1.3	9	0.1

Table 3: Concentration risks in climate-sensitive sectors

According to the Greenhouse Gas Protocol, companies must recalculate their base year emissions if there have been any significant changes in their corporate structure or methodology so that Scope 3 emissions can be consistently tracked and compared over time.

If a category or activity is added to the Scope 3 inventory, this is disclosed.

The methods and data used to calculate financed emissions (Scope 3, category 15) are constantly evolving. Under certain circumstances, AKB therefore reserves the right to reclassify previous reporting periods. Such circumstances may include, but are not limited to, changes in the calculation method, new information, changes in data availability, material deviations or significant changes in AKB's business model. If such a circumstance is identified when preparing the Bank's reporting, the Bank will review the extent to which the change is material in order to determine whether a reclassification of previous periods is required. Materiality is assessed in relation to the total reported emissions as well as to sector-specific targets. The assessment of materiality takes into account the overall context, such as changes to the calculation method or data availability. The materiality threshold is defined as a change of 5% in total emissions. In cases where a reclassification influences a sector-specific objective or the progress achieved by the Bank, AKB will disclose the reasons as well as the justification. New disclosures are approved by the Executive Board and the Board of Directors.

Methodology for calculating Scope 3 category 15 emissions

For financial institutions, Scope 3 emissions in category 15 under the Greenhouse Gas Protocol – i.e. emissions financed through investment and financing activities – are the most significant part of carbon accounting. AKB uses the global standard of the Partnership for Carbon Accounting Financials (PCAF) in order to calculate and disclose financed greenhouse gas emissions. The global standard aims to provide a standardised approach to calculating financed emissions. This enables financial institutions to use a robust, transparent approach that is comparable over time and asset classes. This standard has been audited by the Greenhouse Gas Protocol and complies with the requirements set out in the Corporate Value Chain (Scope 3) Accounting and Reporting Standard for category 15, Investments.

The limited availability and quality of data is currently still one of the biggest challenges when calculating financed emissions. By using estimated or proxy data, financial institutions can better identify emission-intensive areas within their credit and investment portfolios. The PCAF standard provides guidelines for assessing data quality, depending on the asset class, thereby increasing transparency in terms of data quality and proposing measures to improve data quality. The PCAF data quality score on a scale of 1 to 5 indicates the reliability of the underlying data used to calculate emissions. A score of 5 indicates low data quality and a

high level of uncertainty with regard to emissions, while a score of 1 indicates high data quality and thus a more accurate calculation of the underlying emissions. Where there is a high score, actual emissions may deviate more from the stated values than for a low score. This deviation can occur in both directions, so any improvement in the score over time will not necessarily lead to lower emissions.

For the purposes of calculating emissions, the portfolio has been divided into the five asset classes defined by the PCAF: mortgages, commercial real estate, business loans and unlisted equity, listed equity and corporate bonds²⁾ and sovereign debt. AKB's environmental accounting, which covered its own operations as well as financed emissions, includes additional greenhouse gases such as methane and nitrogen oxides including nitrous oxide. This is stated in terms of "CO₂ equivalents (CO₂e)".

Metrics

The disclosure of key nature-related and climate-related figures focuses primarily on the reporting of greenhouse gas emissions within the company's own operations as well as the financed emissions in "CO₂e". This complies with the current industry standard and allows for a comparison. It can also be used to calculate and set climate targets.

Due to the size of AKB, it is difficult to compute an internal CO₂ price. However, the compensation of the Executive Board is linked to the achievement of the climate targets (chapter on "Sustainable corporate governance" in the Sustainability Report). The disclosure of further key figures, particularly in relation to risk, is being continuously assessed and reviewed.

5.2.1 Own operations

Developments during the reporting year

- *Implementation:* The measures implemented and changes to the key figures are described in detail in the "Climate responsibility" section of the Sustainability Report.

Methodology and data

The company's own emissions are recorded and calculated in accordance with the Greenhouse Gas Protocol. These include all emissions from the company's own operations, including Scope 3 emissions (figure 4). Since 2023, emissions associated with internal and external AKB events with more than 250 participants have been calculated and are included in the CO₂ accounting of the company's own operations. An external audit of the balance sheet is not currently planned.

Emissions

Greenhouse gas emissions decline in 2025 by 12% compared to the previous year to 413 t CO₂e. The decline is attributable to reduced paper consumption, the switch to

²⁾ The PCAF standard recognises two further asset classes: motor vehicle loans and project finance. These are not relevant for AKB.

district heating at the Frick branch and the lower number of visitors to AKB events. Building energy accounts for the lion's share of emissions associated with own operations (51.5%), followed by travel (18.5%), paper consumption (12.1%) and AKB events (11.2%).

AKB is doing its bit to further climate protection by supporting various climate protection projects in Switzerland and abroad to offset the remaining emissions from its own operations. The climate protection projects supported can be consulted on akb.ch/nachhaltigkeit.

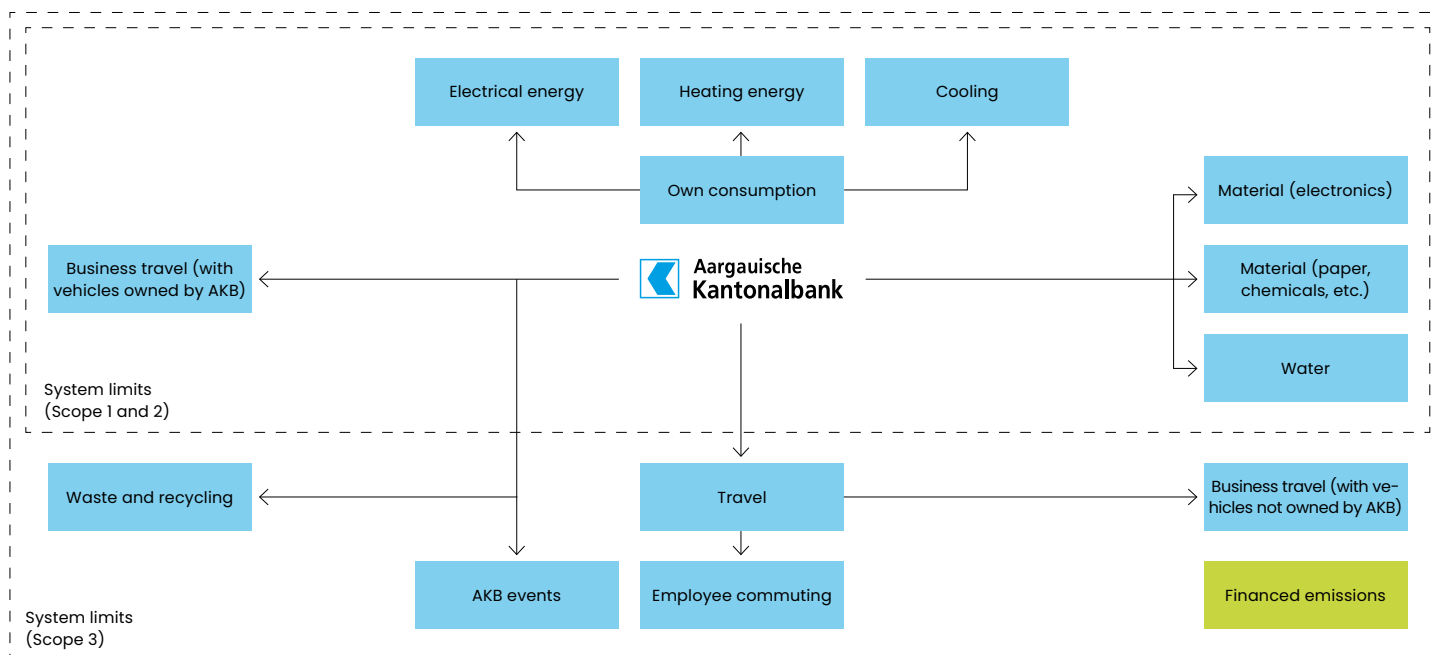


Figure 4: System limits of carbon accounting in own operations

Carbon accounting in own operations	GRI	Unit	2023	2024	2025
Direct (Scope 1) GHG emissions	305-1	in tonnes of CO₂ equivalent	63.9	92.4	86.4
Paper			32.9	57.3	49.8
Fresh water			3.9	4.1	4.4
Business travel (with vehicles owned by AKB)			27.1	31.0	32.2
Energy indirect (Scope 2) GHG emissions	305-2		267.1	239.3	208.7
Electricity consumption		14.1	13.1	12.2	
Heating energy generated using fossil fuels		235.9	208.4	178.5	
District heating and cooling		17.1	17.7	18.0	
Other indirect (Scope 3) GHG emissions	305-3	129.1	138.4	118.1	
Waste		30.8	31.3	27.7	
Business travel (with vehicles not owned by AKB)		39.7	47.9	44.3	
AKB events		58.6	59.2	46.1	
Total GHG emissions (excluding financed emissions)		460.1	470.0	413.2	
GHG emission intensity per employee	305-4	0.5	0.5	0.4	

Table 4: Carbon accounting in own operations

Objectives and measures

AKB is currently working on a quantitative reduction pathway for its own operations. The focus should lie in particular on building renovation and the replacement of fossil-fuel heating systems, as well as travel and AKB events.

AKB is already aiming to act as a role model in its own operations and is committed to the following measures:

- *Advisory:* Internal audits of teams and the various branches as well as internal communication measures are intended to raise employee awareness of the need to save resources and energy.
- *Implementation:* AKB has implemented the ISO 14001:2015 environmental management system since 2022 with the aim of introducing a range of targeted measures to reduce resource consumption. AKB has set itself the target of continuously reducing greenhouse gas emissions associated with its own operations. Furthermore, in line with the Federal Government's Climate Strategy, by 2028, AKB intends to support exclusively climate protection projects with negative emissions technology in the amount of its own emissions. The proportion for the portfolio is to be increased to around 40% for the 2025 financial year.
- *Transparency:* AKB records all relevant Scope 3 emissions associated with its own operations. Further information on the measures implemented and key figures can be found in the chapter "Climate responsibility" in the 2025 Sustainability Report. The carbon footprint is validated externally and substantiated as part of work on the reduction pathway for the company's own operations. Any missing metrics such as commuting or events with fewer than 250 participants that have not yet been recorded will also be recorded in the future.

5.2.2 Own financial assets

Developments during the reporting year

- *Implementation:* In accordance with the internal ESG methodology applicable to the company's own financial assets, CHF 67.0 million of sustainable ESG bonds were issued and CHF 8.0 million of non-sustainable investments were repaid.

Methodology and data

The methodology for calculating financed emissions corresponds to that of the investment business and is described in detail in chapter 5.2.5.

The financial investment portfolio at AKB (book value of CHF 2.9 billion as at 31 December 2025) is held for the purpose of managing regulatory liquidity requirements. Therefore, no specific return targets are pursued. The AKB portfolio is comprised primarily of mortgage bonds, sovereign and sub-sovereign bonds (government bonds) as well as corporate bonds to a limited extent.

Financed emissions

Financed emissions associated with the Group's own financial assets are recorded annually. Since, according to the PCAF, there is currently no concept for measuring financed emissions associated with mortgage bonds and sub-sovereign bonds, the coverage ratio of the

measurable financed emissions is low due to the low proportion of corporate and sovereign bonds in the financial investment portfolio. AKB has therefore decided not to publish any relevant key figures at the time of publication of this report. The Bank reviews the publication of the financed emissions associated with the financial investment portfolio on an ongoing basis.

Objectives and measures

AKB also wishes to assume responsibility for its own financial investments, leading by example. The focus here is on the priority "Implementation". AKB is not currently disclosing any key figures, as coverage and quality are too low ("Transparency" priority).

- *Implementation:* The focus is on investments that contribute to reducing greenhouse gas emissions. When accumulating up new financial investments (HQLA), AKB generally acquires sustainable bonds (ESG), if available on the market, subject to the corresponding requirements and limits (e.g. diversification requirements with regard to counterparty and term). Existing non-sustainable investments are regularly reviewed with the aim of phasing out these "hold-to-maturity" investments. Regulatory requirements and the impact on AKB's liquidity risks are always taken into account as part of this process. AKB has also set itself the target for the coming 2026 financial year of increasing the relative proportion of ESG bonds. By the end of 2026, at least 50% of bonds maturing should be invested in ESG bonds.

5.2.3 Mortgage business

Developments during the reporting year

During the reporting year, AKB focused on drawing up a decarbonisation roadmap. This was prepared for the two portfolios "Mortgages" and "Commercial Real Estate". Specific measures for implementing the roadmap will be set out in 2026. In 2025 AKB took the following action to achieve the 2028 Target Vision:

- *Advisory:* The energy efficiency of the property is systematically addressed in relation to the financing of single-family and holiday homes. The process was further improved and simplified over the course of the year. An initial assessment is now only mandatory for properties that are more than 10 years old. For those built more recently, the initial assessment can be carried out as needed. As a result of this change, AKB is focusing on the relevant properties and providing clients with added value. Initial steps have also been taken to extend energy efficiency advice to other types of property.
- *Implementation:* Cooperation with the cantonal specialist agencies was stepped up during the reporting year. AKB supported the Canton with its series of lectures entitled "Future-proofing your home – energy, finance and generational transfer". At four information events held at different locations in the Canton, AKB explained why the life cycle of a property is also important from a banking perspective and presented the advisory services and products it offers in this context. In addition, specialist cantonal bodies were also involved in preparations for the development of the new concept for the AKB green mortgage.

- **Transparency:** Data from the Federal Register of Buildings and Dwellings (GWR) are key to calculating the carbon footprint of the mortgage business. Attempts to identify solutions were made with various specialist cantonal bodies and other agencies under cantonal control. The Canton of Aargau approved the project for updating GWR data in the second half of the year. AKB is supporting the project financially.

Methodology and data

According to the Federal Office for the Environment, as of 2025, around 22% of all greenhouse gas emissions in Switzerland are caused by buildings³⁾. At 94% in total, the mortgage portfolio accounts for the largest share of the AKB loan portfolio in terms of volume.

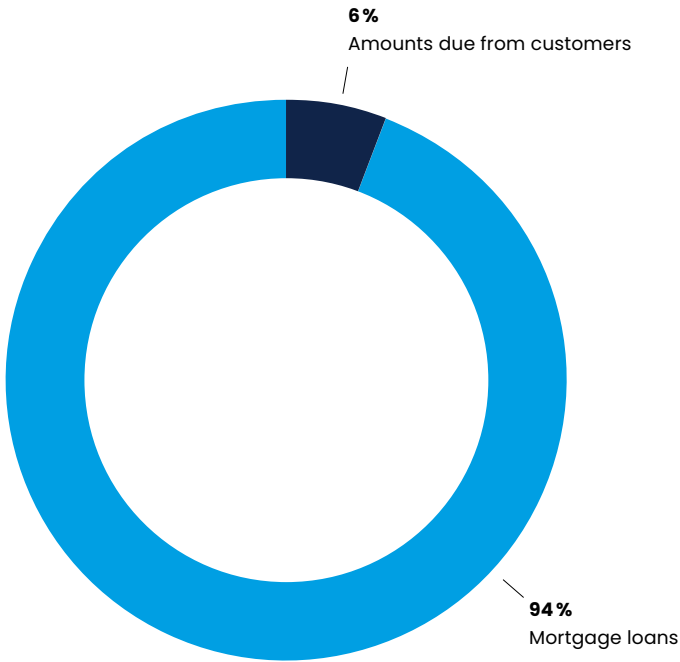


Figure 5: AKB loan portfolio as at 31 December 2025

According to the PCAF standard, the Bank is allocated emissions in proportion with the portion of the property that it is financing. The emissions calculation for the AKB mortgage portfolio was carried out by IAZI AG. Data such as the year of construction, heating system, living space and construction quality are used to calculate the CO₂ emissions of a property. Two emission categories are incorporated into the calculations.

- **Scope 1 emissions:** these include all direct emissions resulting from the combustion of fossil fuels in on-site systems and equipment. These include, for example, emissions from an oil or gas heating system operated directly at the property location.
- **Scope 2 emissions:** these include indirect emissions resulting from the consumption of purchased energy. These include, for example, emissions that are used when purchased energy is consumed for lighting, heating or cooling.

The share of emissions allocated to the Bank is expressed in the attribution factor. The attribution factor for buildings corresponds to the ratio of the outstanding

loan principal (mortgage) to the relevant market value of the property.

$$\text{Attribution factor} = \frac{\text{Mortgage}}{\text{Market value}}$$

In order calculate financed emissions, the annual building emissions calculated by IAZI AG for each property are therefore multiplied by the attribution factor.

$$\text{Financed emissions} = \sum_{\text{buildings}} \text{Attribution factor} \times \text{Building emissions}$$

Greenhouse gas emissions are reported based on intensity (kg CO₂e/m²) and also in absolute terms (t CO₂e).

When calculating CO₂ emissions, AKB focuses on the balance sheet item "Mortgage loans" as reported in the annual financial statements published.

³⁾ bafu.admin.ch/de/treibhausgasinventar

Financed emissions

The cut-off date for calculating financed emissions is 31 December 2025.

Asset class	Outstanding amount (CHF million) ⁴⁾	Scope 1+2 emissions (t CO ₂ e)	Emission intensity (kg CO ₂ e/m ²)	Coverage (in percent)	Data Quality Score (PCAF)
2025					
Mortgages for residential properties ⁵⁾	12 923	67 080	25	100	4.0
Mortgages for other properties ⁶⁾	12 964	97 247	26	100	4.0
2024					
Mortgages for residential properties ⁵⁾	12 292	68 272	26	100	4.0
Mortgages for other properties ⁶⁾	12 169	83 080	31	99.9	4.0

Data availability and quality have a significant impact on the results. According to the PCAF standard, the data quality score for the AKB mortgage portfolio is 4 as AKB knows the property type, floor space, location and heating system of the property. However, based on the available data and the assumptions made, the values calculated should still be regarded as approximations of actual emissions. This is also clearly reflected in the data quality score of 4. This high score shows that the calculation of emissions data is currently still imprecise as, among other things, AKB does not collect any actual consumption data from its clients and therefore has to rely on average figures. Data relating to heating systems of financed properties are obtained from the Federal Register of Buildings and Dwellings (GWR). The GWR data in the market area of AKB are extremely outdated and largely originate from the 2000 census. As a result, data quality is not satisfactory. AKB is working with the Canton of Aargau to improve the data.

Compared to 2024, the proportion of properties financed by AKB for which no heating system is covered fell from 21% to 17%. Over the same period, the proportion of properties with heat pumps rose from 24% to 28%. For 90% of the properties financed by AKB in 2024 and 2025, the heating system covered by the GWR remained unchanged, while changes were made in 10% of cases. Most changes concerned an improvement in data quality. The majority of newly financed properties had a negative impact on AKB's carbon footprint. The energy reference area of financed commercial and industrial properties also increased significantly in the reporting year. Since the average loan-to-value ratio of these properties remained unchanged, absolute emissions associated with the commercial real estate portfolio increased.

Objectives and measures

AKB has not yet published a transition plan, though is currently drawing up a decarbonisation roadmap. This will be further refined in 2026. Another focus at the moment is improving data quality and continuing to provide financial incentives for clients to improve the energy efficiency of their properties. These measures are critical in creating a reliable basis for future targets.

In addition, AKB has defined a clear target vision for the mortgage business for the 2025–2028 climate strategy period. It aims to actively support the fields of action "Resource-saving, energy-efficient and CO₂-free building stock" and "Heat-adapted housing development" in the Canton of Aargau. Various specific objectives have therefore been set for the mortgage sector by 2028:

- **Advisory:** when providing its advisory services, AKB focuses on addressing the energy efficiency of properties. Through targeted discussions, AKB aims to familiarise its clients with possible measures to improve energy efficiency and financing options. The advisory service, which is currently used primarily for single-family and holiday homes, is set to be extended to all financed properties by 2028. The aim is to discuss energy efficiency and potential renovation options each time new financing is provided.
- **Implementation:** AKB works closely with the cantonal energy specialist advisory units and plans to further expand this cooperation. This gives clients access to specialist contacts at regional level for all questions relating to the energy efficiency of properties. In addition to federal and cantonal funding, AKB offers financial incentives for individual energy-saving measures and energy-efficient new buildings with the AKB green mortgage (akb.ch/green).
- **Transparency:** in order to calculate financed CO₂ emissions, AKB uses heat carrier data from the Federal Register of Buildings and Dwellings. As this data is outdated, AKB records relevant data internally and plans to actively support the Canton of Aargau in

⁴⁾ The figures are adopted prior to any correction entries, and temporary overshoots are excluded. Greenhouse gas emissions were calculated for 94.8% of all mortgage loans.

⁵⁾ The "residential mortgages" asset class corresponds to the PCAF asset class "Mortgages". It includes all detached, semi-detached and terraced houses, holiday homes as well as owner-occupied apartments and owner-used holiday apartments.

⁶⁾ The "mortgages for other properties" asset class corresponds to the PCAF asset class "Commercial Real Estate". It includes all non-owner-occupied residential properties as well as offices and commercial properties.

updating public heating system data in order to improve the information value of emissions calculations. AKB expects that non-energy-efficient properties will be valued lower in future due to higher renovation costs and more stringent legal requirements. The Bank continuously monitors how energy efficiency affects the market value of properties and reserves the right to take appropriate action.

5.2.4 Corporate credit

Developments during the reporting year

In 2025 AKB took the following action to achieve the 2028 Target Vision:

- **Advisory:** Initial discussions were conducted with various cantonal and federal advisory agencies during the reporting year. A list of the various advisory agencies has been published (akb.ch/beratungsangebote-unternehmen). Cooperation with these bodies is set to be stepped up.
- **Implementation:** Action taken during the reporting year focused on evaluating various sustainability ratings. With *esg2go*, a pilot project was successfully carried out with several AKB clients. The findings will be incorporated into the further expansion of AKB's sustainability product range.
- **Transparency:** During the reporting year, AKB focused primarily on improving data quality. In 2024, data published by listed companies was already used. AKB now also uses the data published by companies that are obliged under the Swiss Code of Obligations to disclose their emissions. As there is uncertainty regarding the extent of the categories included in published Scope 3 emissions, AKB only uses the published Scope 1 and Scope 2 emissions. The emission factor dataset from the Comprehensive Environmental Data Archive (CEDA) was integrated into the PCAF during the fourth quarter of the reporting year. This dataset features improved sectoral and geographic granularity, greater accuracy of emissions intensity and shortened data lags compared to the Exiobase database. It was examined whether it would make sense to switch from Exiobase to CEDA for the 2025 reporting year. Due to a number of uncertainties and a lack of tools, AKB decided not to implement the change until the 2026 reporting year.

Methodology and data

AKB uses the internationally recognised PCAF method to calculate emissions within the corporate loan portfolio. In order to determine the financed emissions associated with corporate loans, AKB must first know the company's emissions, as is the case for mortgages. In a second step, the share of AKB in these emissions, the so-called attribution factor, is determined.

At present, only a few companies financed by AKB publish their emissions data. For listed companies that disclose their data, AKB uses the MSCI ESG database to access this information. For large companies not listed on the stock exchange, AKB uses the key figures published by the companies concerned. AKB does not currently have any access to the emissions data of companies that do not disclose their CO₂ emissions. AKB

therefore estimates the emissions for these companies on the basis of the sector-specific emission factors per million euros of turnover published by the PCAF.

When estimating the companies' CO₂ emissions, AKB uses the Exiobase emission factors for advanced economies⁷⁾ as, according to the PCAF, these emission factors are more robust than country-specific factors. Emission factors are obtained by the PCAF from the Exiobase database. Exiobase has its own sector classification. The PCAF provides a mapping table to link up the NOGA classification used in Switzerland with the factors.

The latest available emission factors are used in each case. The emission factors per million euros of turnover per sector are not updated annually in the PCAF database. AKB uses the factors published in 2025, which are still based on 2019 data. There is also a lag of at least one year for companies that disclose their emissions before the data can be included in AKB's calculations. This is because companies typically publish their emissions data annually along with their annual financial statements and both MSCI ESG and AKB need time to review them and update the database. The PCAF is aware of these delays. In particular, sector-specific Exiobase emission factors in the PCAF database are unlikely to change significantly. Published emissions data acknowledge this delay. It is important that the most up-to-date data are always used. Financed emissions in the corporate credit area from the perspective of AKB are calculated according to the PCAF formula using a company's annual emissions and the attribution factor. The attribution factor corresponds to the ratio of the outstanding loan principal to the company's total assets.

$$\text{Financed emissions} = \sum_{\text{company}} \text{Company emissions} \times \frac{\text{Outstanding credit}}{\text{Total assets of company}}$$

Emission factors contained in the PCAF database are used for companies that do not disclose GHG emissions. The emission factors are reported in t CO₂e per million euro turnover of the specific industry. Two further steps are therefore required to calculate the emissions of financed companies:

1. Conversion of the emission factor: the emission factor in the PCAF database (in CO₂e/million EUR revenue) is converted into Swiss francs using the annual average exchange rate⁸⁾ from 2019 and adjusted for inflation⁹⁾ for the current reporting year, as the emission factors originate from 2019.

2. Company emissions: the adjusted emission factor is multiplied by the company's revenues. This results in the company's total emissions.

⁷⁾ World Economic Outlook Database – Groups and Aggregates

⁸⁾ WPE | FTA average annual exchange rates (admin.ch)

⁹⁾ Consumer prices – total | SNB data portal

The amount of the outstanding loan principal is determined on the reference date (31 December). Under normal circumstances, companies financed by AKB are obliged to submit their balance sheet and income statement to AKB each year.

For listed companies that disclose their GHG emissions, AKB uses the data quality score from MSCI ESG, which is aligned with the data quality score according to the PCAF standard. If Scope 3 emissions are not disclosed by the company and therefore have to be estimated by MSCI ESG (data quality score of 4), AKB applies its own estimate using PCAF emission factors instead. This prevents two different estimation methods from being mixed up when calculating the Scope 3 emissions of financed companies. If a company discloses its emissions but the data are not available in the MSCI ESG database, AKB uses the PCAF definition in order to determine the data quality score. The following applies to all companies for which AKB estimates emissions: if the company's balance sheet and income statement figures are available, the data quality score is 4. If the data are not available or are more than two years old, AKB assigns a data quality score of 5. In doing so, AKB ensures that any obsolete or missing financial data are

When computing corporate loans, AKB focuses on amounts due from corporate clients in accordance with the annual financial statements published. This category also includes Covid loans granted during the pandemic without a detailed credit check, which were secured by the Swiss Confederation. As these loans did not involve a regular credit check, no CO₂ emissions have been published for them.

Financed emissions

For the reported financed emissions, AKB focuses on amounts due from clients. When measuring financed emissions as at 31 December 2025, AKB was able to achieve coverage of 92.5%.¹¹⁾

As the data quality score illustrates, the data determined are estimates. The subdivision of the portfolio according to NOGA code does not enable the climate protection engagement of individual clients to be assessed. Due to a lack of data, companies are assessed in the same way irrespective of their individual contribution to reducing emissions. This can result in clients with comprehensive climate protection measures being allocated higher emissions, and those that do not have any being allocated lower emissions

Asset class	Outstanding amount (CHF million) ¹⁰⁾	Emissions (t CO ₂ e)	Scope 1+2		Scope 3		
			Footprint (t CO ₂ e/CHF million credit drawdown)	Data Quality Score (PCAF)	Emissions (t CO ₂ e)	Footprint (t CO ₂ e/CHF million credit drawdown)	Data Quality Score (PCAF)
2025							
Amounts due from customers	1 853	390 744	213	3.8	468 141	255	4.0
2024							
Amounts due from customers	1 862	395 884	217	4.0	614 150	337	4.0

correctly taken into account and assessed as a less reliable basis for calculating emissions.

AKB finances not only individual companies, but also entire groups of companies. As the emission factors for the NOGA code of holding companies are generally very low, and therefore do not reflect the actual emission intensity of the group's operations, AKB applies a specific method to calculate financed emissions. Instead of using the emission factors of the holding company, AKB assigns the loans to the NOGA code of the subsidiary with the highest revenues. This ensures that emissions are allocated to the actual sector in which most of the Group's operating activities take place. This method allows for a realistic and more accurate allocation of emissions than the reporting of holding companies' loans as low-emissions across the board. However, this approach requires AKB to finance all subsidiaries from the group in order to obtain a full picture of the group structure and emissions. If this is not the case, allocation to the financed subsidiary with the highest revenues is nonetheless the "more correct" approach in order to best reflect how the financing is actually put to use.

than in actual fact. Despite the limited data available and the high degree of inaccuracy within the estimates, AKB aims to gain a comprehensive understanding of the environmental impact of its own financial activities by disclosing financed emissions in the corporate credit area and to further optimise existing financing strategies.

The emission factors in the PCAF database are based on published and estimated emissions for each sector. The more companies disclose their data, the more precise the emission factors in the PCAF database will become. By disclosing financed emissions in the corporate credit area, AKB helps to achieve a better understanding of Switzerland's CO₂ emissions and reaffirms its commitment to the climate targets of the Federal Government and the Canton of Aargau.

¹⁰⁾ The figures are adopted prior to any correction entries, and temporary overshoots are excluded.

¹¹⁾ No CO₂ emissions are calculated for loans to which NOGA code has been assigned and for Covid loans.

In 2025, the proportion of credit drawdown relating to emission-intensive sectors remained unchanged compared to 2024 at 27%. At the same time, the proportion of revenue generated by companies assigned to these sectors increased from 32% to 39%. Similarly, the share of total assets of these companies increased from 33% to 40%. Despite changes in the revenue and total assets of companies in emission-intensive sectors, overall Scope 1 and 2 emissions remained largely at the previous year's level. This is because the effects of rising revenue and rising total assets have largely offset each other, while lending has remained the same. The significant decline in Scope 3 emissions can be attributed in particular to the loss of a large loan in the "Manufacturing" sector as well as improved data quality due to newly published, more precise emissions data from two other borrowers in the same sector. The sectoral allocation of loans proved to be largely stable over the two reporting years, with 99% of the loans used remained assigned to the same NOGA code. The NOGA code was reassigned for the remaining 1% due to data updates.

A breakdown of credit limits according to industry can be found in the section "Sustainable financing" of the Sustainability Report.

Objectives and measures

AKB does not currently have a transition plan. Existing data and estimates are not sufficiently precise in order to set well-founded and reliable targets. Currently, most financed emissions are based on estimates using average-based emission factors. These are in turn based on industry averages, which means that they do not reflect the specific circumstances of or measures taken by individual companies. This makes it difficult to draw up a specific reduction pathway that realistically reflects the actual progress made on the path towards net zero by 2050. AKB is therefore focusing on improving data quality in the first instance. The aim is also to be able to record the carbon footprints of unlisted companies at AKB in order to achieve continuous improvements in the data quality score.

Despite dispensing with a transition plan, AKB has also defined a target vision for corporate credit for the 2025–2028 strategy period. In particular, this supports the Canton of Aargau's initiative "Climate-neutral industry and commerce based on the circular economy". A number of measures have been defined for this purpose:

- *Advisory:* sustainability and the federal government's net-zero target are to become an integral part of corporate client advisory services. The aim is to better understand client needs and to jointly develop solutions to the challenges on the path towards net zero emissions. The insights gained from the AKB Sustainability Support Programme are particularly valuable in this regard (akb.ch/foerderprogramm).
- *Implementation:* each corporate client has different prerequisites and strategies in terms of sustainability and the net-zero target. In order to provide corporate clients with holistic advice, AKB is planning to build up a network of qualified partners from the region who

can offer tailored solutions to SMEs with the objective of achieving their target of net zero by 2050. With its sustainable lending products, AKB offers financial incentives for financing sustainable projects in order to support corporate clients in the transition to a more sustainable economy and to provide targeted financial incentives. In order to improve the measurability and communication of its corporate clients' sustainability efforts, AKB provides financial support to companies in relation to the preparation of sustainability ratings, thereby making it easier for them to access meaningful ratings.

- *Transparency:* AKB is endeavouring to improve the data quality score by collecting CO₂ data – where available – from companies of all sizes, thus creating greater transparency with regard to emissions. This expanded data base enables more comprehensive advice to be provided on reducing emissions, in addition to more in-depth analysis of the client base. The aim is to jointly promote a sustainable orientation and provide sound support for clients' progress towards net zero.

5.2.5 Investment business

Developments during the reporting year

In 2025 AKB took the following actions to achieve the 2028 Target Vision:

- *Advisory:* Portfolio Management has developed detailed criteria for determining Paris alignment for the core asset classes of listed equities, listed corporate bonds and collective investment schemes. Investments are "Paris-aligned" if they make a positive contribution to achieving the Paris climate targets. These include companies and issuers that have formulated credible climate targets and that are also implementing them. AKB relies, among other things, on the SBTi verification of companies as well as on the proportion of revenue attributable to renewable energy and transition technologies. Investment strategies of third-party funds with a credible climate protection strategy are also deemed to be Paris-aligned, as are green bonds and sustainability-linked bonds with a climate focus.
- *Implementation:* In 2025, Ethos also engaged in climate dialogue (engagement) with all SPI companies on behalf of AKB and, through international partners, with around 30% of the companies represented in the AKB funds. AKB discussed its commitments made in 2024 in the first report on corporate engagement published in May 2025. A comprehensive report on corporate engagement for 2025 will be published in the second quarter of 2026. Climate protection is also a key issue in the engagement that has been conducted with real estate fund managers since the start of 2025 with the objective of improving the sustainability management of real estate funds. Further information can be found at akb.ch/richtlinien-dialog-immobilienfonds. The report on engagement with real estate funds for 2025 will also be published in the second quarter of 2026.
- *Transparency:* Since January 2025, AKB has been publishing Swiss climate scores for AKB funds, thereby making an important contribution to transparency

regarding the climate focus of the funds managed by it. Further information is available at akb.ch/anlagefonds.

Methodology and data

AKB calculates financed emissions for all the assets managed by AKB (assets under management [AuM]). This includes both AKB asset management mandates as well as AKB portfolio funds. In order to calculate the emissions generated by portfolio companies and issuers, AKB applies the internationally recognised PCAF methods for all asset classes. For the asset classes listed equities and (listed) corporate bonds, AKB considers the data quality to be sufficient and reports accordingly. Collective investments invested in these two asset classes are also included in the reporting. Other asset classes will be disclosed as soon as the information value of the data has improved.

In order to calculate the emissions of the two asset classes, the attribution factor is first calculated:

$$\text{Company attribution factor} = \frac{\text{Amount invested in the company}}{\text{Enterprise value including cash (EVIC)}}$$

Emissions data (Scope 1, 2 and 3) come from the MSCI ESG database and, where available, are based on reported data. A substantial part of the data, in particular Scope 3 emissions, is based on estimates made in accordance with internationally recognised standards of MSCI ESG. The data quality score according to the PCAF enables an inference to be made about the proportion of reported vs. estimated data.

As data quality and availability for these asset classes ensure that the measurement has some degree of informative value, the publication of climate data for these two asset classes is common practice in the wealth management industry. Swiss Climate Scores indicators also relate to the two asset classes listed equities and corporate bonds.

In addition to direct investments in the portfolios it manages, AKB also uses collective investment schemes. When calculating the financed emissions associated with collective investment schemes in the asset classes listed equities and corporate bonds, AKB uses – where available – Swiss Climate Scores key figures from MSCI ESG.¹³⁾ These are calculated by MSCI ESG using the same methods as those described above.

Asset class	Emissions (t CO ₂ e)		CO ₂ e footprint (t CO ₂ e/ million CHF investment volume)		CO ₂ e intensity (t CO ₂ e/ million CHF revenue)		Data Quality Score (PCAF)		Coverage (in percent) ¹²⁾
	Scope 1+2	Scope 3	Scope 1+2	Scope 3	Scope 1+2	Scope 3	Scope 1+2	Scope 3	
2025									
Listed equities/corporate bonds	176 163	945 426	31	168	67	589	1.4	2.1	96
2024									
Listed equities/corporate bonds	173 307	877 407	36	180	74	740	2.1	2.2	94

Enterprise value including cash (EVIC) is calculated according to the following formula:

$$\text{EVIC} = \text{Market capitalisation at year-end} + \text{liabilities} + \text{cash}$$

If the EVIC is not known for the company in question (e.g. for financial companies), then the PCAF method is used for unlisted companies, i.e. the balance sheet total instead of the EVIC:

$$\text{Company attribution factor} = \frac{\text{Amount invested in the company}}{\text{Total assets of company}}$$

Financed emissions are calculated in the same manner as corporate loans:

$$\text{Financed emissions} = \sum_{\text{company}} \text{Company emissions} \times \text{Company attribution factor}$$

The key figures available here refer to total assets under management by AKB of CHF 8.1 billion as at 31 December 2025, as described in the “Methodology and data” section. The asset classes shown here account for around 64% of AKB’s total AuM. Emissions data are available for around 94% of this amount.

The Swiss Climate Scores for individual AKB portfolio funds, including carbon footprint and CO₂e intensity, have been available at akb.ch/anlagefonds.

Objectives and measures

The key priority of the 2028 Target Vision is to increase the proportion of Paris-aligned securities in the investment universes (equities, bonds, funds) and in the portfolios managed by AKB to over 50% by 2028. “Paris-aligned” means: investments that make a positive contribution to

¹²⁾ The coverage, as shown in this table, refers to the availability of climate data within the asset classes.

¹³⁾ MSCI ESG uses the respective fund composition as at 30 September 2025 for these calculations.

achieving the Paris climate targets. These include for instance companies and issuers that have formulated credible climate targets and that are also implementing them. It also refers to forms of investment that help to reduce CO₂ emissions, such as green bonds.

As part of its 2028 Target Vision, AKB has also approved measures for the investment business, the overarching objective of which is to achieve an absolute reduction in financed emissions. However, due to low data quality, AKB does not yet consider it appropriate to establish reduction pathways for AKB's investment solutions at this time.

Measures to reduce financed emissions focus on investments in the transition to a fossil-free economy as well as on engagement, i.e. on dialogue and collaboration with companies, issuers and clients of AKB. Further exclusions that go beyond those set out in the Sustainable Investment Policy (akb.ch/nachhaltiges-anlegen) should be avoided as far as possible. The following climate-sensitive sectors and business areas have been excluded since 2021 in accordance with the Sustainable Investment Policy:

- Extraction of coal for generating electricity
- Extraction of crude oil from oil sands
- Extraction of Arctic oil and gas
- Producers of electricity generated from fossil fuels (MSCI ESG rating <A)
- Oil and gas companies (MSCI ESG rating <A)

All other exclusions and additional information on AKB's Sustainable Investment Policy can be found at akb.ch/ausschlusskriterien.

The 2028 Target Vision comprises the following specific measures:

- *Advisory:* By proactively reaching out to clients, AKB intends to increase the proportion of the institutional portfolios that are subject to the Sustainable Investment Policy, including the Climate Policy, to at least 30% by 2028. In most cases client requirements, which only embrace the Sustainable Investment Policy to a limited extent, are most relevant for institutional clients.
- *Implementation:* the most important measure is the development of an ambitious climate policy for the investment business. By starting to engage in climate dialogue (akb.ch/nachhaltiges-anlegen) with portfolio companies in partnership with the engagement service provider Ethos, one key measure under the 2028 Target Vision was implemented ahead of schedule in 2024. On behalf of AKB, Ethos engages in dialogue with companies with the aim of improving their climate protection strategy. If engagement does not bear fruit over an extended period of time despite intensification measures, such as interventions as the annual general meeting or the submission of a shareholder proposal, the positions of the company in question within the portfolios actively managed by AKB are significantly underweighted or sold.
- *Transparency:* Transparent reporting on the climate focus of the assets managed by AKB is an important prerequisite for clients to be able to analyse AKB's investment

solutions in terms of climate protection and compare them with those of other providers. AKB has already taken an important step in this direction by publishing Swiss Climate Scores for AKB portfolio funds (akb.ch/anlagefonds). By the end of 2028, AKB plans to offer this service for all AKB asset management mandates.

In accordance with the latest standard for formulating science-based climate targets for financial institutions (sciencebasedtargets.org), AKB's approach of formulating targets that focus on "outcome" (how are AKB's portfolios invested in terms of climate protection?) and in a second step on "impact" (reduction of financed emissions), is consistent with the recommended process. This has the advantage of adopting a long-term perspective. Companies that currently have high greenhouse gas emissions but that have also a science-based and credible climate strategy will make the greatest contribution to achieving the Paris climate targets. However, a conscious investment in such companies can temporarily lead to an increase in financed emissions associated with the portfolio. Therefore, a long-term holistic view is needed in order to assess the portfolio's climate action focus.

6 Outlook

AKB intends to systematically pursue its chosen pathway and make its own contribution to achieving a climate-friendly transformation of the economy and society. AKB is currently working on science-based reduction targets for its own operations and mortgage business in order to be able to achieve the overarching target of net zero throughout the Bank as a whole by 2050. These reduction targets will be adopted and published in 2026.

In addition, science-based reduction targets for the investment business, including the company's own financial assets and corporate loans, will be published by 2028.

