



## 2024 Sustainability Report

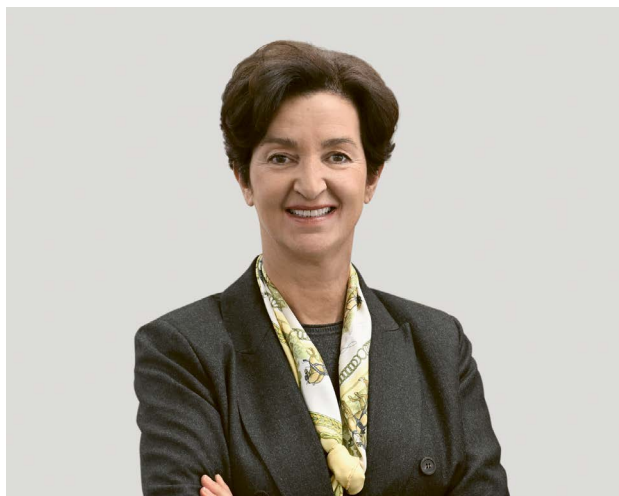




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# Letter from the Chair and the CEO



In 2024, we made significant strides in delivering on our commitment to sustainability, in line with our role as a cornerstone of the Vaud economy serving the people and businesses of our canton.

Our CSR ambitions and strategy derive directly from our mission to contribute to the sustainable development of our home region and society at large. CSR is fully embedded in our business model. That involves both our direct impacts, such as our energy consumption, workplace environment, and overall influence on life in Vaud, and our indirect impacts, which encompass the businesses and activities we finance and the client investments we manage.

We have five main CSR ambitions at BCV, and we moved forward on all of them in 2024. Here's a summary of our progress in each area:

## **Continuing to reduce the environmental footprint of our operations**

We aim to reduce the greenhouse gas emissions from our own operations<sup>1</sup>

in line with the Swiss federal government's goal of reaching net-zero by 2050, with an interim target of shrinking our carbon footprint by 35% compared to 2019 levels between 2021 and 2030.

In 2024, we introduced many initiatives to help achieve this goal, such as a commuting and business travel plan featuring an increased subsidy paid to employees who travel to and from work in an eco-friendly way. We also renovated and modernized several of our buildings and installed solar panels at our administrative center in Prilly – panels that now supply nearly 10% of the building's energy needs. Looking ahead, we adopted a 2025–2030 roadmap for further energy efficiency renovations on our buildings.

## **Fostering diversity and an attractive work environment**

As a benchmark employer, we are committed to promoting equity in the workplace and fostering equal opportunity and diversity. For example, we take equal numbers of men and women when we recruit trainees.<sup>2</sup> In



2024, we continued to develop our “Rejoignez-nous” program for people who have taken a career break or are looking to transition into the banking sector. We also took part in several events aimed at promoting women's careers in finance.

Ensuring a healthy work-life balance is another priority for us. For example, we recently extended parental leave and made it easier to work part time.

## **Playing an active role in the community**

BCV maintains a strong commitment to sponsoring across all regions of our canton. In 2024 we supported over 850 associations and events in areas ranging from sports and the arts to social causes and the environment. That support amounted to the equivalent of more than 1% of our net profit last year. One example is our Terre Vaud Eau initiative to promote local biodiversity, which last year provided funding to the Jura Vaudois Nature Park and the Maison de la Rivière.

<sup>1</sup> Scope 1, 2, and 3 emissions, excluding lending and investment activities

<sup>2</sup> Apprentices, high school graduate trainees, and university interns



We also contribute to the public finances of our Canton through our dividend and tax payments. This year, we've proposed a CHF 379m dividend payout to our shareholders for approval at the upcoming Annual Shareholders' Meeting on 8 May 2025, of which CHF 254m will go to the Canton of Vaud. That comes in addition to CHF 32m in cantonal and local taxes for 2024.

### **Helping drive the energy transition in Vaud**

We intend to play a major role in financing Vaud's energy transition, and we are taking action wherever we can to support the shift to a resilient, low-carbon economy.

As part of this, we aim to reduce the carbon footprint of our residential mortgage portfolio at a pace consistent with Switzerland's pathway to a net-zero buildings sector by 2050. This means reducing the portfolio's greenhouse gas emissions by 42% by 2030, 87% by 2040, and 99% by 2050, relative to 2022 levels.

To achieve those targets, we have introduced a range of initiatives over the past several years. For instance, we offer preferential terms on loans for energy-saving renovations, and we provide practical information and guidance for customers who are considering energy renovation projects. We also actively train our employees to address this issue in the advice they give customers.

We have set ambitious targets, but our success in achieving them will depend partly on factors outside of our control, such as legislation and property owners' individual choices.

### **Endeavoring to bring client portfolios into line with net-zero targets**

Our efforts to help reach Switzerland's goal of net-zero by 2050 also encompass our asset management activities. We aim to align a portion of our assets under management with the net-zero trajectory, targeting a carbon footprint reduction of 50% by 2030, 90% by 2040, and 100% by 2050, relative to 2022 levels.

To meet those targets, we take an active-ownership approach that includes AGM voting and shareholder engagement for investee funds and companies. We also train our advisors on sustainable investing and raise awareness among our clients by systematically asking them about their expectations in this area. In 2024, we launched a new climate fund in partnership with Ethos Services, the leading Swiss specialist in sustainable investing. We also began producing environmental, social, and governance (ESG) reports for our clients and strengthened our control systems.

Here again, whether we achieve our targets depends on factors beyond our control, including our clients' requirements. As an asset manager, we are bound by our fiduciary duty and must act in the best interests of our clients, bearing in mind both their financial goals and ESG expectations.

Our comprehensive CSR approach has been recognized by ESG ratings agencies, which once again placed BCV among the top-rated banks in 2024. Our efforts are also reflected in the findings of the annual survey carried out by CDP, an independent organization that runs the world's leading climate disclosure platform.

These achievements reflect our unwavering commitment to placing sustainable development at the heart of BCV's business, in partnership with our customers and other stakeholders. We firmly believe that, by working together, we can rise to today's challenges and build a responsible, prosperous future for the Canton of Vaud and its people.



**Eftychia Fischer**  
Chair of the Board of  
Directors



**Pascal Kiener**  
CEO

# The BCV Group

BCV Group is headed by BCV, the regional bank of Vaud Canton in Switzerland.<sup>1</sup> Founded in 1845, BCV has grown into the Canton's leading bank – today, half of the people and businesses in Vaud bank with us. The Bank offers a comprehensive range of financial products and services through its retail banking, private banking, corporate banking, and asset management and trading businesses.

As a Swiss cantonal bank, BCV's focus is on the Canton of Vaud. We are headquartered in Lausanne and have a dense network of nearly 60 branches throughout the Canton, using our unrivaled local presence and deep knowledge of our home region to best meet the needs and expectations of the Vaudois. BCV is majority-owned by the Canton of Vaud, so our consistently strong financial results serve to bolster our Canton's public finances.

Our vision is long-term and holistic. In line with our corporate mandate, we integrate the principles of sustainability

into the way we run our business. Our holistic vision also means that our connection with Vaud is about more than just banking. For example, we sponsor over 850 events and associations throughout the Canton every year.

In addition to BCV, the BCV Group includes the following subsidiaries:

- Piguet Galland & Cie SA, a private bank that provides comprehensive wealth advisory services and personalized investment solutions to private and institutional clients based primarily in Switzerland. It has its head office in Yverdon-les-Bains and five other branch offices across French-speaking Switzerland, in Geneva, Lausanne, Nyon, Neuchâtel, and La Chaux-de-Fonds.
- Gérifonds SA, which is the investment fund administrator for BCV and 11 other fund managers and has a subsidiary in Luxembourg. At 31 December 2024, Gérifonds

managed 138 funds, 94 of which were registered in Switzerland and 44 in Luxembourg, with combined assets under management of CHF 21.6bn.

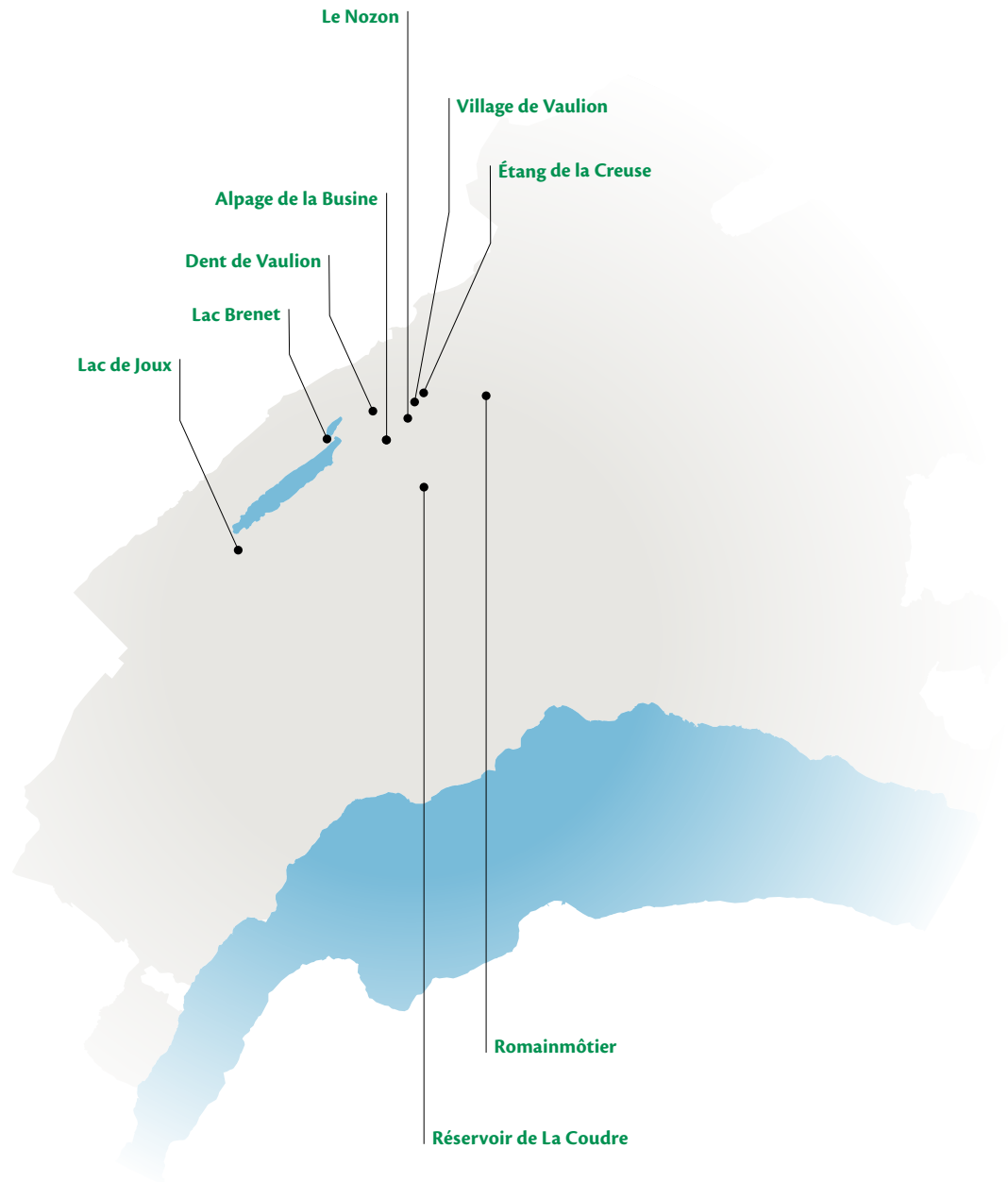
- Société pour la Gestion de Placements Collectifs GEP SA, which manages and administers Fonds Immobilier Romand (FIR), a listed, Swiss-registered real-estate fund launched in 1953 and open to private investors. According to FIR's most recent annual report, the fund had a portfolio of 4,328 residences in 154 buildings, most in the Lake Geneva region.

In 2024, BCV Group reported revenues of CHF 1.16bn and net profit of CHF 441m. With total assets of CHF 60.6bn, we're Switzerland's sixth-largest banking group, and our parent company, BCV, is the country's fourth-largest universal bank. BCV Group had 2,275 employees (2,089 full-time equivalents) at 31 December 2024.

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<sup>1</sup> In this report, "BCV" and "the Bank" refer to the parent company, while "BCV Group" refers to the Group as a whole. Unless otherwise specified, "Executive Board" and "Board of Directors" refer to those governing bodies at the parent company.





This year's sustainability report features images of the scenery to be found in the Jura Vaudois Nature Park, an area of outstanding natural beauty that extends along the Swiss-French border from La Dôle, a peak in the southwestern-most corner of the Canton, to the village of Romainmôtier-Envy to the northeast. The park authority kindly provided the photo captions and a number of the photographs in the report.

The Jura Vaudois Nature Park, which spans an area of 574 square kilometers, is one of Switzerland's 16 official nature parks. The 35 municipalities within its borders carry out local sustainability initiatives. Since 2013, the park authority has run various biodiversity projects with the backing of its member communities and outside partners, including BCV.

### Cover image

The Orbe river begins in the French village of Les Rousses, winds through natural landscapes, and empties into the Lac de Joux. The marshes and reed beds that surround the river's mouth are home to rare animal and plant species such as the dusky large blue and cranberry fritillary butterflies. After flowing into Lac Brenet at Le Pont, the Orbe disappears underground through limestone fissures before re-emerging further north at Vallorbe.

# About this report

Our sustainability report details how corporate social responsibility (CSR) is embedded into and guides the Group's activities. It offers a broad, transparent view of our efforts and achievements in economically, socially, and environmentally sustainable development, as well as in ethics and corporate governance. The report is intended for people and institutions interested in learning more about how BCV Group addresses these issues.

We published a sustainability report in French for BCV every two years from 2007 until 2019; in 2019 we started publishing that report (in both French and English) every year in accordance with the Global Reporting Initiative (GRI) Standards.<sup>1</sup> The GRI Standards are the worldwide reference for reporting on sustainable development issues. As of 2023, the report applies to all BCV Group entities.

This report has been reviewed and approved by BCV's Executive Board and Board of Directors. It

was prepared in compliance with Articles 964a, b, and c of the Swiss Code of Obligations;<sup>2</sup> as such, it will be submitted for approval at BCV's Annual Shareholders' Meeting as the Group's "report on non-financial matters." BCV Group has prepared this report in accordance with the GRI Standards for the period from 1 January 2024 to 31 December 2024.<sup>3</sup> This year, the report was also prepared in compliance with the Swiss Federal Ordinance on Climate Disclosures, which sets out requirements for the climate disclosures that must be made by companies based on the recommendations of the TCFD.<sup>4,5</sup>

Information in this report was the subject of a limited assurance engagement by PricewaterhouseCoopers SA. The limited assurance report, prepared under the International Standards on Assurance Engagements ISAE 3000 and ISAE 3410,<sup>6</sup> can be found starting on p. 150.

Detailed information on the basis of preparation for this report can be found in the "Basis of preparation" appendix starting on p. 132.

Additional information on BCV can be found in our annual report, which contains an overview of the Bank, including its mission, business sectors, risk management, corporate governance, and financial statements. Further information on how BCV Group manages its risks can be found in BCV's Basel III Pillar 3 report. Our annual report, sustainability report, and Basel III Pillar 3 report are available on our website at [www.bcv.ch](http://www.bcv.ch).

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## For more information about CSR at BCV

Corporate Social Responsibility

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021 212 27 43

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<sup>1</sup> GRI, [GRI Standards](#)

<sup>2</sup> The content index on pages 142 and 143 maps the information in this report to the corresponding reporting requirements in Article 964b.

<sup>3</sup> The reporting period for Fonds Immobilier Romand ran from 1 July 2023 to 30 June 2024.

<sup>4</sup> TCFD, [Task Force on Climate-related Financial Disclosures](#)

<sup>5</sup> The content index on pages 144 and 145 maps the information in this report to the corresponding TCFD recommendations.

<sup>6</sup> International Auditing and Assurance Standards Board, ISAE 3000, 2013, and ISAE 3410, 2012



# Our main contributions to the Sustainable Development Goals in 2024<sup>1</sup>



## Prioritizing the work-life balance and well-being of our employees

- Employees can change their work percentage at any point during their career
- Employees have the option of working annualized hours and purchasing extra vacation days
- Generous occupational pension benefits and the flexibility to choose when to retire
- Two independent, confidential support services to help in the event of conflict, harassment, bullying, or personal issues

## Making it about more than just banking: BCV in the Vaud community

- Over 1% of net profit allocated to Vaud associations and events
- Support for over 850 associations and events across the Canton in areas including business and the economy, sports, the arts, social causes, and the environment
- BCV Generosity Program, under which more than 50 employees volunteered in 2024 to help vulnerable people and promote biodiversity
- Funding for projects led by Jura Vaudois Nature Park and Maison de la Rivière to support biodiversity in Vaud Canton



## Promoting employee skills development

- Nearly 6,400 days' worth of training delivered by our training center
- Job training for 100 trainees, including apprentices and high school graduates
- Partnership with 42 Lausanne, an entirely tuition-free school of computer programming



## Fostering equal opportunity

- Compliance with Swiss equal pay legal requirements, and Fair-ON-Pay certification in recognition of our equal pay practices over the long term
- 40% women in our workforce, with a target of 25% for senior leadership positions held by women by 2030 (18% in 2024)
- Policy of fostering equal opportunity, which includes encouraging women's representation at each level of responsibility
- Particular focus on gender balance in our trainee selection process
- 20 days of fully paid paternity leave, two times the statutory minimum



## Serving the people and businesses of Vaud

- Leading bank in Vaud, with half of the Canton's people and SMEs among our customers
- Most widely accessible bank in Vaud thanks to our dense retail network
- Most recommended bank in the Canton of Vaud for the seventh year in a row

## Maintaining our financial solidity over the long term

- Moderate risk profile in line with our mission as Vaud's cantonal bank
- 10-year total shareholder return of 143% – considerably higher than the Swiss banking sector index
- Rated AA (stable) by Standard & Poor's and Aa2 (stable) by Moody's
- Rated AA by MSCI ESG, C by ISS ESG, and A– by Ethos
- Analysis and management of climate-related risk, and climate disclosures made in accordance with TCFD recommendations

<sup>1</sup> Except where noted, the information in this section applies to BCV, the parent company.



### Backing local businesses

- CHF 13.7bn in loans granted to Vaud businesses
- Over 150 new businesses financed
- Over 65 business successions financed
- CHF 500,000 in annual funding for the Foundation for Technological Innovation (FIT)



### Promoting responsible investing

- Questionnaire asking clients about their socially responsible investing (SRI) expectations
- Thematic products geared toward the Sustainable Development Goals available to all customers through our ESG Ambition product range (AuM of CHF 331m at end-2024)
- Goal of aligning part of our assets under management with the target of net-zero by 2050
- Pursuing an active ownership approach (through shareholder engagement and AGM voting) with the funds and companies we invest in on behalf of our clients
- Goal of shifting to non-fossil-fuel heating in 100% of Fonds Immobilier Romand's real-estate portfolio by 2050 (31% of the total energy reference area in 2024)
- Initial analysis of the biodiversity exposures and impacts of a portion of the Bank's assets
- Physical gold products that feature certified or traceable gold



### Lending responsibly

- Zero financing for projects relating to coal mines or coal-fired power plants, and decreased exposure to coal in our trade finance business in line with the Paris Agreement
- Zero financing of transactions involving crude oil, residual fuel oil, shale gas, or unsustainable logging, fishing, or agricultural activities
- Zero financing for organizations associated with violations of internationally recognized human rights standards
- Funding for an Enterprise for Society Center (E4S) project on the "green value" of Swiss real estate that aims to develop a financial model incorporating energy transition risks and opportunities



### Helping drive the energy transition through our lending activities

- Target of reducing the carbon footprint<sup>1</sup> of our residential mortgage book at a pace consistent with the Swiss government's pathway to a net-zero buildings sector by 2050
- Green Bonus offer for our personal banking customers: zero interest for the first 12 months on mortgage loans used to finance green renovations or the purchase of properties that meet strict energy standards
- Green Bonus offer to support Vaud SMEs in their energy transition, with zero interest for six months on capital expenditure loans, as well as a partnership with SuisseEnergie's PEIK energy audit program
- Discussion of energy-saving renovations with customers who wish to take out mortgage loans

<sup>1</sup> Calculated for scope 1 and 2 emissions in kg CO<sub>2</sub>e/m<sup>2</sup>



Reducing the climate impact of our operations

- Target of cutting our absolute greenhouse gas (GHG) emissions by 35% by 2030 relative to 2019 levels (31% reduction achieved as of 2024)
- Solar panels installed at six of our sites, with 1,500 panels installed in 2024 at our administrative center in Prilly that should meet nearly 10% of the center's energy needs
- Investments (CHF 3.4m in 2024) to improve our buildings' energy efficiency and develop renewable energy infrastructure
- Promoting green commuting through initiatives such as subsidies for eco-friendly transport and parking spaces for bikes
- The equivalent of BCV's carbon footprint offset through the funding of climate-protection projects



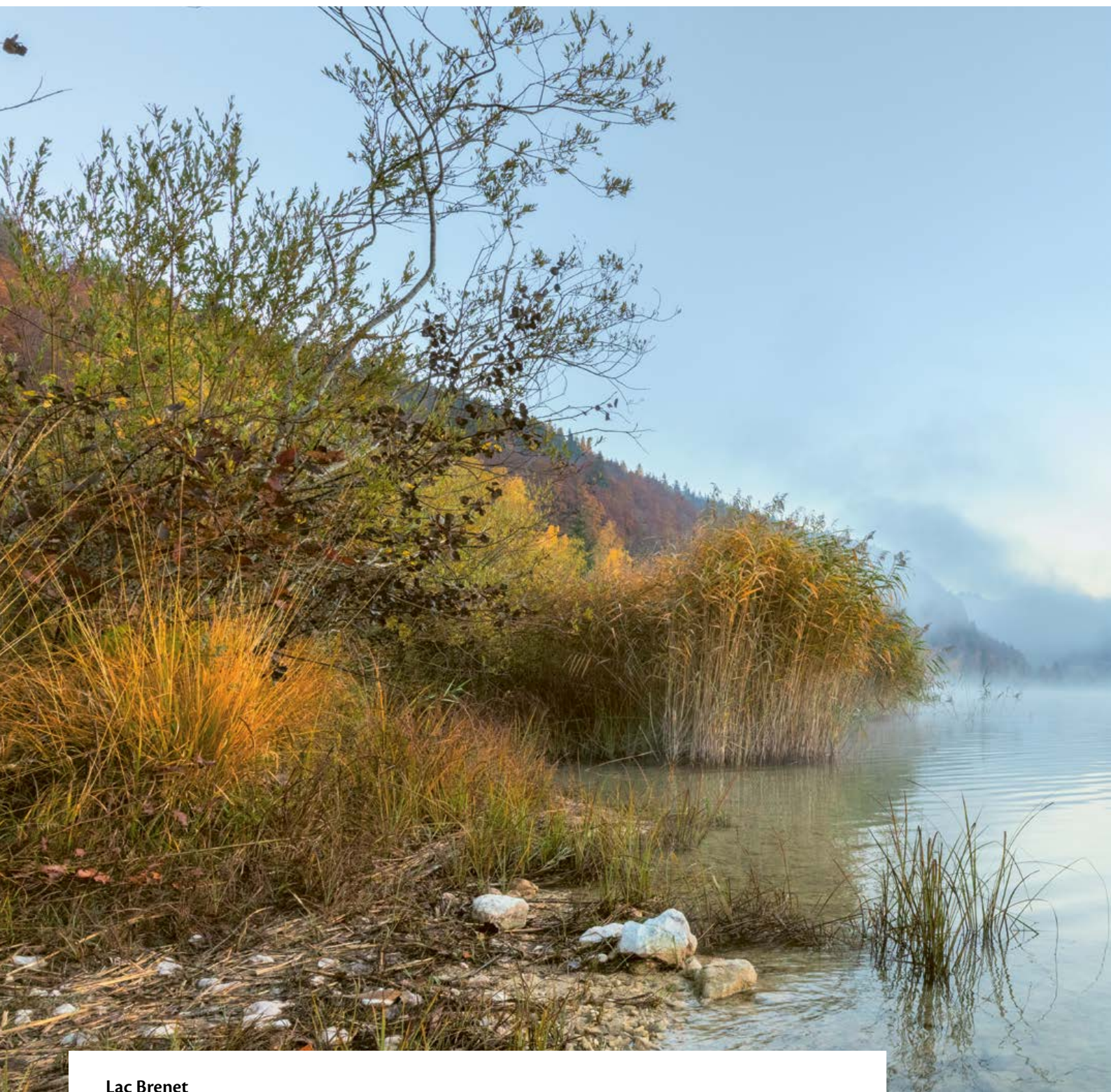
Forging partnerships in support of a sustainable economy

- Partnership with Swiss SRI specialist Ethos Foundation
- Member of Swiss Sustainable Finance and signatory to the United Nations Principles for Responsible Investment (UNPRI)
- Piguet Galland & Cie SA, a BCV Group private bank and certified B Corp, is a signatory to the Swiss Triple Impact program
- Participation in Climate Action 100+, an investor-led initiative to ensure companies cut their GHG emissions
- Member of the Partnership for Carbon Accounting Financials, a global organization of financial institutions working to implement a harmonized approach to GHG emissions accounting
- Member of swisscleantech, an organization that defends the interests of the green economy

Our ESG ratings

AA MSCI ESG	C ISS ESG	Medium Sustainalytics	A– Ethos	B+ Inrate	B CDP, climate issues
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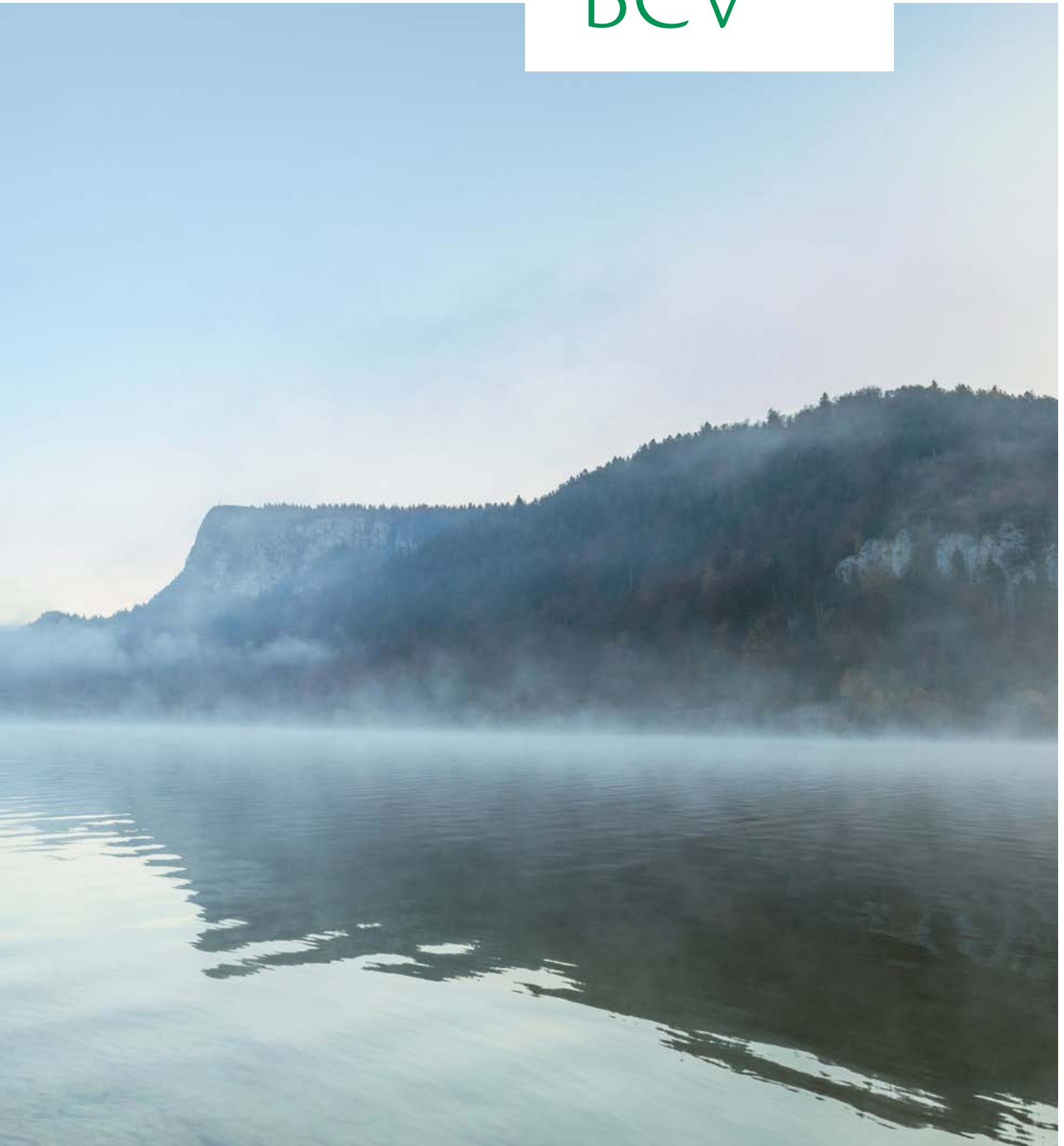


**Lac Brenet**

With its pair of neighboring lakes, the Vallée de Joux offers up a vista found nowhere else in the Jura Mountains. Lac Brenet is located to the northeast of the Lac de Joux, at an elevation of 1,000 meters. It is known for its naturally formed shingle beaches and for the bulrushes and common reeds that grow along its shoreline, providing a vital habitat for birds such as the common reed warbler.



# CSR at BCV



BCV Group has adopted a double materiality approach to assess our impact and define our stance on sustainability issues. This approach considers our impacts on society, the environment, and the economy, as well as the risks that could arise in these areas.

### The dimensions of CSR

Corporate social responsibility (CSR) refers to how companies carry over the notion of sustainable development into their operations. The concept of sustainable development was first defined in the 1987 United Nations (UN) Report of the World Commission on Environment and Development, also known as the Brundtland Report, as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs.” This is the definition that is still used today.

According to the UN, one element of sustainable development is ending poverty in all its forms. This entails promoting sustained and equitable economic growth, raising basic standards of living, fostering equitable social development and inclusion, and promoting the integrated and sustainable management of natural resources.<sup>1</sup>

At BCV, we believe it's essential to uphold internationally recognized human rights,<sup>2</sup> in line with the UN Guiding Principles on Business and Human Rights.<sup>3</sup> The Principles call on companies to:

- avoid causing or contributing to adverse human rights impacts through their own activities, and address such impacts when they occur
- seek to prevent or mitigate adverse human rights impacts that are linked to their operations, products, or services.

Corporate social responsibility entails considering the impact companies have on their community, the environment, and the economy, while taking into account stakeholder expectations.

For banks, there are two broad types of CSR-related impacts:

- direct impacts, which relate to their day-to-day operations (such as the amount of energy they use), their supply chains, and their employees' work conditions
- indirect impacts, which relate to the companies and activities they finance or invest in through their banking products and services.

<sup>1</sup> UN Development Programme, [The SDGs in Action](#)

<sup>2</sup> UN, [Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework](#), 2011

<sup>3</sup> UN, [International Bill of Human Rights](#), 1966; International Labour Organization, [ILO Declaration on Fundamental Principles and Rights at Work](#), 1998



## Stakeholder expectations and material topics

Our Group's actions impact all our stakeholders, whether directly or indirectly. In order to adapt our CSR approach accordingly, we identify our main stakeholders and consider what their expectations are. This lets us pinpoint trends early on so

that we can detect and remedy any potential misalignments and spot opportunities. We do this by engaging with our stakeholders through a number of channels, including bilateral meetings, surveys, and reviews of customer feedback, as outlined in the diagram below.

We continually update our CSR strategy and measures to take into account our stakeholders' expectations.

In accordance with the Global Reporting Initiative (GRI) Standards, this chapter lists the stakeholders that have a significant influence on BCV's activities. The stakeholders listed here pertain to the Group's parent company, but given the parent company's predominance in the Group, the following discussion applies to both the parent company and the Group.

### Our stakeholders and how we engage with them

#### Vaud Cantonal Government and Parliament

- Regular contact with the Vaud Cantonal Government and the Vaud Ministry of the Economy, Innovation, Employment, and Patrimony as part of our information-exchange agreement
- Responding to BCV-related questions that Vaud's Cantonal Parliament submits to the Cantonal Government (e.g., motions that ask or require the government to legislate)
- Annual meetings with the Vaud Cantonal Parliament's business delegation

#### Shareholders (apart from the Canton of Vaud)

- Annual Shareholders' Meeting
- Regular meetings with professional investors and financial analysts

#### Supervisory and federal authorities

- Regular meetings with the Swiss Financial Market Supervisory Authority (FINMA) and the Swiss National Bank (SNB)

#### Employees

- Employee engagement surveys
- Twice-yearly performance reviews
- Information sessions at various management levels

#### Customers

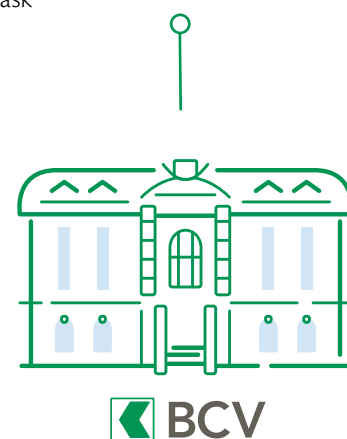
- Market research and satisfaction surveys
- Systematic analysis of customer feedback

#### Sustainable development interest groups

- Regular contact with the main interest groups and agencies, such as by taking part in surveys and filling out assessment forms

#### Cultural, sports, social, and environmental associations

- Numerous exchanges about sponsoring and donations



In the matrix above, we have mapped out BCV's material topics based on how important they are to our stakeholders and how big of an impact we can have on each topic.

The matrix is in line with the GRI Standards, which call for weighting material topics based on the following two dimensions:

- the topic's importance to stakeholders, or the extent to which it will influence their decisions
- the significance, or scope, of the Bank's economic, environmental, and social impacts in that area.

In 2019, we put together a working group, led by BCV's head of CSR, to determine our stakeholders' expectations and identify the material topics associated with those expectations. This corresponds to steps A and B in the following diagram. The working group's members include

employees who have daily contact with various stakeholders and are therefore most aware of what our stakeholders need from us. The material topics are reviewed every year by the Executive Board and the Compensation, Promotions and Appointments Committee.

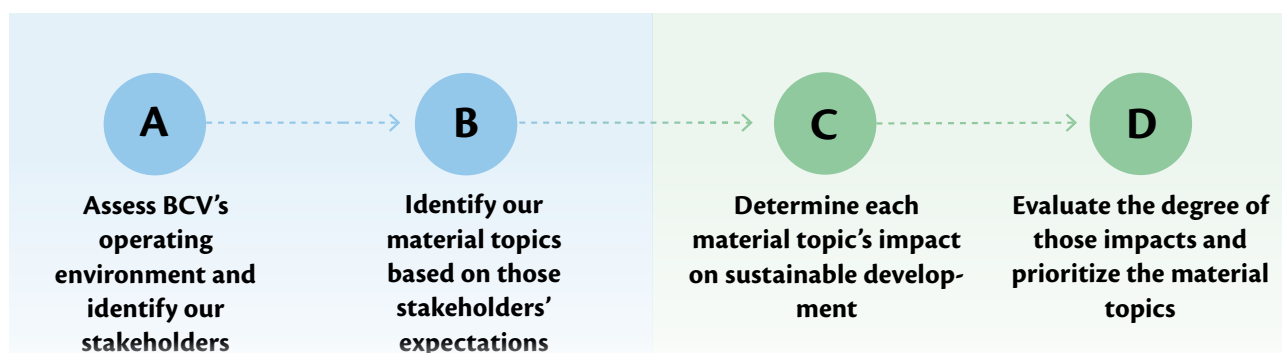
After identifying the material topics, we assess the positive and negative impacts – both actual and potential – of each one along our entire value chain (step C in the following diagram). Then we determine the degree of each impact based on its scope, severity, irremediable character, likelihood, and whether it is direct or indirect (step D in the following diagram). The material topics are positioned along the y-axis of the materiality matrix based on their degree of impact.

The Executive Board and the Compensation, Promotions and Appointments Committee review the materiality matrix every year. The full

sustainability report is then sent to the Executive Board and the Board of Directors for review and approval.

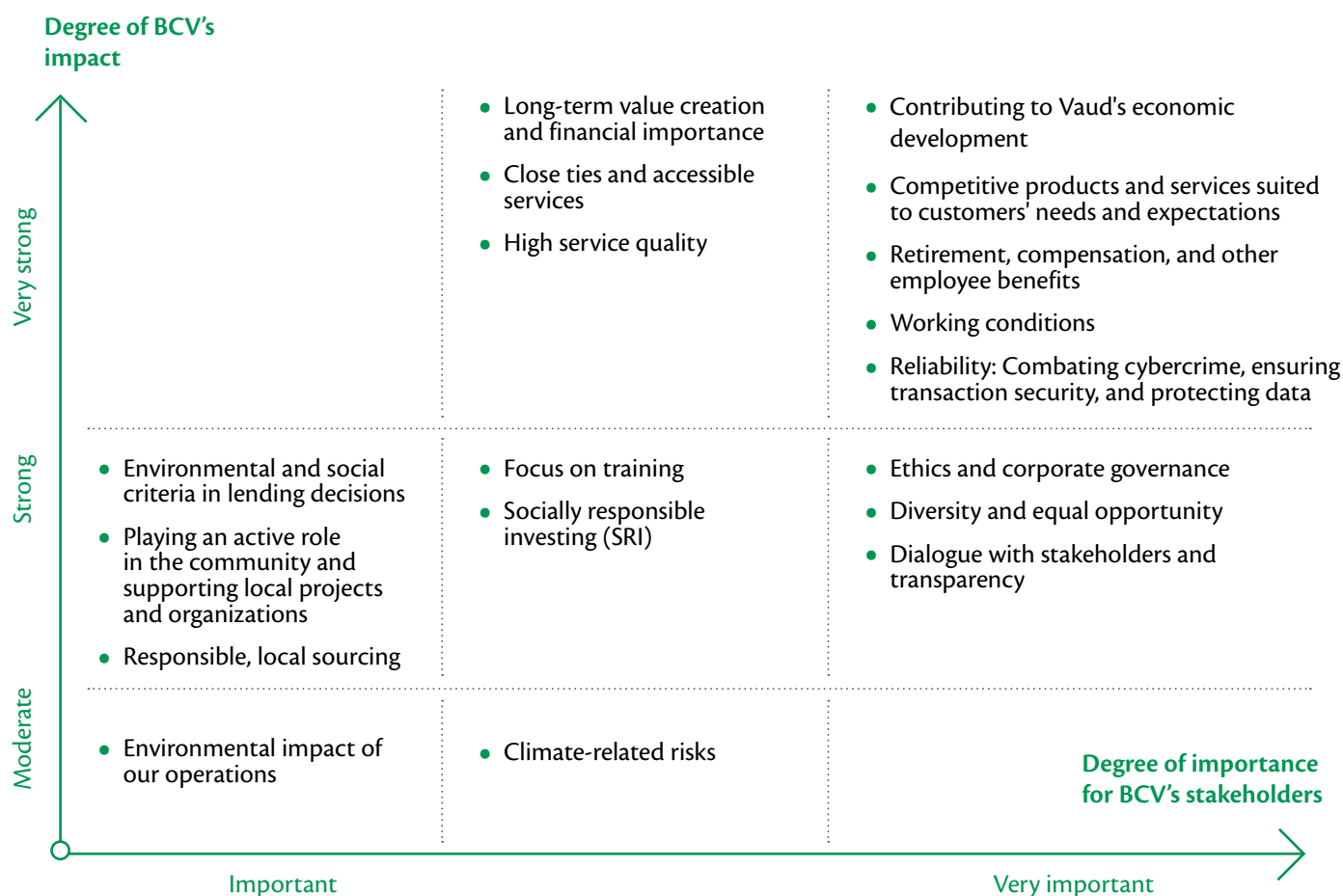
Regardless of their weighting, all of these topics are important to us, and we re-evaluate them annually. Each material topic is discussed in this report, where we present the topic, explain the principles that we apply, and describe the actions we are taking in that area. These topics are also listed in the GRI content index beginning on page 146.

## Our process for determining our economic, social, and environmental impacts





## BCV's materiality matrix in 2024



## Information on two additional topics

**Access to financial services**

Contributing to the economic development of our Canton is at the heart of our corporate mandate. 97% of our total lending is to customers in Vaud or elsewhere in Switzerland. We provide financial services in a region where such services are widely available and used, and we do our part by offering a full range of products and services to individuals and businesses – especially in day-to-day banking and loans. With around 60 BCV branches across Vaud, we have the densest branch network in the Canton. More information about the products and services we provide to the people and businesses of

Vaud Canton is given in the section “Meeting our customers’ needs,” starting on page 53.

**Biodiversity and nature**

In our lending activities, we primarily provide financing for companies and projects in Vaud, which must comply with Switzerland's stringent standards for protecting the environment, for example with respect to pollution. For our trade finance business, we apply the approach described starting on page 89 of this report.

With regard to our asset management activities, we began a review in 2024 that included assessing the biodiversity

dependencies and impacts of a representative portfolio of stocks. We used the findings to obtain an initial snapshot of the biodiversity exposures and impacts of some of the Bank's assets under management.

We also promote biodiversity through our sponsorship activities, including through Terre Vaud Eau – a BCV initiative to back projects led by environmental organizations in our Canton. Projects are selected based on the extent to which they help preserve biodiversity in land and freshwater habitats. More information on this initiative can be found on pages 118 and 119.

## Our mission and CSR strategy

### CSR is firmly embedded in our mission

As part of BCV's mission as a cantonal bank, we aim to maintain our position as the bank of choice for the people and businesses of Vaud Canton and as a key player in the Swiss banking sector. As such, we are committed to working for the sustainable development of society.

Corporate social responsibility at BCV goes all the way back to our founding, in 1845, when the people of Vaud petitioned the Cantonal Parliament to create a cantonal bank to serve the local economy and contribute to its development.

The Cantonal Act Governing BCV (LBCV) states that our corporate mandate is to offer a comprehensive range of banking services to the local community, to contribute to the development of all sectors of the Vaud economy and to the financing of the Canton's public-sector institutions and entities, and to provide mortgage financing in Vaud.<sup>1</sup>

Since 2007, the LBCV has also specified that our Bank is to be guided by the principles of economically, environmentally, and socially sustainable development.

Half of Vaud's residents and businesses bank with BCV, meaning we have an important responsibility when it comes to our Canton's economy. Accordingly, our business model focuses on the local economy, prudent risk management, and long-term growth in order to deliver steady profitability.

### Clear priorities in our CSR strategy

Our CSR strategy is a direct product of the Bank's mission to contribute to the sustainable development of Vaud Canton, as well as of our business model and our stakeholders' expectations. It is defined by our Executive Board and approved by the Board of Directors, and sets out our priority focus areas in the area of sustainability:

- committing to preserve the environment and continuing to reduce the environmental footprint of our operations

- as a benchmark employer, working to achieve equity in the workplace and fostering diversity and equal opportunity
- fulfilling our social responsibility by playing an active role in the community
- playing a major role in financing the energy transition in Vaud Canton through our lending activities
- guiding our customers towards investments that incorporate environmental, social, and governance (ESG) criteria and endeavoring to bring portfolios into line with the goals of the Paris Agreement, the Swiss government, and the Vaud climate plan.

In addition, our CSR strategy now includes a comprehensive climate strategy, which is given in the section starting on page 21.

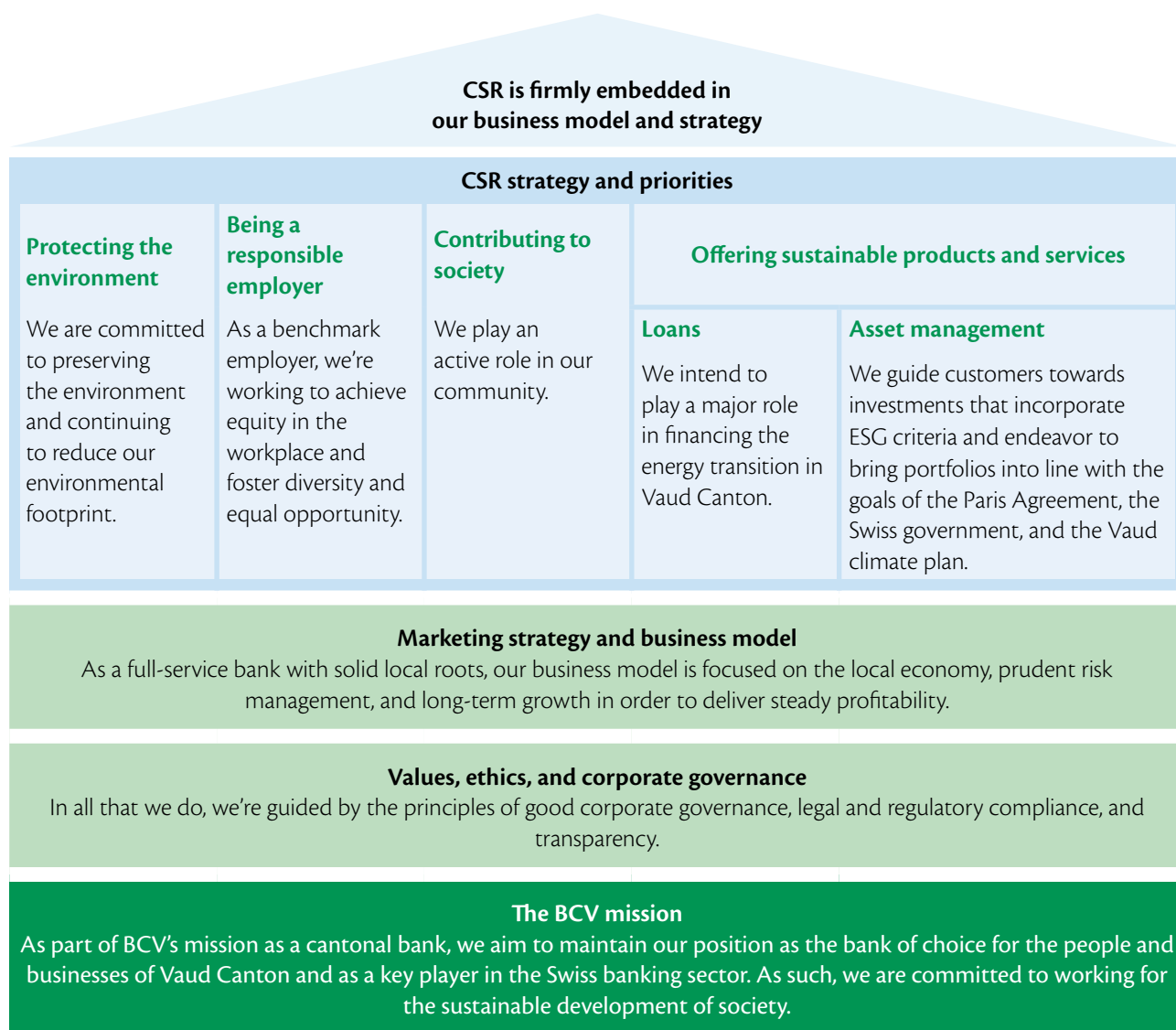
In 2025, alongside our regular communications on our CSR activities, all BCV employees will take an online training course on our Bank's CSR strategy and priorities.

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<sup>1</sup> Cantonal Act Governing the Organization of Banque Cantonale Vaudoise (LBCV) of 20 June 1995



## How CSR is embedded in our organization



### Sustainability a priority for our subsidiaries

BCV Group subsidiaries have adopted an approach to sustainability that is aligned with the parent company's objectives. For instance, GEP SA, which manages the Swiss real-estate investment company Fonds Immobilier Romand (FIR), is focused on environmental concerns and aims to actively help achieve the Swiss government's target of net-zero emissions by 2050.

Piguet Galland & Cie SA, a private bank, became a certified B Corp<sup>TM</sup> in 2023, making it the fifth Swiss bank to receive this demanding certification.<sup>1</sup> It is also involved in Swiss Triple Impact – an initiative bringing together over 100 Swiss organizations committed to taking concrete action toward a sustainable future. As part of this initiative, Piguet Galland has set four broad objectives in the areas of socially responsible investing, cutting GHG emissions, and training staff.<sup>2</sup>

Gérifonds SA administers funds that incorporate ESG criteria, which requires subject-matter expertise and entails making sure that fund contracts contain the appropriate information. Gérifonds furthermore addresses sustainability in the areas of gender equality, waste reduction, and increasing the share of renewable energy.

<sup>1</sup> B Corp Certification is awarded by the not-for-profit B Lab based on an impact assessment in five areas: governance, workers, community, environment, and customers. More information on Piguet Galland's B Corp Certification is available here: [Piguet Galland & Cie SA - Certified B Corporation - B Lab Global](#).

<sup>2</sup> B Lab Switzerland, [Swiss Triple Impact, Piguet Galland & Cie SA](#) (in French)

## Our main sustainability risks

Article 964b of the Swiss Code of Obligations requires organizations to report on their main risks regarding environmental matters, including their

goals in the area of greenhouse gas (GHG) emissions, social issues, employee-related issues, respect for human rights, and combating corruption.<sup>1</sup>

A list of BCV's main risks in these areas is prepared by the head of Corporate Social Responsibility in association with the Risk Management Department, the Executive Board, and

the Compensation, Promotions and Appointments Committee. The list is based on a global risk assessment for the Bank, which is reviewed by the Executive Board Risk Management Committee every year.

The table below lists the main sustainability risks for BCV Group over a three-year horizon.

### Main sustainability risks

### Sections of this report

Risk of controversy about the Group's CSR strategy (for example, if stakeholders aren't aligned with the Group's strategic objective)

- Stakeholder expectations and material topics
- Our mission and CSR strategy
- Responsible investing
- Responsible lending
- Corporate citizenship

Risk of controversy about how the Group's CSR strategy is implemented (i.e., if stakeholders accuse the Group of not acting in a manner that is consistent with its stated goals, such as accusations of greenwashing)

- Sustainability governance and organizational structures at BCV
- Responsible selling
- Responsible investing
- Responsible lending
- Basis of preparation

Risk of violations of the BCV Group Code of Professional Conduct (for example, in the event of insider trading, employee fraud leading to the misappropriation of funds, or the theft of confidential data)

- Our values and code of conduct
- Anti-corruption measures and managing conflicts of interest
- Compliance with laws and regulations

Risk of an accidental violation of the Group's rules against money laundering

- Due diligence and tax compliance

Risk of a cyberattack (i.e., system hacking or malware) that results in a data leak

- Cybersecurity
- Data protection

Criticism following an incident of banking identity theft (that doesn't result from a failure of the Bank's IT security systems) with a significant financial impact for Group customers

- Cybersecurity
- Competitive products and services

Risk of credit loss on a counterparty that is highly exposed to risks associated with the energy transition

- Climate-related risk
- Responsible lending
- Managing climate-related risk

<sup>1</sup> In this report, these risks are also referred to as "sustainability risks."



## Climate-related risk

The socioeconomic impacts of the physical hazards caused by climate change and of the transition to a low-carbon economy are increasing and can affect all economic agents, including the financial sector and banks.

At BCV, we integrate climate-related risk into our risk management framework in order to protect our own interests and those of our customers. In keeping with the recommendations of supervisory authorities (i.e., FINMA and the Basel Committee), we consider the physical hazards caused by acute and chronic climate events and the transition to a low-carbon economy – which is being driven in particular by changing legislation and societal expectations and by economic and technological developments – to be risk factors that could impact all categories of risk to which we are exposed: strategic and business risk, credit risk, market risk, and operational risk.

As a full-service bank with solid local roots, BCV is exposed to climate-related risk factors in various ways. The main sources of exposure taken into account are:

- our lending activities, including mortgage financing and corporate financing, as well as trade finance
- our trading and investment activities, i.e., client-driven investments and proprietary assets
- our operations, in particular the buildings we use for our banking activities.

For each source of exposure, we use a specific approach to assess and monitor the associated climate-related risk factors at different time horizons: 0–3 years (short term), 3–10 years (medium term), and >10 years (long term).

### Overall exposure to climate-related risk factors

BCV's exposure to climate-related risk is very low. That stems from the fact that BCV operates primarily in Vaud Canton, which has a strongly services-oriented economy; the transition to a low-carbon economy has less of an impact on the services sector. In addition, BCV does not have significant operations in regions that are particularly exposed to physical hazards.

Based on current estimates, the potential impact of climate-related risk factors is well below that of the main risk factors for our banking activities, such as a rise in interest rates, a sharp increase in the value of the Swiss franc, or a marked decline in immigration in the Canton of Vaud.

A summary of our overall exposure to climate-related risk factors is set out below for each of our business activities and our operations. More detailed information about our exposures, mitigation measures, methodologies, and monitoring approach is set out in the appendix "Managing climate-related risk" starting on page 122.

### Exposure to climate-related risk factors in lending activities

BCV's lending activities mainly comprise mortgage financing and corporate financing in the Canton of Vaud and, to a limited extent, trade finance. The mortgage lending business has little



exposure to transition risk (relating to regulatory changes in heating and construction standards, for example) and very limited exposure to physical risk (i.e., through loans on properties in regions subject to natural hazards). The proportion of loans granted to companies in sectors most exposed to the energy transition is considered low; these loans are not concentrated in any one sector, and no loans are granted to companies involved in the production of fossil-fuel energy. The overall impact of climate-related risk factors on potential credit losses at the Bank is considered very low and well below that of other risk factors affecting lending, such as a rise in interest rates, a sharp increase in the value of the Swiss franc, or a marked decline in immigration in the Canton of Vaud.

#### Exposure to climate-related risk factors in client investments

As part of our asset-management activities, we make investments at the request of our individual and institutional clients. The value of these client-driven investments may be affected by climate-related risk factors, such as stricter laws on GHG emissions, adverse public-image trends for certain

business sectors or companies, changes in the value of resources, and extreme weather events like storms and heatwaves. These client-driven investments are considered to have only a very low overall exposure to market risk factors related to the energy transition. This is based on the results of the PACTA climate compatibility test run by the Swiss Federal Office for the Environment, in which BCV took part in 2024 for the third time. The 2024 test showed that our portfolios have low overall exposure to the most carbon-intensive sectors of the economy and are less exposed than an aggregate portfolio of all banks participating in the test.

With regard to our asset management activities, our reputation could be affected by controversies such as accusations of greenwashing. To mitigate this risk, we have introduced control processes and systems along our entire asset-management value chain, in accordance with FINMA guidelines and the recommendations of Asset Management Association Switzerland (AMAS), Swiss Sustainable Finance (SSF), and the Swiss Bankers Association (SBA).

#### Exposure to climate-related risk factors in our operations

With regard to our operations, and in particular the buildings we use for our banking activities, we have very little exposure to climate-related risk. We have taken various measures over the past several years to reduce our carbon footprint, especially when it comes to heating our buildings. We also encourage employees to commute using public transportation or by walking or biking.





## Climate strategy

### Introduction

The states that have ratified the Paris Agreement, including Switzerland, have committed to hold the increase in the global average temperature to well below 2°C above pre-industrial levels. The Paris Agreement also aims to increase adaptability to the adverse effects of climate change and to make finance flows consistent with a pathway toward low GHG emissions and climate-resilient development.

In Switzerland, the aim of achieving net-zero GHG emissions by 2050 is enshrined in the Climate and Innovation Act, which was approved in a referendum in June 2023. In particular, the act states that Swiss companies must achieve net-zero in terms of their scope 1 emissions (GHG emissions generated by their operations, in particular by burning fuels and during operational processes) and scope 2 emissions (GHG emissions generated by purchased energy, such as electricity and heating) by 2050. In addition, Switzerland's new ordinance on climate disclosures

requires companies over a certain size (including BCV) to publish a transition plan that is comparable with Swiss climate targets, following a "comply or explain" approach.

Vaud Canton's constitution states that protecting the climate and promoting biodiversity are among the goals of the cantonal government (Article 6). It also states that the cantonal government must ensure that the companies in which it holds a majority stake reduce their impact on the climate, in accordance with the Swiss federal government's commitments. Vaud Canton also has its own climate plan, the aim of which is to achieve net zero by 2050. In support of that goal, the Canton is working on new energy legislation, which is scheduled to come into effect in the first half of 2026.

As a responsible company that seeks to address climate issues, and in accordance with our mission (described on page 16), we support the target of achieving net-zero by 2050 and intend to do our part to help reach it.<sup>1</sup>

### GHG emissions

As a company operating in the financial sector, BCV's carbon footprint consists of direct GHG emissions related to its operations (scope 1, 2, and 3, excluding category 15) and indirect GHG emissions resulting from its lending and investment activities (scope 3, category 15).<sup>2</sup>

As the chart below shows, our direct emissions (4,453 metric tons of CO<sub>2</sub> equivalent in 2024) are far lower than our indirect emissions; however, direct emissions are the ones over which we have the most control. Our indirect emissions are much higher (605,521 metric tons of CO<sub>2</sub> equivalent in 2024), but our ability to reduce them depends on outside factors, particularly the broader economic environment, public policy, technological changes, and our clients' choices.

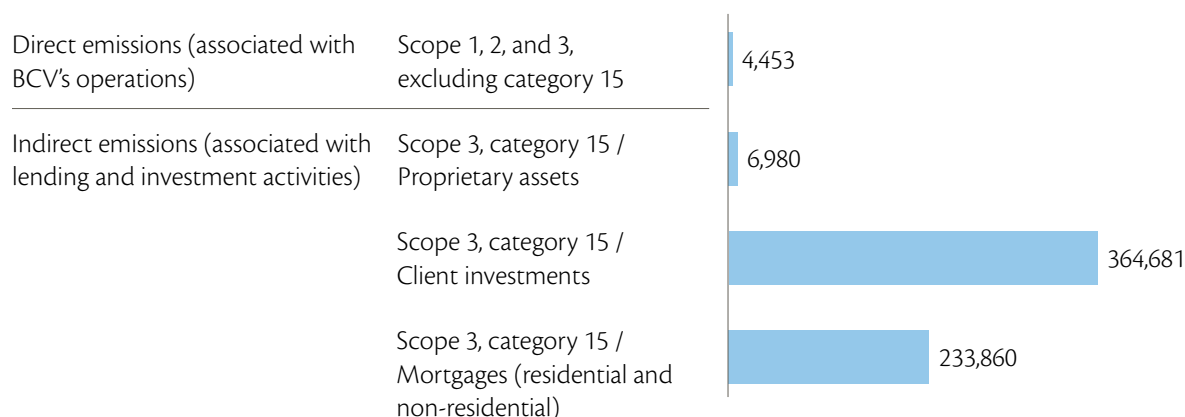
“We support the target of achieving net-zero by 2050 and intend to do our part to help reach it.”

<sup>1</sup> This chapter relates to the parent company.

<sup>2</sup> Scope 3 emissions are all emissions not included in scope 1 or 2 that occur in the reporting company's value chain. Category 15 of scope 3 relates to the reporting company's lending and investment activities.



## GHG emissions associated with our operations and lending and investment activities (in tCO<sub>2</sub>e), by scope and emissions category, 2024



### Note on methodology:

- Scope 3 emissions from real estate and companies in which BCV invests or that are financed by BCV are not included in the chart above. Emissions related to sovereign bonds are not included for reasons of methodological consistency.
- For client investments, emissions are calculated for our discretionary management activities,<sup>1</sup> excluding double-counted assets, cash holdings, and alternative investments.
- Emissions are calculated for the above categories where methods and data are available. Detailed information on each emissions category is provided in the course of the report.
- For data-quality reasons, emissions related to corporate lending are not included this year.
- More information about emissions calculation methods can be found starting on page 136.

## Climate targets

Switzerland's target of reducing GHG emissions generated within the country to zero by 2050 is a cornerstone of its new Climate and Innovation Act (Article 3),<sup>2</sup> which was approved by referendum in June 2023. Meeting that target will require a transition in the national economy for which significant investment will be needed, but the Swiss financial system is capable of providing the associated financing. According to a study carried

out by the Swiss Bankers Association in collaboration with the Boston Consulting Group, the transition will require a total investment of CHF 387.2bn over the next 30 years, i.e., an average of CHF 12.9bn per year (2% of gross domestic product), 83% of which could be financed by banks.<sup>3</sup>

The energy transition in Switzerland and particularly in Vaud Canton therefore represents an opportunity for BCV as a lending institution.

More broadly, a rapid and orderly reduction in global GHG emissions would reduce physical and transition risks, which would be desirable both for society at large and for BCV's lending and asset management activities. We therefore wish to help limit global warming and intend to work toward achieving the Swiss target of net zero emissions by 2050.

That ambition is aligned with our stakeholders' expectations and legal

<sup>1</sup> BCV's discretionary management solutions comprise investment funds (asset allocation funds, BCV Pension funds, and targeted funds) and discretionary asset management agreements with institutional and personal banking clients. They do not include full advisory or execution-only agreements.

<sup>2</sup> Swiss Federal Council, *Swiss Federal Climate and Innovation Act (in French)*, September 2022

<sup>3</sup> Swissbanking, *Financing Switzerland's Climate Transition*



requirements in Switzerland and Vaud. It is also fully aligned with our mission as a cantonal bank to help achieve the sustainability targets set by the Swiss and Vaud governments, and with our CSR strategy. It is also relevant for our business strategy in terms of limiting physical risks, anticipating transition risks, and seeking new financing opportunities.

### **Climate targets for the GHG emissions associated with our operations**

Absolute GHG emissions associated with our operations pertain to our buildings, business travel and commuting, and procurement. We assess our carbon footprint every year, which gives us an overview of our long-term impacts and enables us to take measures to reduce our footprint.

We aim to reduce our carbon footprint in line with Switzerland's target of achieving net zero emissions by 2050. Our interim target is to reduce our absolute GHG emissions<sup>1</sup> by 35% between 2021 and 2030 compared to a 2019 baseline.

To meet those targets, we have created a roadmap setting out the measures to be implemented for our buildings (offices and branches), and we are

rolling out an employee business travel and commuting plan. We are limiting the amount of printing we do, and we are constantly improving the energy efficiency of our IT equipment (data center and hardware). We also support projects that help mitigate global warming and take a long-term, holistic approach to sustainability.

More information about this target and efforts to achieve it can be found in the "Reducing the environmental impact of BCV's operations" section of this report starting on page 110.

### **Climate targets for mortgage lending**

Our ambition is to play a major role in financing Vaud Canton's energy transition, and we are taking action wherever we can to support the transition to a resilient, low-carbon economy, in line with the target of achieving net-zero by 2050.

Accordingly, we aim to reduce the carbon footprint of our residential mortgage book<sup>2</sup> at a pace consistent with Switzerland's pathway to a net-zero building sector by 2050.<sup>3</sup> This requires us to reduce the carbon footprint of our mortgage book by 42% by 2030, 87% by 2040 and 99% by 2050 compared to 2022 levels.

Whether we are able to reach these targets depends on external factors, as explained in the "Adaptability and resilience" section below.

To help achieve our targets, we have introduced various initiatives, such as preferential terms on loans for energy-saving renovations. We also provide practical information and guidance for customers who are considering energy renovation projects. And we actively train our employees to address this issue in the financing advice they give customers.

Additional information on this topic can be found starting on page 83.

### **Climate targets for trade finance**

In our trade finance business, we are committed to reducing our financing of coal-related transactions in line with the International Energy Agency's Paris-Agreement-compatible scenario.<sup>4</sup> This means reducing the tonnage of coal we finance by 58.5% by 2030 relative to the 2021 targeted baseline, equating to a reduction of 6.5% per year over the period in question.

Additional information on this topic can be found in the "Responsible lending" section, starting on page 89.

<sup>1</sup> Calculated for scope 1, 2, and 3 emissions (excluding category 15); category 15 of scope 3 comprises lending and investment activities, which are discussed separately.

<sup>2</sup> Calculated for scope 1 and 2 emissions in kg CO<sub>2</sub>e/m<sup>2</sup>

<sup>3</sup> Swiss Federal Council, *Switzerland's Long-Term Climate Strategy*, January 2021

<sup>4</sup> IEA, *Net Zero Roadmap: A Global Pathway to Keep the 1.5°C Goal in Reach*, September 2023

## Climate targets for client investments

In our role as an asset manager, we want to contribute to achieving the target of net-zero emissions by 2050. We strongly believe that we have a role to play in supporting the transition to a resilient, low-carbon economy, and we are taking action wherever we can to achieve that target.

Accordingly, we are aiming to have 28% of our assets under discretionary management<sup>1</sup> aligned with the target of net zero emissions by 2050.<sup>2</sup> This means that we must reduce the carbon footprint<sup>3</sup> of these assets by 50% by 2030, 90% by 2040, and 100% by 2050, compared with 2022 levels.

We are aiming to gradually expand our portfolio of assets under management following this trajectory. Whether we are able to reach these targets depends on external factors, as explained in the “Adaptability and resilience” section below.

In line with these targets, we engage with the funds and companies we invest in on behalf of our clients, through shareholder dialogue and by using our voting rights. In our view, this approach can be a major driver of positive change in the overall direction of a company. Alongside that approach, we are developing our range of investment products, training our advisors on sustainability topics and raising awareness among clients by asking them about their expectations regarding sustainability. More information about this target

and efforts to achieve it can be found in the “Responsible investing” section, starting on page 64.

### Adaptability and resilience: external factors that may affect our climate strategy

Our success in achieving our targets for client investments and increasing the scope of the targets depends on factors outside of our control. These factors include actions taken by states to achieve the goals of the Paris Agreement and the choices of our clients, who decide how much weight should be given to sustainability issues in the management of their assets.

As an asset manager, we are bound by our fiduciary duty and must act in the best interests of our clients, bearing in mind both their financial goals and ESG expectations.

Similarly, achieving our lending targets depends to a large extent on progress made in Switzerland and Vaud in terms of carbon reduction. Reaching the target of net-zero GHG emissions by 2050 requires a transformation of the Swiss economy. Regulators and federal and cantonal governments will need to put in place the rules and incentives needed to prompt industries, consumers, and property owners to move in this direction.

If factors outside of BCV's control show adverse developments in terms of achieving net zero by 2050, there is a risk that the Swiss economy's GHG emissions will diverge from that path.

If the divergence becomes too large, we could be forced to review the targets in our climate strategy. We will reassess those targets at least every five years with regard to the pace of carbon reduction in Switzerland and worldwide, as well as to legal requirements and the expectations of our stakeholders.

<sup>1</sup> BCV's discretionary management solutions comprise investment funds (asset allocation funds, BCV Pension funds, and targeted funds) and discretionary asset management agreements with institutional and personal banking clients. They do not include full advisory or execution-only agreements.

<sup>2</sup> According to the International Energy Agency's [Net Zero by 2050](#) scenario.

<sup>3</sup> Calculated for scope 1 and 2 emissions, in tCO<sub>2</sub>e/CHF million invested (for equities and bonds) and in kg CO<sub>2</sub>e/m<sup>2</sup> (for indirect real estate investments)

## Sustainability governance and organizational structures at BCV

The parent company's Board of Directors exercises Group supervision over the subsidiaries, subject to the nontransferable and inalienable powers of the subsidiaries' boards of directors.

The following measures have been put in place to ensure that the Group's stance on environmental, social, and governance issues is implemented consistently across the organization:

- Members of the parent company's Executive Board sit on the boards of directors of the subsidiaries.
- The subsidiaries submit an annual report to the parent company's Board of Directors describing their key issues and the measures they are taking.
- The heads of various functions at the parent company coordinate efforts and hold regular discussions with subsidiary representatives.

BCV's sustainability policy, available on our website, describes the guidelines and principles we have adopted in our business lines and operations.<sup>1</sup> The policy covers our material topics with regard to sustainability, which are determined by taking into account stakeholder expectations and our main

ESG impacts and risks. It was put forward by the Executive Board for review by the Compensation, Promotions and Appointments Committee, and then submitted to the Board of Directors for approval. The CSR Committee reviews the policy every year and submits any changes to the aforementioned bodies for approval.

### CSR governance and organizational structures at BCV

The Bank's CSR positioning and our efforts in this area are governed at the highest level of our organization, as shown in the diagram below. A discussion of the duties of each governing body follows.

BCV has set up a CSR organizational structure consisting of:

- a CSR Committee, which submits recommendations to the Executive Board on the objectives and approaches the Bank should adopt on all CSR-related topics, in particular those relating to climate. The Committee is chaired by the CEO and includes the heads of our Credit Management, Asset Management & Trading, and Private Banking divisions, as well as the head of Corporate Social Responsibility along with representatives from our business lines.

#### CSR governance at BCV



<sup>1</sup> BCV, [Sustainability Policy](#), April 2025

- a head of Corporate Social Responsibility, who reports directly to the CEO and oversees implementation of the CSR strategy across the Bank.
- designated CSR representatives at each of the Bank's business lines, who are in charge of further embedding sustainability into their operations and helping coordinate efforts across the Bank. They report on their progress to the CSR Committee.

Every year, the CSR representatives provide the CSR Committee with a description of the projects and initiatives they have planned for the following year, in order to implement the CSR strategy, ambitions, and objectives submitted by the CSR Committee to the Executive Board and approved by the Board of Directors. The CSR Committee comments on these roadmaps, approves them, and reviews progress on them either once

or twice a year, depending on the specific issues being addressed. The CSR Committee meets ten times a year for three to four hours at a time. The CSR representatives and the head of Corporate Social Responsibility also keep an eye on market trends and regulatory developments and make suggestions to the CSR Committee about any additional reviews to carry out or new measures to adopt.

The Compensation, Promotions and Appointments Committee conducts reviews of the Bank's progress on CSR projects during the year. This Committee also reviews the Bank's material topics and the main economic, social, and environmental impacts as part of the process of preparing the sustainability report, in accordance with GRI Standards (more information on how we identify material topics is given in the section starting on page 13). The list of Committee members appears on page 88 of our annual report.

In addition, the Executive Board and the Board of Directors submit a report every year to the Vaud Cantonal Government on how we executed on our mission as a cantonal bank. More information on that mission and on the Cantonal Act Governing BGV is given on page 16.

The CSR Committee is responsible for identifying and assessing sustainability-related opportunities and working with BGV's different divisions to determine the measures we will adopt in each business line. It helps identify sustainability risks – particularly those that may affect our reputation or that arise from changes in the expectations of our stakeholders, especially our customers – and ensures that appropriate measures in this regard are taken. Additionally, the Committee monitors regulatory and market developments in the area of sustainability.

Progress on the implementation of our CSR strategy is one of the factors used

## Ways our governing bodies were involved in 2024

Our Executive Board and Board of Directors each convened to discuss the following issues:

- the implementation strategy for Switzerland's new ordinance on climate disclosures<sup>1</sup>
- the approval of the Bank's climate targets in the areas of lending and client investments
- a review of BGV's material topics and materiality matrix (see page 13).

In addition, the CSR strategy and 2024 CSR roadmap were presented to the Compensation, Promotions and

Appointments Committee. Members of this Committee also completed a training course on planetary boundaries and the consequences if they are crossed.

The EBRMC approved the Bank's methods for estimating the GHG emissions associated with our mortgage loans, business loans, and client investments. It also reviewed an assessment of our main climate-related risks and studies on how our mortgage book could be affected by physical hazards and the transition to a low-carbon economy.

<sup>1</sup> The ordinance specifies which climate-related information should be included in companies' ESG reports (which are governed by Articles 964a, b, and c of the Swiss Code of Obligations).



to adjust the Executive Board's overall level of total annual performance-based compensation within a range of  $\pm 20\%$ . This progress is assessed based in part on the implementation of their annual CSR roadmaps, which include climate issues. In addition, the long-term performance-based compensation of Executive Board members and department heads depends in part on whether CSR strategy objectives were achieved.

### Governance and organizational structures for sustainability risks

The Bank manages climate-related risks according to the same basic principles of governance and organization as all other risks (see Section 3.1, "Risk management objectives and governance," of the BCV Basel III Pillar 3 Report). Under these principles, risk-monitoring authority is assigned to the Board of Directors, while the Executive Board and the EBRMC are given responsibility for managing and assessing risks, and the Risk Management Department for developing and implementing risk-assessment methods and controls.

- The Board of Directors establishes BCV's fundamental risk-management principles and decides the strategy it will pursue in taking on risk (the target risk profile). Every year, the Board of Directors approves a Risk Management Policy and Strategy (RMPS) that explains how climate-related risk factors are taken into account in BCV's risk assessments and how responsibilities in this area have been assigned. It is also responsible for high-level oversight of the Bank's risk profile and setting reporting requirements. As part of

this, it monitors the Bank's main risk factors and exposures, including those related to the climate. This is carried out in particular by reviewing a risk report each quarter and reviewing an assessment of the Bank's main risks each year.

- The Audit and Risk Committee ensures that risk management at BCV is implemented and operational, as decided by the Board of Directors. This includes reviewing the risk report and the assessment of the Bank's main risks. The Committee also oversees the limited assurance procedures carried out by PricewaterhouseCoopers SA.
- The Executive Board is responsible for ensuring that risk-management procedures are implemented and operational, and for monitoring the Bank's risk profile. It also reviews the RMPS before the document is submitted to the Board of Directors for approval. The Executive Board monitors and assesses the Bank's main risk factors and exposures, including those related to the climate, by reviewing the risk report each quarter and the assessment of the Bank's main risks each year. The Executive Board supervises the EBRMC in monitoring and reporting these risks.
- The Executive Board Risk Management Committee (EBRMC) is responsible for implementing the risk-management principles, processes, methods, and systems set out in the RMPS and updating them as appropriate, bringing any important decisions to the Executive Board for approval. The EBRMC also

ensures that the Bank's main risk factors and exposures are taken into account. This entails approving the Bank's methods for evaluating climate-related risk factors (e.g., the method for estimating the GHG emissions associated with the Bank's lending activities), reviewing the risk report every six months to examine the loan book's exposure to climate-related risk factors, and occasionally reviewing the Bank's climate-related risk exposure arising from its business activities and operations.

- The Risk Management Department is responsible for developing and improving the Bank's risk oversight principles and methods, monitoring the Bank's risk profile, and providing the risk report. As part of this, it ensures that the Bank's main risk factors and exposures, including those related to the climate, are taken into account. The Risk Management Department develops methods for assessing the Bank's exposure to climate-related risk factors, including for estimating the GHG emissions associated with the Bank's lending activities. Every six months, it includes in the risk report an update on the loan book's exposure to climate-related risk factors, and it assesses the Bank's climate-related risk exposure arising from its business activities and operations. The Chief Risk Officer (CRO), who heads the Risk Management Department, is also responsible for overseeing and monitoring risk management at Group subsidiaries. This entails making sure that subsidiaries take into account their main risk factors and exposures, including those related to the climate.

### Working group on climate issues

In 2024, we created a cross-functional working group to set climate targets for our Bank in line with our impacts and risks as well as our strategic and business goals. The working group is led by three members of the Executive Board and includes experts from our risk management, CSR, investment, and credit teams. Depending on the topic being addressed, the working group reports to the EBRMC or the CSR Committee, which in turn report to the Executive Board and Board of Directors, as shown in the diagram at right.

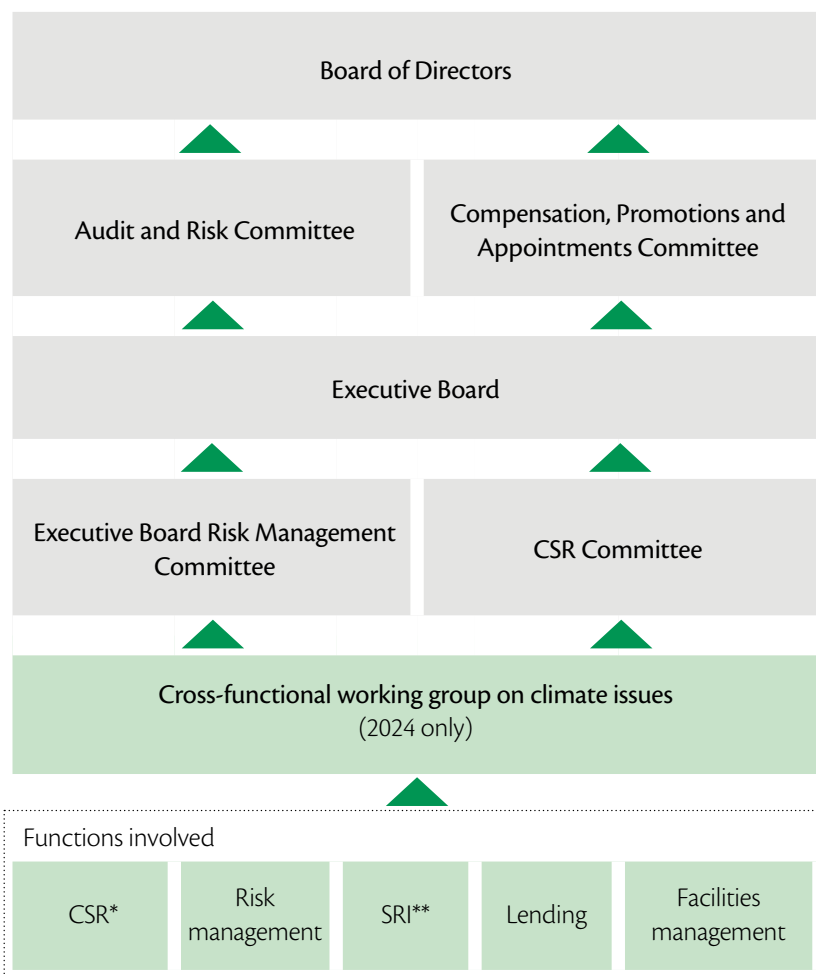
In 2025, the CSR Committee will take on the role of updating and tracking progress on the climate targets, while the EBRMC will manage issues associated with the Bank's climate-related risk factors. The various functions involved in the working group will continue to have regular exchanges in order to coordinate their efforts. The CSR Committee and the EBRMC will continue to make recommendations to the Executive Board and Board of Directors through the governance and organizational procedures described above.

The CSR Committee and the Compensation, Promotions and Appointments Committee will track progress on the climate targets annually and will perform a thorough review at least once every five years. Any suggested updates to the targets will be put before the Board of Directors for approval.

BCV's climate strategy is set out starting on page 21. More details about the underlying assumptions and our implementation measures are given in the following sections of this report: "Responsible investing," "Responsible lending," and "Reducing the impact of BCV's operations."

A detailed discussion of our management of climate-related risk, including BCV's main risk assessments and policy orientations, can be found in the "Managing climate-related risk" appendix to this report.

### Climate governance at BCV



\* Corporate social responsibility

\*\* Socially responsible investing

## Our involvement in sustainability initiatives and partnerships



BCV participates in the annual survey by CDP, an international non-profit organization that runs the primary global carbon-disclosure system for companies, cities, states, and regions. It encourages companies to report on their environmental impacts, reduce their GHG emissions, preserve water resources, and protect forests.

Signatory of:



BCV is a signatory to the UN Principles for Responsible Investment (UNPRI), which seek to promote a sustainable financial system. The UNPRI are the most comprehensive and widely recognized standards for responsible investment.



BCV has entered into a partnership with Ethos Foundation, a leading Swiss SRI specialist, to create a center of expertise in sustainable finance in Switzerland. Under the partnership, a range of funds covering the main asset classes is managed by BCV Asset Management and advised by Ethos.



BCV is a signatory to Climate Action 100+, an investor-led initiative to encourage the world's largest corporate GHG emitters to take necessary action on climate change.



BCV is a signatory to the Partnership for Carbon Accounting Financials (PCAF). This global partnership, founded in the Netherlands in 2018, brings together businesses (mainly financial institutions) to implement a harmonized approach for accounting for the GHG emissions associated with their operations. This approach to accounting and reporting is designed to help financial institutions measure and assess the GHG emissions associated with their lending and investments.



BCV is a member of Swiss Sustainable Finance, which aims to strengthen Switzerland's position as a hub for sustainable finance by raising awareness, further developing skills, and supporting concrete action.

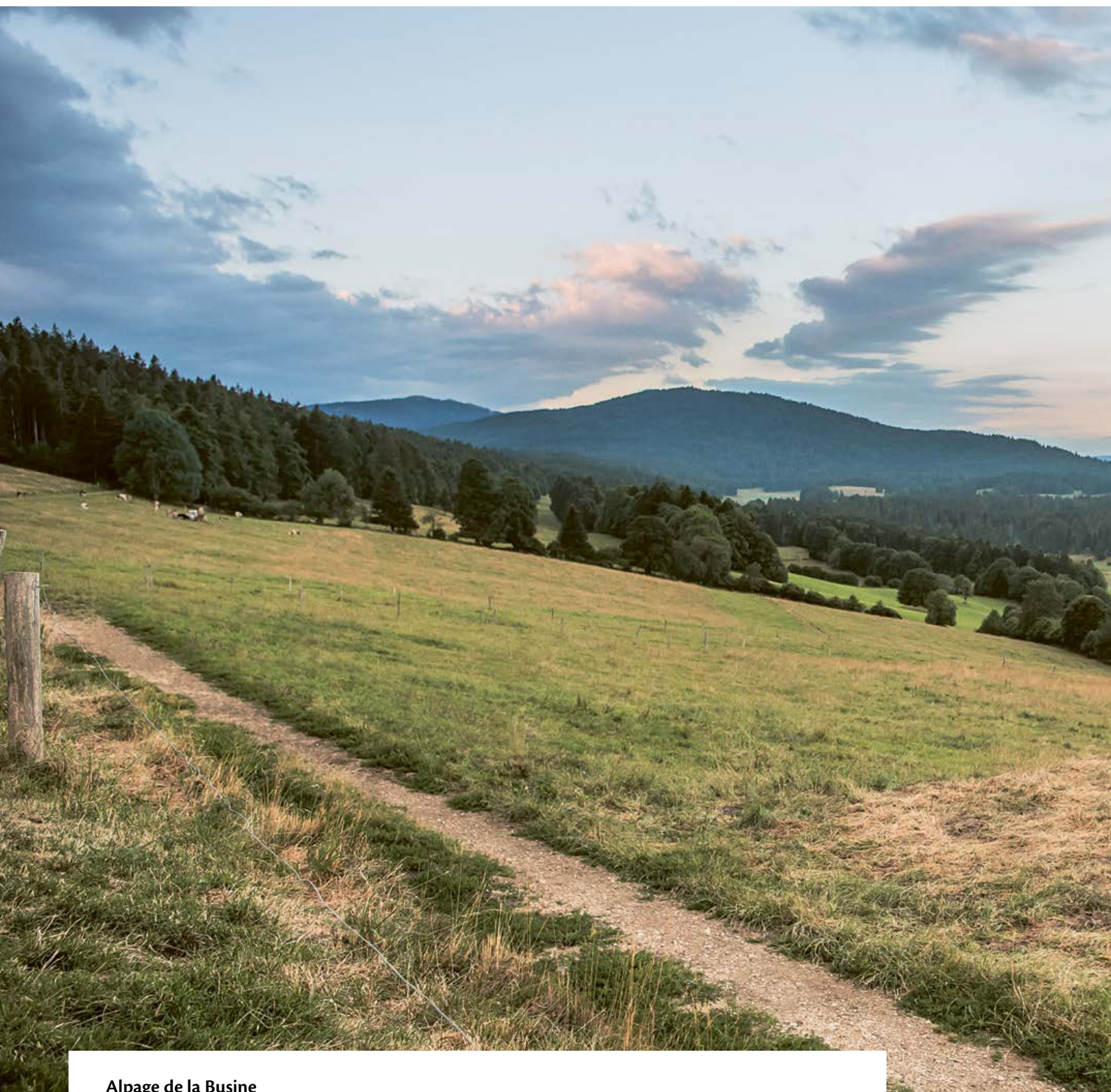


BCV is a member of swisscleantech, an organization that promotes a climate-compatible economy by rallying the efforts of policymakers, businesses, and society.



BCV has served as a coalition leader for Enterprise for Society (E4S) since the organization's founding. E4S is a joint venture of the University of Lausanne – through the university's Faculty of Business and Economics (HEC) – the Institute for Management Development (IMD), and the Swiss Federal Institute of Technology in Lausanne (EPFL), and operates under the stewardship of EPFL's College of Management of Technology. It was set up in 2019 to help develop solutions to pressing societal challenges, such as climate change, and spearhead the transition towards a resilient, sustainable, and inclusive economy.





### **Alpage de la Busine**

The species-rich grasslands of La Busine, above the village of Vaulion, provide grazing forage for cattle, flavoring the milk and giving the local summer-produced cheeses their distinctive taste. Great yellow gentian, stemless carline thistle, alpine thistle, bellflower, and small scabious are just some of the flowering plants that inhabit this landscape.



# A positive, long-term economic impact



## Long-term value creation, solidity, and financial performance

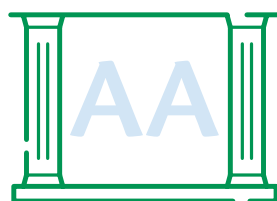
Our business strategy is guided by our ultimate goal of creating value for shareholders, customers, and employees. Our business model is that of a universal bank with solid local roots.

To fulfill our mission of contributing to the economic development of our Canton, we must ensure that our foundations are solid and that our vision for BCV leads to robust, steady profitability going forward. Our strategy therefore targets sustainable growth coupled with a moderate risk profile that is aligned with our mission. That means we do most of our business within the Canton of Vaud and take a selective approach to volume growth.

Our operations focus on our four core businesses: Retail Banking, Private Banking, Corporate Banking, and Asset Management & Trading. At the

same time, we are active in selected areas where we have proven expertise – specific markets that offer strong potential in terms of both growth and profitability. The Bank does not have a proprietary trading business.

Our solid financial position, which has been recognized by Standard & Poor's and Moody's – the two leading credit rating agencies – means we can take a long-term approach, running the Bank with a calm sense of purpose.

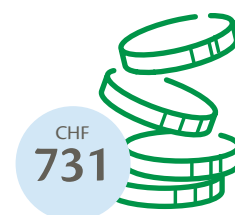


Standard & Poor's rating

One of the many ways we create value is through the long-term strength of our share, which is well above average for the Swiss banking industry. Over the past ten years, the BCV share generated a 143% total return for our shareholders, as against the 4% loss posted by the SWX SP Banks Total Return index for Swiss banks.<sup>1</sup>

The bulk of this value flows to the Canton of Vaud, our majority shareholder, with 66.95% of our share capital.

In 2024, we distributed CHF 370.1m to shareholders (versus CHF 327m in 2023), and the amount we paid out in taxes and dividends to the Canton of Vaud and Vaud municipalities works out to CHF 731 for every household in our home region (versus CHF 654 in 2023). These payouts boost our Canton's public finances, helping fund policies and initiatives that make a positive difference in our community.



The equivalent amount per household that BCV paid out to Vaud Canton and municipalities

Our risk management practices comply with the very highest standards, and our Common Equity Tier 1 (CET1) capital ratio of 16.8% is well above the regulatory requirement.

### 201-1

#### Direct economic value generated and distributed (parent company) (in CHF millions)

	2020	2021	2022	2023	2024
Direct economic value generated (operating profit, personnel costs, and extraordinary income and expenses)	678.2	741.3	752.4	844.9	<b>844.7</b>
Direct economic value distributed (personnel costs, taxes, and dividends)	652.9	684.8	692.5	757.1	<b>785.8</b>
Economic value retained	25.4	56.5	59.9	87.8	<b>58.9</b>

#### Amount paid out to Vaud Canton and municipalities in taxes and dividends (in CHF)

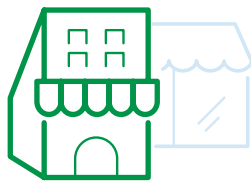
Equivalent amount per household	645	626	649	654	<b>731</b>
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<sup>1</sup> The SWX SP Banks Total Return index tracks the performance of Swiss banks included in the Swiss Performance Index, with dividends reinvested. Returns are calculated using data from LSEG Datastream.

## Contributing to Vaud's economic development

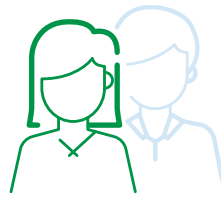
### Financing the Canton's economy

We are the leading bank in Vaud. We contribute to the economic development of our Canton by providing loans and financial services to local residents, public-sector entities, and businesses, especially SMEs. Half of the Canton's people and SMEs bank with us.



**1 in 2**  
Vaud small businesses  
bank with BCV

As part of our role in meeting demand for mortgage lending, our loan book covers all areas of the Canton. We are the lender of choice for real-estate professionals and help ensure that the supply of housing is aligned with



**1 in 2**  
people in Vaud  
bank with BCV

demand over the long term. We take a responsible approach, seeking to reduce the risk of overheating in this naturally cyclical market.



We provide **1 in 3**  
mortgage loans in Vaud

Over 28,000 companies in Vaud turn to BCV for their banking needs, and we welcomed around 2,700 new business clients in 2024, over half of which had been operating for less than 18 months.

More local businesses come to us for financial services than to any other bank. And our corporate loan book stands at CHF 13.7bn, which equates to a market share of around 40%.

We provide financing to every sector of the Vaud economy, with a loan book that reflects the economic structure of the Canton and the financing needs of the various sectors of its economy. Real-estate professionals and construction firms account for 43% of our lending. For every loan we grant, we assess the application on its merits and do not apply sector-specific pricing or lending policies.

BCV offers loans starting as low as CHF 20,000 to small businesses that would otherwise struggle to access financing because the amounts involved are likely too small to interest other banks. In 2024, we also granted a total of CHF 20m in loans (excluding Covid-19 bridge loans) guaranteed by French-speaking Switzerland's regional cooperative (versus CHF 23m in 2023). More information on our products and services for corporate clients can be found starting on page 55 of this report.

### 203-2

#### Significant indirect economic impacts (in CHF millions)

	2020	2021	2022	2023	2024
Total lending to companies in Vaud	11,700	11,824	12,475	13,037	<b>13,670</b>
Lending guaranteed by French-speaking Switzerland's regional cooperative (excluding Covid-19 bridge loans)	13	28	25	23	<b>20</b>
Annual funding for the Foundation for Technological Innovation (FIT) and Innovaud	0.55	0.55	0.55	0.55	<b>0.55</b>



## Helping stakeholders better understand the Canton's economy

We regularly publish reports, share insights in the media, and hold events to help our clients and the wider public make sense of the local economy and business conditions in the Canton.

### Economic trends and analysis

- We contribute to a quarterly report on Vaud's GDP, as well as a publication on business indicators from the Commission Conjoncture Vaudoise. Throughout last year, these publications kept readers abreast of the state of the Canton's economy, including the impact of geopolitical tensions on local business conditions.
- In early summer 2024, BCV conducted a survey of SMEs in the Canton to gauge sentiment against a backdrop of sluggish growth. The findings indicated a further erosion in business confidence, with only 43% of respondents assessing their situation as good or very good, compared to 54% in an equivalent survey conducted in 2023, and 69% in 2022. Looking at specific concerns, respondents again cited inflation as the number-one obstacle to business success, while geopolitical factors rose to second on the list, ahead of higher interest rates in third place.<sup>1</sup>
- We contribute to an annual report on the GDP of French-speaking Switzerland, published jointly by the region's cantonal banks in



conjunction with the Forum des 100, an annual conference organized by Swiss newspaper Le Temps. Last year's issue, which coincided with the conference's 20th anniversary, looked back on two decades of exceptional economic growth in western Switzerland. For instance, between 2005 and 2024, the region posted real GDP growth of 49.5% – ahead of the averages for both Switzerland as a whole (43%) and industrialized economies (36.5%).

### Events

- We hold various in-person and online events for our customers covering key economic and financial trends. Last year, these events – including Conjoncture & Perspectives, Rendez-vous de



la Finance, 5 à 7 de la Finance, Les Pros de l'Immobilier, and Rendez-vous des Entrepreneurs – drew around 3,500 attendees (versus 3,600 in 2023).

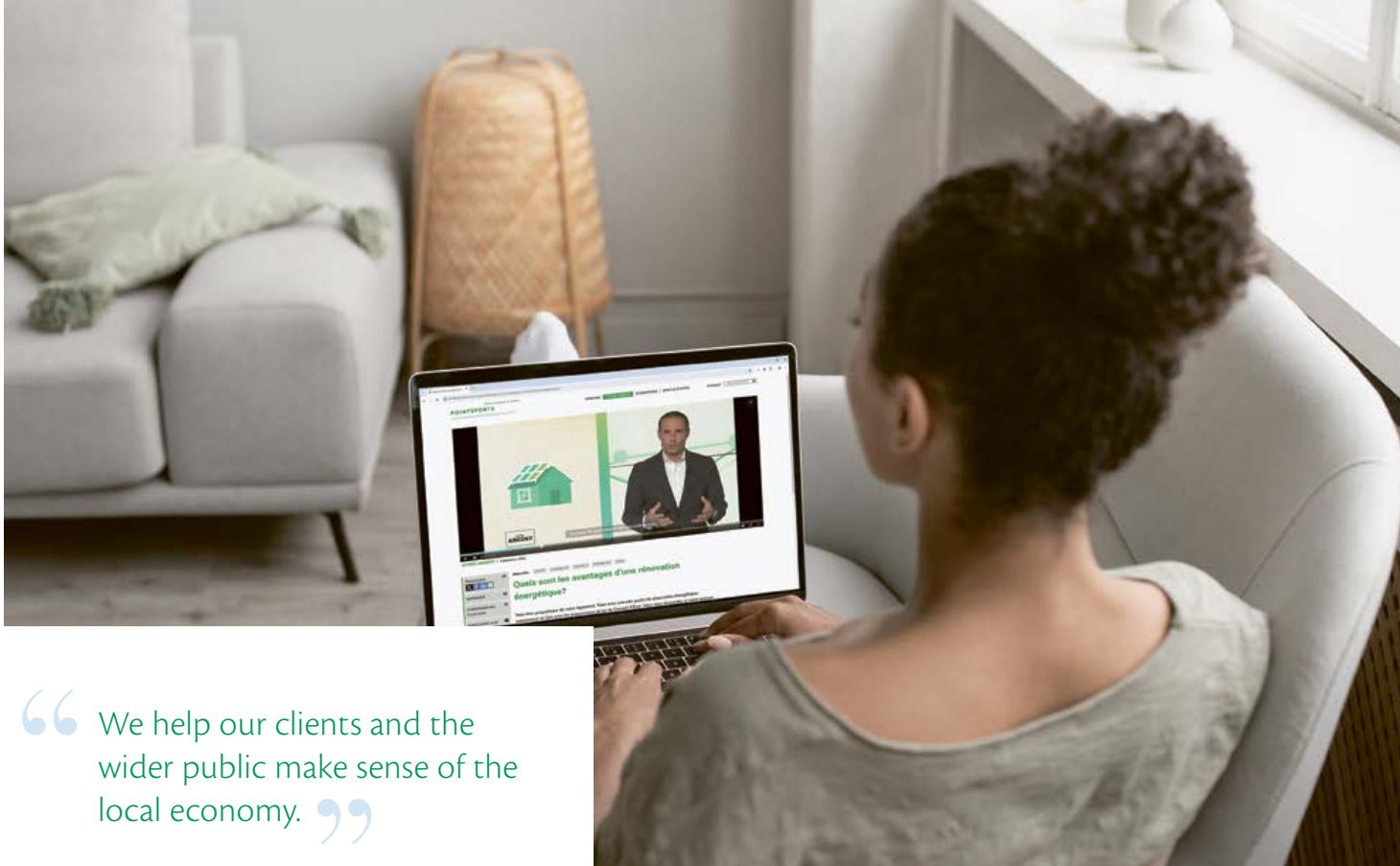
### Other appearances and publications

We also share information, analysis, and advice with the people and businesses of Vaud on the economy, financial markets, and cybersecurity through other channels:

- We send out newsletters to our clients and local businesses, covering financial markets and the latest economic developments.
- Last year, we published a guide in collaboration with PME magazine to help small business owners protect their personal and business assets. The guide contains information, testimonials, and advice on navigating risks to business operations, as well as tips for business owners on managing their personal finances.

<sup>1</sup> "Poursuite de l'érosion du moral des PME vaudoises" (in French), [www.pointsforts.ch](http://www.pointsforts.ch), August 2024





“ We help our clients and the wider public make sense of the local economy. ”

- Three times a month, our experts write articles for the newspaper 24 Heures, sharing information and practical advice for people looking to make sense of the business environment and manage their finances. Our specialists also make regular guest appearances on the “Votre argent” and “Votre argent – Spécial PME” segments broadcast on La Télé Vaud Fribourg.
- We publish extensive economic news and insights at [pointsforts.ch](https://pointsforts.ch), our dedicated platform for this type of content, including 97 articles and videos last year alone (versus 98 in 2023). Topics in 2024 included the business and economic outlook for 2025 and the multifaceted role of pension funds in the Swiss economy.

- BCV employees are also invited to share expert insights at events run by our partners, such as Scale-up Connect and the Scale-up Vaud Gala Dinner.

### Energy transition

Last year, we continued actively sharing information to help individuals and businesses reduce their energy consumption and cut their greenhouse gas emissions, including through several articles and features about energy-saving renovations, which we published at [pointsforts.ch](https://pointsforts.ch) and included in our client newsletters.

The fall 2024 issue of BCV Immobilier, our overview of the real-estate sector in Vaud, explored options for shrinking the carbon footprint of older residential properties, looking in particular at the

cost-effectiveness of energy-efficiency renovations – a key consideration for owners thinking about carrying out this kind of work. The same issue examined the effects of lower interest rates on renovation trends.

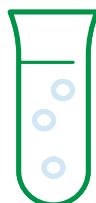
## Promoting innovation and sustainability in Vaud

BCV is a member of Innovaud, the Vaud Cantonal Government's agency for promoting innovation and investment, which provides support to pioneering businesses of all sizes – startups, scaleups, SMEs, and large corporates – based in the Canton or looking to set up here. We make an annual contribution of CHF 50,000 to the agency to support its work.

The Foundation for Technological Innovation (FIT) is also part of the Innovaud network. This non-profit provides grants and loans to startups in Vaud and the rest of French-speaking Switzerland in order to stimulate the local economy and encourage innovation. Because the

program is only open to companies less than three years old, FIT is one of the first sources of external capital for early-stage ventures. Its experience and expertise also lend credibility to fledgling businesses, opening the door to a larger pool of investment sources.

FIT, which was created in 1994, celebrated its 30th anniversary last year. During this time, it has disbursed over 500 grants and loans for a total of more than CHF 70m. The Bank has supported the foundation since its inception, most notably through a commitment of CHF 500,000 per year.



CHF **500,000**

in funding committed to the Foundation for Technological Innovation (FIT) every year to support Vaud startups

FIT has helped create over 6,000 jobs by providing financing to hundreds of startups across a wide range of industries – from life sciences, digital health, food and nutrition, and clean technology to ICT, aerospace, and cybersecurity. It also supports startups that aim to provide solutions to environmental, social, energy, and healthcare challenges. Firms supported by FIT have raised close to CHF 3bn in funding over the past ten years, and more than 350 of these businesses are still active.

In early 2023, FIT launched FIT Impact, an initiative backed by BCV that supports low-tech startups with a positive social impact emerging from universities and other higher-education institutions in Vaud.

Through our financial contribution to FIT, we are playing our part in bringing fresh faces and new ideas onto the local business scene, as well as helping ventures with a positive social impact



get off the ground. And our backing for innovation goes beyond financial support: a BCV representative serves as vice chair of the FIT board, and several BCV employees sit on the various FIT selection committees.

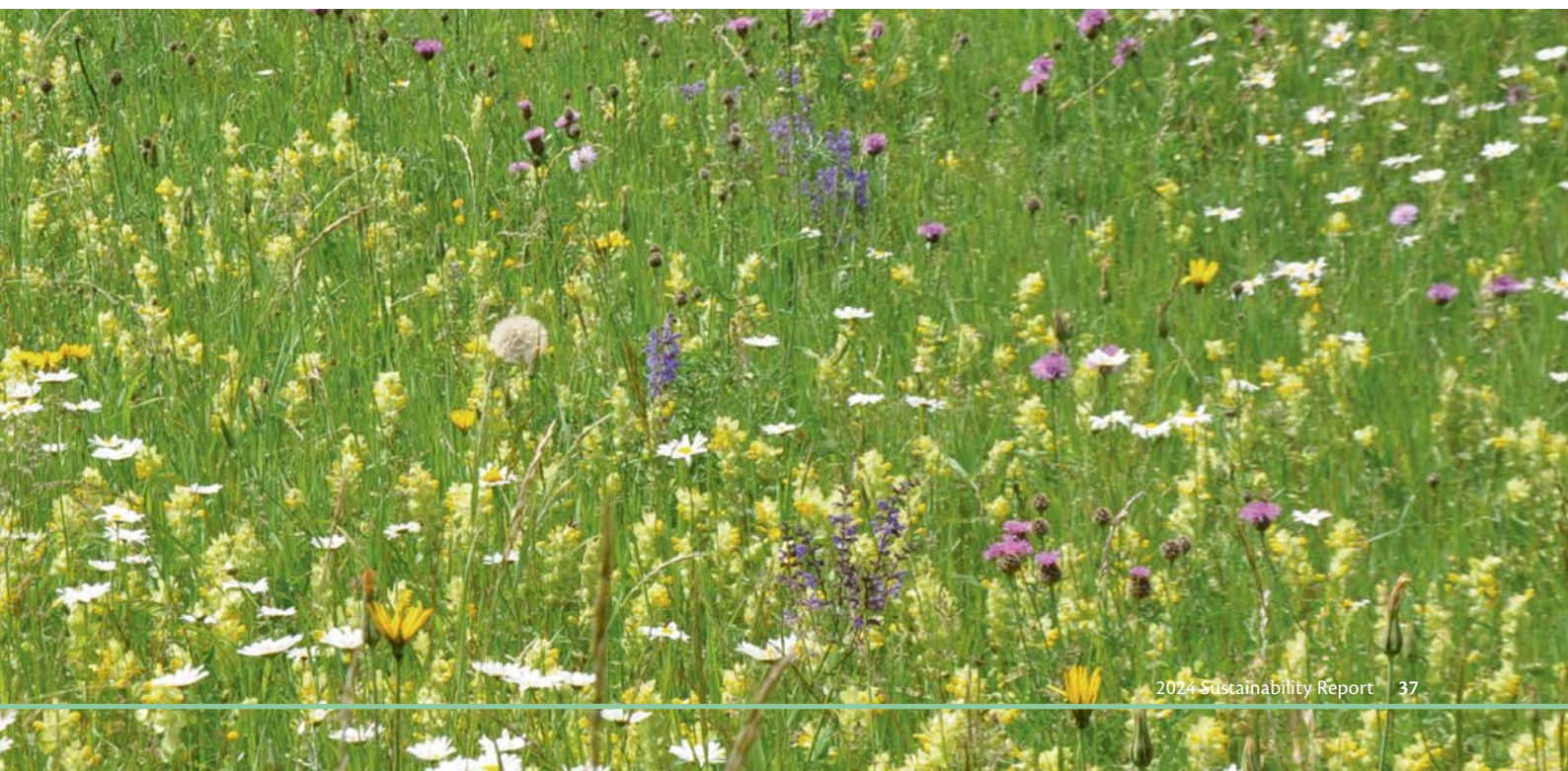
The Bank is also active on the entrepreneurship scene in Vaud more generally, working with organizations that champion local innovation, organize events, award prizes, and provide other networking, learning, and knowledge-sharing opportunities. For instance, every year since 2016, startups have had the opportunity to pitch to potential investors at events we run in conjunction with FIT. Last year, we took part in Scale-up Connect and the Scale-up Vaud Gala Dinner, both organized by Innovaud, as well as in FIT's 30th anniversary celebrations. We also provide financial backing for initiatives such as the Venture startup competition and the PERL Awards for entrepreneurship, and in 1995 we became a founding

member of GENILEM, an organization that helps young people start innovative businesses in all sectors of the economy.

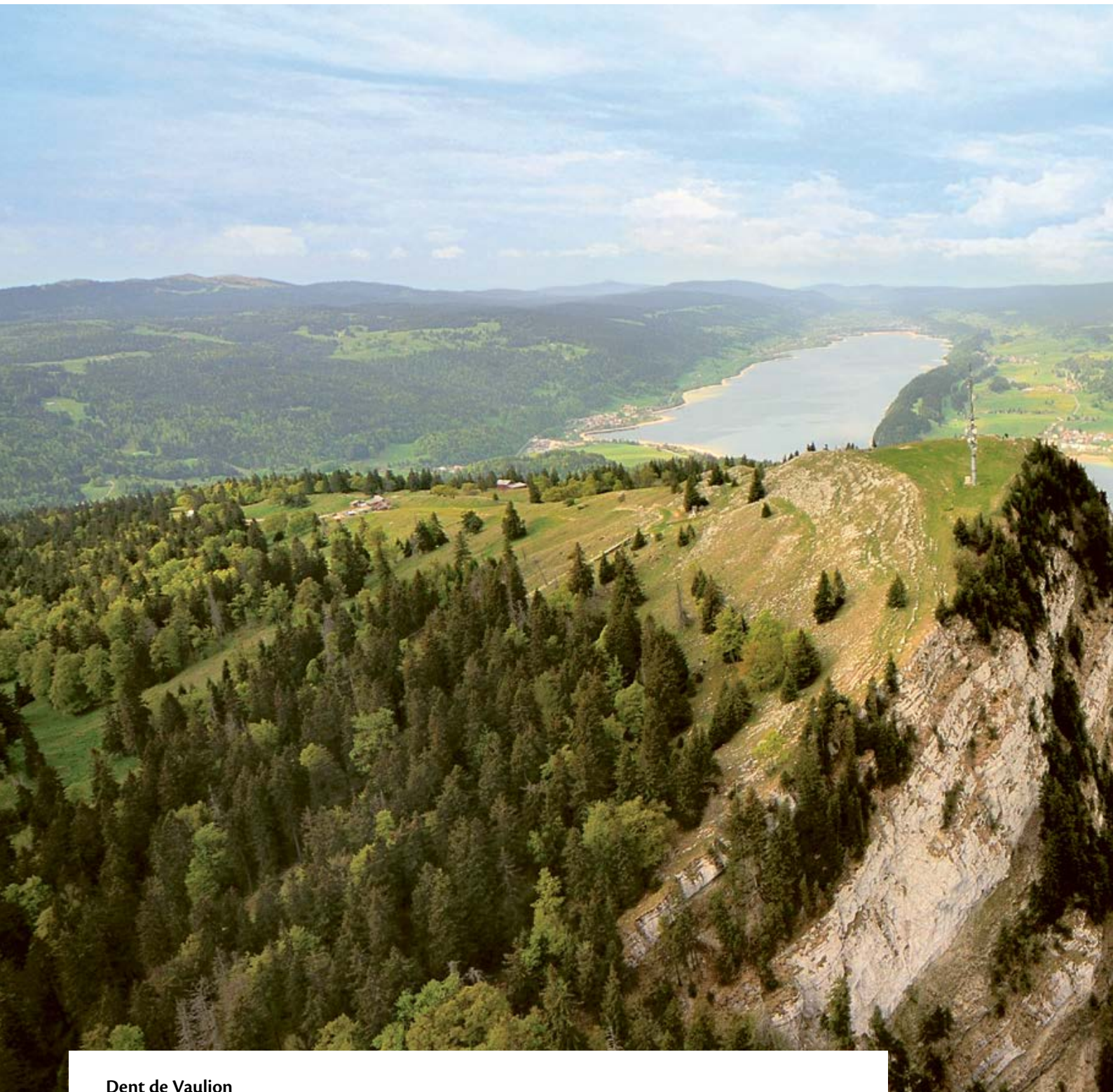
In 2024, BCV provided a fourth straight year of financial backing to the Enterprise for Society Center (E4S), an initiative jointly led by three members of the Canton's higher-education ecosystem: the University of Lausanne's Faculty of Business and Economics (HEC), the Institute for Management Development (IMD), and the College of Management of Technology at EPFL. E4S was founded in 2019 with the mission of helping society overcome its challenges – especially climate change – and spearheading the transition toward a more resilient, sustainable, and inclusive economy. At BCV we aim to support these efforts and have served as a coalition leader for E4S since its founding. As part of this, we are supporting the E4S-led Master of Science in Sustainable Management

and Technology program, which is geared toward training up the next generation of leaders in sustainability and responsible management. The first cohort of students graduated from this program in 2023.

The partnership is giving rise to collaborative initiatives as well. For instance, the Bank is backing an E4S-led research project that aims to calculate the "green value" of Swiss real estate, incorporating energy transition-related benefits, requirements, and uncertainties. The end goal is to provide a new method for financial assessment that factors in both risks and opportunities, including long-term gains from investments in energy-efficiency renovations.





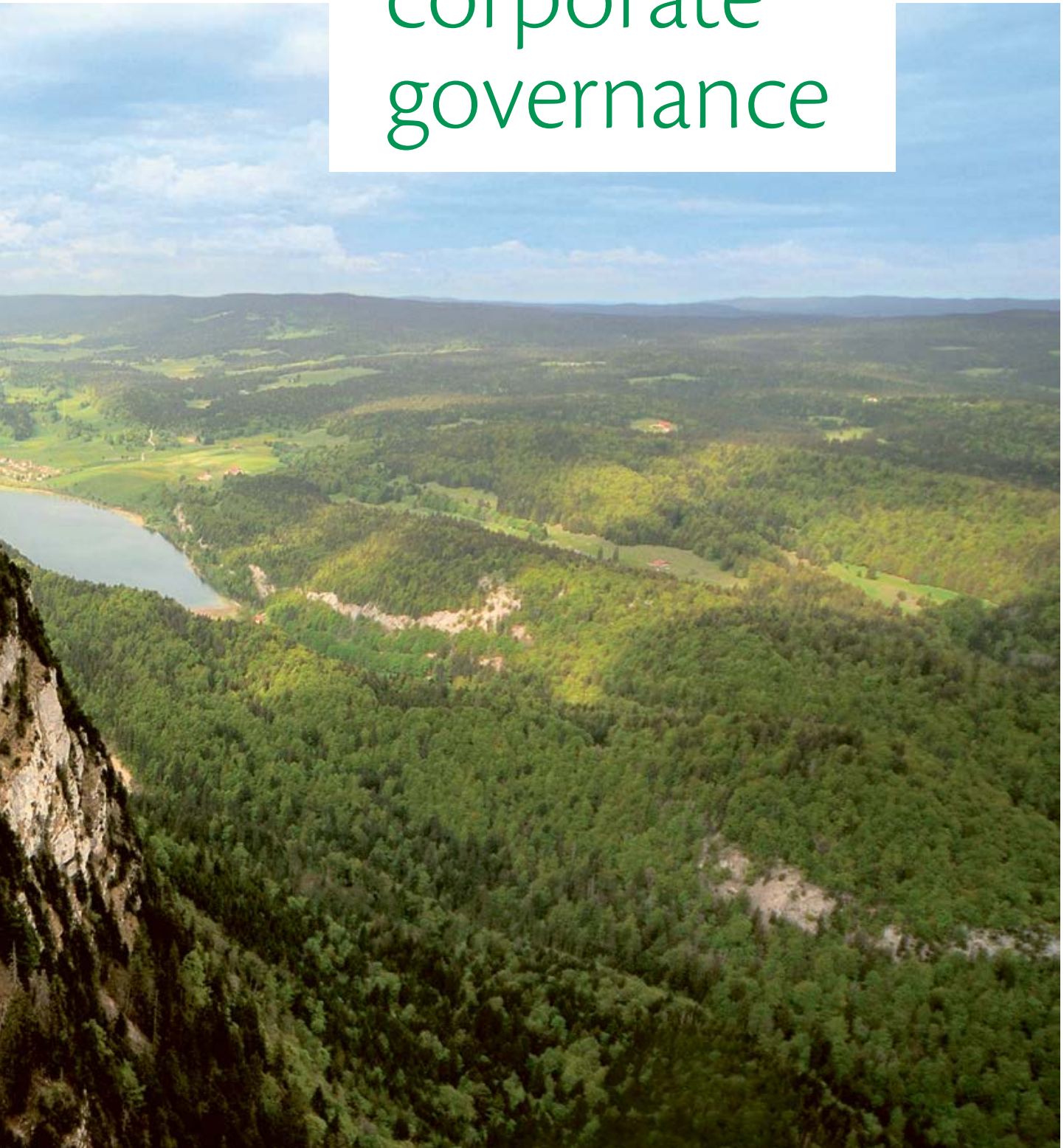


### **Dent de Vaulion**

Rising to 1,483 meters, the Dent de Vaulion is one of the most recognizable peaks in the Jura Vaudois Nature Park. Its southern slope is covered with forests and wooded pastures that serve as traditional summer grazing grounds. The Chalet de la Dent de Vaulion is a restaurant housed in a former mountain chalet that was renovated as part of a local development project.



# Ethics and corporate governance



## Our values and code of conduct

We believe that one of the keys to our long-term success is having a common culture built around four core values – close ties, professionalism, performance, and responsibility. At BCV Group, we live these values every day. They're what set us apart from our peers. And they underpin everything we do, including how our employees interact with customers and colleagues.

All new hires are made aware of our Code of Professional Conduct, which is available on our website.<sup>1</sup> It sets out behavior that is expected of our Group's entities, their governing bodies, and each and every staff member. The principles contained in the Code are applicable to any action or decision taken by BCV Group employees in a professional context. As well as setting out our core values, the Code details the principles of professional ethics to which we adhere. It includes sections on good corporate governance, compliance with laws and regulations,

identifying and managing conflicts of interest, anti-corruption measures, transparency toward customers, health and safety, and privacy and personal data protection.

“ Our Code of Professional Conduct sets out the behavior that is expected of our Group's entities, their governing bodies, and each and every staff member. ”

### —○ Close ties

Our employees use their on-the-ground presence and their knowledge of the local community to fully appreciate and understand the needs and expectations of our customers.

### —○ Professionalism

Every employee is committed to delivering the best possible service to customers. To achieve this, they draw on the best practices in their respective fields of expertise and constantly seek to expand their skills and knowledge.

### —○ Performance

At BCV Group, we set ourselves ambitious goals across the board. Our people are results-oriented. They systematically seek pragmatic and effective solutions to the challenges that arise every day.

### —○ Responsibility

Our employees demonstrate responsible professional behavior. This includes taking responsibility for their actions, being conscientious in their work, and being loyal to the Group.

The Code also states that sustainable economic development is at the heart of our corporate mission and reaffirms our commitment to incorporating environmental, social, and governance (ESG) criteria into all our business activities – including wealth management, asset management, and lending – and our operations.

Given how important these values are to us, the parent company has set up a long-term training program designed specifically to reinforce them across the organization. BCV's values are also an integral part of employee performance reviews.

<sup>1</sup> BCV, [BCV Group Code of Professional Conduct](#), December 2021

## Corporate governance

In addition to BCV (the parent company), BCV Group comprises the following wholly or almost wholly owned subsidiaries: Piguet Galland & Cie SA, G rifonds SA, and Soci t  pour la Gestion de Placements Collectifs GEP SA. The parent company's Board of Directors and Executive Board also serve as the Board of Directors and Executive Board of the Group, which is not a holding company. At the operational level, each of the subsidiaries reports to a BCV division according to the type of business in which it engages. Upon the recommendation of the parent company's Executive Board, the parent company's Board of Directors submits proposals to the subsidiaries' boards of directors concerning the appointment of, as a general rule, the majority of the members of those boards (including the chair), and the appointment of their CEOs.

The parent company's Board of Directors determines the strategic role of the subsidiaries within the Group and the general principles that apply to the Group as a whole. Subsidiaries have control systems in place and report periodically to the parent company.

BCV Group applies corporate governance standards and best practices. The parent company follows the recommendations contained in the Swiss Code of Best Practice for Corporate Governance whenever they are compatible with its status as a corporation organized under public law.

BCV Group entities adhere to a strict separation of functions policy, and the powers and duties of their various committees are formally documented. The legal, regulatory, and internal-policy requirements that apply to our activities are set out in in-house directives and procedures. Each entity's internal control system, which falls under the responsibility of the entity's executive board and board of directors, ensures that these requirements are properly implemented. A detailed description of the parent company's governance arrangements and internal control system can be found on page 73 of our 2024 Annual Report.

### No political contributions

BCV Group does not make any political donations, nor does it provide support of any other kind to any political party or organization. We do not take positions on political issues, except for matters that concern the Group's business activities or that could have a material impact on our business environment. We do, however, encourage our employees to get involved in the community, including in organizations of a political nature, and roughly 100 staff members hold public office alongside their work at BCV.

### Members of the Board of Directors

BCV's Board of Directors comprises seven non-executive members. None of the members performs any other functions within BCV Group, and all are independent members within the meaning of FINMA Circular 2017/1 "Corporate governance – banks."

Three members are elected by shareholders.

Four members are appointed by the Vaud Cantonal Government (VCG).

Although they are given appointment letters, they are deemed independent, as they receive compensation for BCV board-related activities from the Bank alone and do not receive any specific instructions from the VCG.

All candidates for the Board of Directors, including those appointed by the VCG, are proposed by the Board (on the recommendation of the Compensation, Promotions and Appointments Committee) on the basis of their skills, knowledge, and professional experience. Other selection criteria include areas of expertise and a deep understanding of the business environment and overall context in Vaud, as well as consideration of the Board's gender balance.



### Membership in industry organizations

BCV is a member of several business and finance industry associations. In 2024, we paid CHF 1.2m in membership fees to these organizations (versus CHF 1.1m in 2023).

The Bank engages with sustainability issues through its membership in the Swiss Bankers Association (SBA) and the Association of Swiss Cantonal Banks (ASCB), two umbrella organizations whose mandates include representing the interests of the Swiss banking industry and Swiss cantonal banks, respectively. BCV's CEO sits on the boards of directors of both the SBA and the ASCB, and staff represent the Bank on various working groups within both associations. BCV's position on climate and other sustainability matters is in alignment with the approach taken by these two industry organizations. The Bank paid a combined CHF 827,000 in annual membership fees to the SBA and the ASCB in 2024 (versus CHF 745,000 in 2023).

BCV is also a member of the Asset Management Association Switzerland (AMAS). Although the Bank does not hold a seat on the AMAS board of directors, it is represented on the association's working groups on sustainable finance.

### Supporting associations for a sustainable economy

BCV is a member of Swiss Sustainable Finance, which aims to strengthen Switzerland's position as a hub for sustainable finance by providing information and training and by catalyzing growth.

We are also a member of swisscleantech, an organization that engages in political and private-sector advocacy to help achieve Switzerland's target of reaching net-zero by 2050.

In its June 2020 position paper entitled *Sustainable Finance in Switzerland: From Pioneer to a Premier International Hub*, the SBA declared its support for the transition to a sustainable economy and argued that sustainable finance represents an opportunity for the Swiss banking industry.<sup>1</sup>

In June 2022, it published guidelines for its members on promoting energy-efficient renovations when providing in-person and online advice to people seeking financing for single-family and vacation homes.<sup>2</sup> Furthermore, the SBA has drawn up formal guidelines on providing clients with ESG information on their investments and encouraging them to pursue such investments. These guidelines took effect on 1 January 2023 and were updated in 2024.

The ASCB, in a sustainability position statement, writes that Swiss cantonal banks view economic, social, and environmental sustainability as an overarching guiding principle and support the United Nations Sustainable Development Goals, to which Switzerland is a signatory, as well as the climate targets set in the Paris Agreement. The ASCB further states that the cantonal banks engage actively in discussions on the implementation of these targets in the Swiss financial industry, and contribute to the development of relevant standards and classification systems.<sup>3</sup>

On its website, AMAS states that its aim is "to establish Switzerland as a leading hub for sustainable finance," indicating that this goal "is in line with the Federal Council's financial centre strategy and the commitment of the financial industry as a whole to play an active role in the transition to a more sustainable and globally carbon-free economy in order to achieve the 2050 climate targets." AMAS further asserts that asset managers "play an intermediary role between the real economy and investors and can influence and collaborate with business enterprises in their transition to more sustainable business models."<sup>4</sup>

<sup>1</sup> SBA, *Sustainable Finance in Switzerland: From Pioneer to a Premier International Hub*, June 2020

<sup>2</sup> A full list of SBA sustainable finance publications can be found on the [SBA website](#).

<sup>3</sup> Paraphrase of the [ASCB position statement](#) (in French)

<sup>4</sup> AMAS, [Our Goals](#)



The Bank is not represented on the boards of directors of Swiss Sustainable Finance or swisscleantech. We support their work by contributing to their initiatives and participating in their events.

### No profit shifting

The Group's presence outside Switzerland is limited to the Luxembourg subsidiary of Gérifonds, which creates, structures, and manages funds registered in Luxembourg.

BCV Group pays taxes in the jurisdictions in which it operates. In 2024, the Group paid CHF 74.9m in taxes, for an average tax rate of 15% relative to operating profit. Of this, 99.7% was paid in Switzerland in the form of direct federal tax and cantonal and municipal taxes. The remaining 0.3% was paid in Luxembourg.

### Compliance with laws and regulations

At BCV Group, we constantly analyze our strategic decisions, internal operating framework, and day-to-day business activities to ensure that they comply with the law, external and internal regulations, and the ethical standards set out in our Code of Professional Conduct.

As explained on page 40 of this report, the Code of Professional Conduct sets out the principles that govern the Group's relationship

with the authorities and the wider community, as well as with its employees. In particular, it emphasizes the importance of:

- complying with laws and regulations, and of the procedure employees should follow if they have any doubts
- identifying and managing conflicts of interest
- protecting confidential data relating to our customers, BCV Group, and employees
- reporting any behaviors, events, or incidents that violate the law, regulations, or the Code of Professional Conduct (i.e., whistleblowing); the Code specifies that the Group has a procedure in place to keep such reports fully confidential and protect any employee who makes a report in good faith.

BCV Group entities have systems in place for monitoring changes in the regulatory environment, while their business lines and support functions are responsible for identifying and analyzing regulatory developments that could affect their specific activities. This information is compiled into periodic reports for the parent company's Board of Directors, Audit and Risk Committee, and Executive Board.

In addition, Group employees are required to regularly complete training courses on applicable laws and regulations.

## Due diligence and tax compliance

BCV Group has invested considerable resources in the areas of:

- compliance with the various sanction regimes that it is required to follow
- monitoring of market abuse
- the fight against money laundering and the financing of terrorism
- tax compliance.

In all our business activities, we prioritize high-quality client relationships, and we do not enter into client relationships if the inherent risk is not aligned with the Group's risk tolerance in terms of money laundering, the financing of terrorism, market abuse, economic sanctions, or tax compliance.

### Economic sanctions

To the best of its knowledge, BCV Group complies with the various sanction regimes that it is required to follow as a result of its business activities. In this, we give priority to the sanctions imposed by the Swiss State Secretariat for Economic Affairs (SECO), the US Office of Foreign Assets Control (OFAC), the United Nations, the European Union, and the UK Office of Financial Sanctions Implementation (OFSI).

“ The Group systematically identifies all parties involved in each client relationship. ”

### Market abuse

BCV Group's systems for monitoring market abuse are designed to identify instances of insider trading and market manipulation.

### Money laundering and terrorist financing

By accepting funds and executing payment and financing transactions, banks are exposed to the inherent risk that one or several of their clients may be directly or indirectly involved in money laundering or the financing of terrorism. Banking supervision rules therefore require banks to have systems in place to detect signs of these activities. Determining the economic background of client funds and the purpose of transactions is a central component of the due diligence process, which consists of monitoring client relationships and transactions made through the Bank.

BCV's front-line businesses take initial responsibility for identifying money-laundering and terrorist-financing risks relating to both client relationships and transactions. The Compliance Department sets out the framework to be followed

within the Bank, provides tools for implementing that framework, and supports and monitors the work of the front-line businesses.

The Group systematically identifies all parties involved in each client relationship. Client relationships are classified into money-laundering and terrorist-financing risk categories, in line with the regulatory requirements set out in the Swiss Anti-Money Laundering Act (AMLA). These categories are then used to determine the extent of monitoring and the appropriate escalation process for each relationship. Client relationships showing signs of an increased risk of money laundering or terrorist financing must go through an approval process. This involves various levels of management, such as the Compliance Department. We categorize client relationships based on volume and exposure as well as regulatory criteria.

Dedicated software, configured for each of the Bank's business lines, is used to detect transactions that present a high

risk of money laundering or terrorist financing. High-risk client relationships and transactions go through an internal review process, which includes strict rules on supporting documentation, and all transactions presenting a high level of risk must be approved by the Compliance Department.

More details about our policies and processes for managing compliance risk can be found on pages 68 and 69 of our 2024 Annual Report.

### Tax compliance

Our policy is designed to prevent undeclared funds from entering BCV Group. It operates on the premise that customers are responsible for completing their tax returns, paying their taxes, and complying with all other legal and regulatory requirements that apply to them. We require non-residents to supply a self-certification form confirming that they comply with their tax obligations in their tax jurisdiction(s) and, in some cases, we may ask clients residing in Switzerland to supply a document of this type.

The Group complies with the requirements of the OECD Standard for Automatic Exchange of Financial Account Information in Tax Matters. We also comply with the Foreign Account Tax Compliance Act (FATCA) agreement between Switzerland and the United States. We constantly monitor the regulatory landscape and update our tax compliance directives, processes, and documents as needed.

In addition, BCV strives to make filing taxes as easy as possible for its customers. All BCV customers can request a full tax statement, while those who reside in Switzerland and bank digitally can download their tax documents directly from BCV-net and BCV Mobile. We also offer an electronic tax statement that allows customers to import their tax data directly from BCV's digital banking system into their online cantonal tax returns. This feature, which we developed in coordination with the Vaud cantonal tax authorities, makes the whole process faster and more convenient while reducing the risk of manual filing errors.

## Anti-corruption measures and managing conflicts of interest

### Managing conflicts of interest

Professional conduct and respect for the values of BCV Group are an integral part of our corporate culture. BCV Group's governing bodies and employees follow the principles and rules set out in our Code of Conduct.

As a financial institution, BCV Group may encounter potential or actual conflicts of interest in the course of doing business. As such conflicts cannot be fully avoided, all appropriate measures are taken to manage them effectively and with the necessary transparency. Any potential conflict of interest will be handled by refusing to provide the corresponding service or by informing the client or third party concerned, in an appropriate manner, of the existence and nature of the conflict of interest and of the resulting risks. This information will be provided

in writing and with the details needed for the person in question to make an informed decision about the service associated with the conflict of interest.

BCV Group has drawn up an internal framework to help identify and manage potential and actual conflicts of interest. The framework sets out the basic principles on managing conflicts of interest, as well as the organizational measures and monitoring processes we employ to limit and control the associated risks.

Any use by an employee of confidential information obtained in a professional capacity about BCV Group, our customers, or third parties for the employee's own benefit or that of a third party is prohibited and may constitute a criminal offense.

BCV's approach to managing conflicts of interest is described in the Bank's Code of Conduct. Detailed information about our policy for managing conflicts of interest in our trading activities can be found on our website.<sup>1</sup>

<sup>1</sup> BCV, [Information on BCV's Policy for Managing Conflicts of Interest regarding Financial Services](#), March 2025



### Anti-corruption measures

BCV Group annually evaluates and monitors corruption risks, which can be closely related to the risk of money laundering and sanctions. Our strict control framework enables us to take appropriate measures, up to and including termination of a banking relationship.

BCV Group takes a zero-tolerance approach to all acts of active and passive corruption (bribing someone else or accepting a bribe). Employees may not offer, promise, or grant any advantage in any form that could lead to behavior contrary to the law or their professional obligations. And employees may not – for their own benefit or that of a third party – solicit, be promised, or accept from any party internal or external to BCV Group any direct or indirect advantage that has any bearing on their function.

For example, BCV employees are prohibited from offering and accepting gifts with a value of more than CHF 200 per person, or invitations to cultural or sports events or seminars where the price of admission is worth more than CHF 500 per person. BCV Group subsidiaries have similar policies in place.

Our anti-corruption rules are set out in the Code of Conduct, which applies across BCV Group as a whole, as well

as in the directives and employee regulations of each BCV Group entity. Any violation may result in disciplinary measures, up to termination. The most serious cases may be reported to the authorities. Furthermore, an anti-corruption clause must be included in any contract subject to foreign law; the clause aligns with the anti-corruption provisions applicable to all contracts concluded under Swiss law.

The Group has also put in place training and awareness-raising measures in this respect. For example, new parent-company hires at all levels, from apprentices to managers, must take part in an onboarding program that covers corruption and conflicts of interest. And while employed at BCV, staff periodically receive refresher training that is updated in line with current needs and requirements. Members of the Executive Board also undergo such training.

As in 2023, there were no confirmed cases of corruption among BCV Group's employees or governing bodies in 2024.

## Data protection

At BCV Group, we take every precaution to protect the personal data of our customers and employees. And we know our customers' trust depends on our ability to keep their personal data secure and use it appropriately. A failure on this front could cause both financial losses and reputational harm to our customers and to the Group itself.

Switzerland's revised Federal Act on Data Protection (nFADP) came into effect on 1 September 2023. The nFADP represents a major overhaul of the first Federal Data Protection Act, which dated back to 1992, and brings Swiss law more closely into line with European Union law. The nFADP introduces stricter rules on the processing of personal data.

“BCV Group takes a zero-tolerance approach to all acts of active and passive corruption.”



For instance, companies are now required to:

- apply two new principles: “privacy by design,” which requires privacy and data protection to be hardwired into products and services starting from the design phase, and “privacy by default,” which requires products and services to be designed with the highest possible level of data protection enabled when they are released (i.e., without any intervention from users)
- carry out a data protection impact assessment before starting a processing activity that presents a high risk to data subjects’ personality rights or fundamental rights
- inform data subjects before collecting any of their personal data (not just their sensitive personal data, as was the case previously)
- keep a register of personal data processing activities, including information about how the companies process personal data, so they can handle information requests more promptly
- notify the Federal Data Protection and Information Commissioner of any personal data security breach

that presents a high risk to the data subject’s personality rights or fundamental rights.

We have drawn up a series of documents outlining our data protection policy, which is based on this new legal framework.

Our Code of Professional Conduct sets out the principles and rules applicable to all BCV Group staff with regard to privacy and data protection. If we are required to collect personal data about our customers or employees, whether by law or by circumstances, we handle such data in compliance with the nFADP. And whenever we share data with authorized third parties, we adhere to the law and our General Conditions.

The Group has a range of organizational and technical measures in place to prevent personal data from being viewed, used, modified, or destroyed by unauthorized persons. We centrally manage access to customers’ data and apply the need-to-know principle when deciding who can view the data.

Further details can be found in our Data Privacy Notice, which is available on the BCV website and applies to all BCV Group companies.<sup>1</sup>

The notice describes customers’ data-protection rights and informs data subjects of the types of personal data we process and how we use that data. It states that data subjects have the right to:

- access their personal data
- have their personal data corrected if inaccurate or incomplete
- oppose or request to limit the processing of their personal data
- request the deletion of their personal data (if there are no overriding interests that require the ongoing collection of personal data).

“The Group has a range of organizational and technical measures in place to prevent personal data from being viewed, used, modified, or destroyed by unauthorized persons.”

<sup>1</sup> BCV, [Data Privacy Notice from BCV Group Companies](#), January 2024

## Cybersecurity

Cybercrime is continuing to increase and represents a major risk for companies, including BCV. Because cybercrime is an especially pressing concern for the Group, the parent company and subsidiaries have systems in place to assess, identify, prevent, and address potential threats to the Group's businesses – including cyberattacks, fraud, and other security risks – and we have taken appropriate measures to protect our IT systems, data, and operations. We monitor these threats around the clock, working closely with specialized partner firms and with Swiss government agencies in charge of combating cybercrime, such as the National Cyber Security Centre (NCSC).

BCV's information management system fully complies with and is certified

to ISO/IEC 27001. This international standard sets out technical, physical, and organizational requirements for implementing, maintaining, and continually improving information security management systems.



Because the methods used by cybercriminals are changing constantly, we regularly review and upgrade our practices, and we use penetration testing and other measures to test our capacity to withstand cyberattacks.

The Bank's business continuity system is certified to ISO 22301. This standard

sets out technical and organizational measures aimed at enhancing resilience to unforeseen disruptions. The measures we have put in place are designed to reduce the likelihood that a disruptive event will occur, to lessen the impact should such an incident happen, to bolster our readiness and response, and to keep the Bank's essential services running.

The Bank runs regular, full-scale exercises to make sure its systems and processes are robust:

- We test our business continuity plans once a year.
- We hold crisis-management simulation exercises at least once every two years as a way to train essential continuity staff and improve our procedures.

### Priority cybersecurity threats for BCV Group

We have identified a number of cyber and other security threats, grouped into three categories:

- hacking and other attempts to gain unauthorized access to IT systems, which can take two forms: malware and similar intrusions, which use malicious software to try to infect our systems, and denial-of-service or mass-mailing attacks, which seek to prevent authorized users from accessing these systems
- customer data theft and breaches of confidentiality, which can originate from within or outside the Group
- identity theft, whereby a fraudster steals a customer's identification details or misappropriates tools used by the customer, such as payment software.

To protect against cyber and other threats, Group entities regularly test and update their security systems to make sure their safeguards and measures remain effective and adequate over time.

Since preparedness starts with awareness, we post regular messages and run campaigns to keep employees alert to cyber threats, covering subjects such as data leak prevention and security when working remotely. Phishing, whereby cybercriminals target employees with fake emails, poses a particular threat at BCV, and we have responded with an ongoing prevention campaign. Measures include:

- social engineering tests, where we check how alert employees are to cyberattacks by sending them fake phishing emails
- additional training for staff who fall victim to these simulated attacks.

Major banks in Switzerland and worldwide are experiencing a rising tide of fraud attempts against their

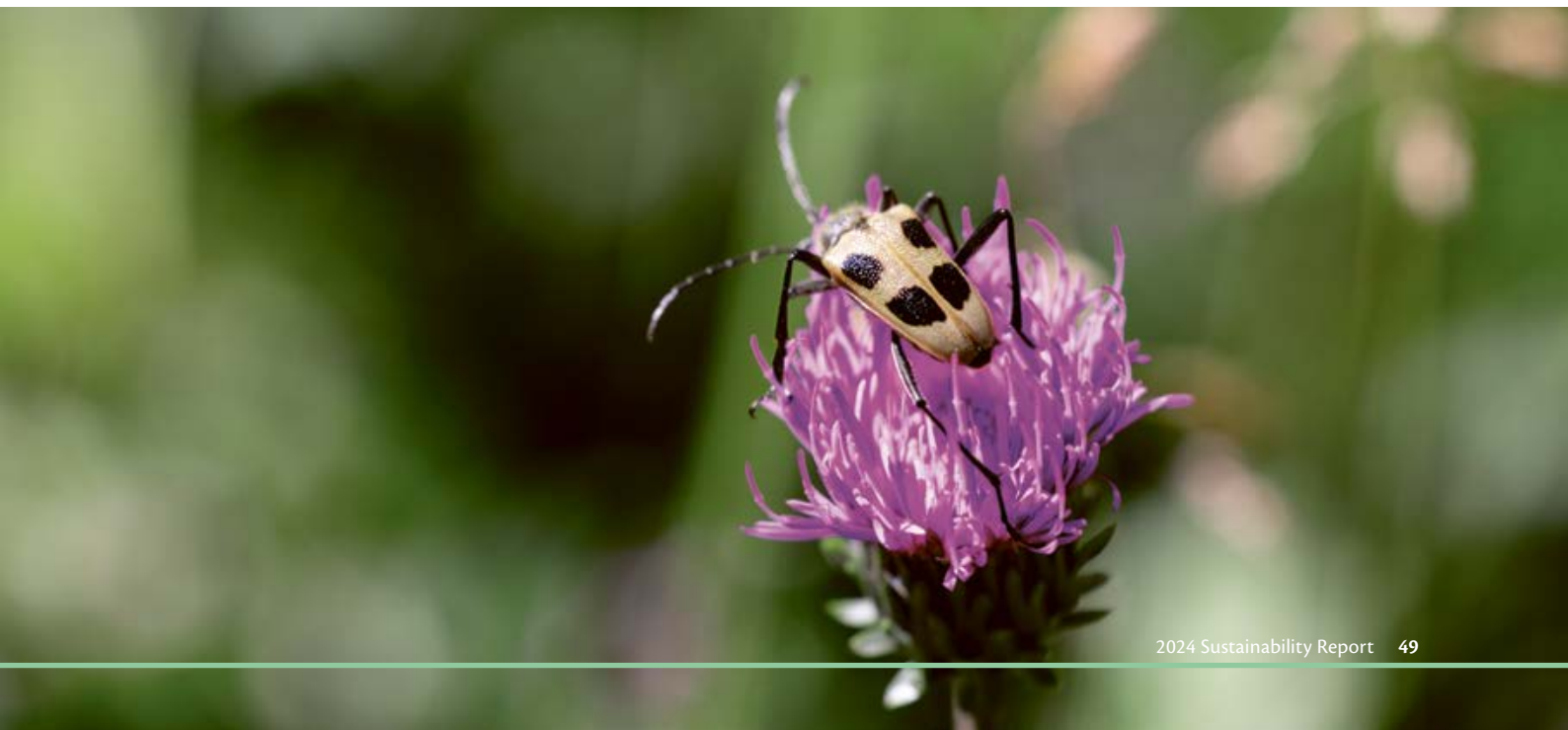
customers. In response, we now display alerts on this topic on the landing pages for BCV's online banking services. A dedicated page on our website features tips and advice explaining how customers can stay safe online and what to do if they think they may have fallen victim to a scam.<sup>1</sup> We have also rolled out new account security features that customers can switch on and off themselves in the BCV Mobile app. For instance, customers can allow web-browser access from within Switzerland only or block it completely. In addition, customers who think they may have fallen victim to a scam can call us at any hour of the day or night to block their accounts or cards.

We regularly share information and advice with the general public and our customers – especially our

business clients, who are highly vulnerable to cyberattacks. Last year, our experts wrote further articles on cybersecurity for the Swiss daily newspaper 24 Heures. We will continue these efforts in 2025.

“Because the methods used by cybercriminals are changing constantly, we regularly review and upgrade our practices.”

<sup>1</sup> BCV, [Cybersecurity](#)



## Responsible selling

At BCV Group, we recognize that our customers come to us for products and services tailored to their needs. We also know that they rely on us to provide reliable financial advice and to be open and transparent with them. As part of our approach in this area, we are especially mindful of the risk of greenwashing. Some of the steps BCV is taking on this front are detailed below:

- Our advisors are trained to speak to customers about the financial risks associated with our various products and services – including in day-to-day banking, lending, financial planning, and our discretionary management and advisory services.
- We have clearly defined governance structures and processes in place to make sure that we advertise responsibly, transparently, and factually. Our advertising is checked by our Marketing and Communications Committee, which includes a division head, the communications director, and various business-line representatives. The head of Corporate Social Responsibility is also consulted. Advertising is then approved by the relevant division head and the Bank's CEO before release.

- On our website, we clearly explain how customers can submit a complaint or comment over the phone, by email, or using the online contact form.<sup>1</sup> On this same page, we inform customers of their right to refer their case to the Swiss Banking Ombudsman – a free, independent information and mediation service dealing with complaints brought by customers against banks headquartered in Switzerland – and we provide the relevant contact details. More information about our customer-feedback process can be found in the section of this report entitled “Our culture of service quality” (starting on page 58).

The following sections describe some of the ways we strive to offer top-quality, customer-centric products and services.

### Transparent fees

For several years now, we've published brochures for our personal<sup>2</sup> and business<sup>3</sup> customers summarizing the fees that apply to our various products and services (current accounts, credit and debit cards, and investment advisory and discretionary management services). We always give customers at least 30 days' notice of any changes to our fees and conditions.



### Investment advice and discretionary management: putting our clients first

Clients opening securities accounts with BCV are made aware of the financial risks associated with investing and receive a free digital copy – or, upon request, a paper version – of “Risks Involved in Trading Financial Instruments,” a guide published by the Swiss Bankers Association.<sup>4</sup>

The Bank complies with the requirements of the Swiss Federal Act on Financial Services (FinSA), which sets out measures to protect the clients of financial service providers. For our investment advisory<sup>5</sup> and discretionary

<sup>1</sup> BCV, [Making a Complaint](#)

<sup>2</sup> BCV, [Fees for Financial Services for Clients affected by the Swiss Financial Services Act \(FinSA\)](#), January 2024

<sup>3</sup> BCV, [BCV Corporate Banking Account Terms and Conditions](#), January 2025

<sup>4</sup> Swiss Bankers Association, [Risks Involved in Trading Financial Instruments](#), June 2023

<sup>5</sup> BCV's investment advisory service encompasses both an occasional and a full advisory service within the meaning of FinSA.



management services, we always check that our recommendations are in line with the client's investment profile, taking into account their financial circumstances and objectives, knowledge and experience, investment horizon, and risk tolerance, and our advisors receive regular training on the rules and procedures they need to follow. We have also published a brochure for clients explaining how we comply with our FinSA obligations.<sup>1</sup>

The Bank also complies with the Swiss Bankers Association's guidelines on integrating ESG preferences and risks into investment advice and portfolio management.<sup>2</sup> For both our discretionary management and advisory services, we ask clients about their socially responsible investing (SRI) preferences and offer a wide range of investment solutions that meet their needs and align with market best practices. The SRI approaches we implement in our investment solutions are described in our SRI policy, which is available on our website.<sup>3</sup> More details of our SRI approach and products can be found starting on page 62 of this report.

In our discretionary management service, we research and select investment solutions that represent the best fit for each client. And for the investment funds in our private

wealth management portfolios, we select the share classes that are the most advantageous for our clients.

In our investment advisory service, the Bank recommends various investment universes depending on the service category. Each universe comprises a mix of proprietary and external products selected on the basis of qualitative and quantitative criteria. Our fee structure for full advisory contracts is based on an annual advisory fee that does not depend on the number of client transactions. This helps hardwire truly independent advice into our business processes.

BCV deliberately does not offer or recommend investments in cryptocurrency or crypto-linked vehicles to clients opting for our investment management or advisory services.

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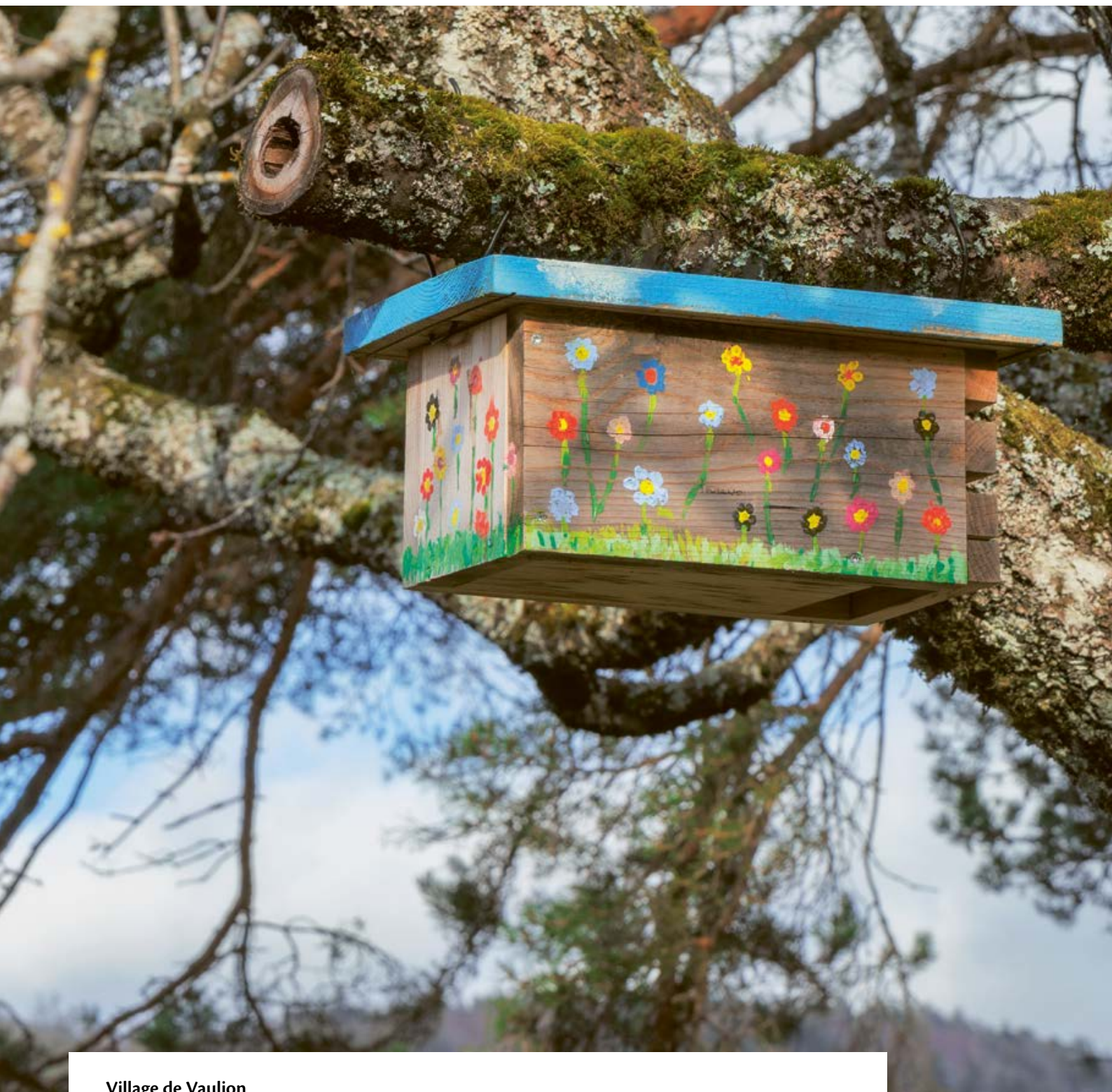
<sup>1</sup> BCV, [General Information on the Swiss Financial Services Act \(FinSA\)](#), June 2024

<sup>2</sup> Swiss Banking, [Guidelines for the Financial Service Providers on the Integration of ESG Preferences and ESG Risks into Investment Advice and Portfolio Management](#), October 2023; [Guidelines for the Financial Service Providers on the Integration of ESG Preferences and ESG Risks and the Prevention of Greenwashing in Investment Advice and Portfolio Management](#), May 2024

<sup>3</sup> BCV, [Socially Responsible Investment \(SRI\) Policy](#), January 2023







### **Village de Vaulion**

This birdhouse in Vaulion, decorated and installed by local schoolchildren, provides shelter for the common redstart, a migratory bird on Switzerland's Red List. It is one of many such structures stationed in Vaulion and the surrounding municipalities as part of a conservation project led by the park authority. Local communities are also planting trees in an effort to protect this near-threatened species.



# Meeting our customers' needs



## Close ties with our customers

At BCV, we aim to maintain our position as the bank of choice for the people and businesses of Vaud. Building and sustaining close ties is at the heart of our business model. Those close ties underpin how we help customers make sense of key financial issues and how we keep pace with their evolving expectations. We're also physically close, with a branch network across Vaud that aligns closely with the needs of the community and economy that we serve.



Nearly  
**60**  
branch offices  
throughout Vaud

Being close to our customers also means being increasingly accessible and in step with changing lifestyles. Customers can come into a branch to do their day-to-day banking and receive financial advice, as well as access a wide range of services remotely. For instance, they can speak with an advisor from the comfort of

their own home or take advantage of our ever-growing digital offering.

### An extensive branch footprint

We are the most widely accessible bank in Vaud thanks to our dense retail network, which includes nine decision-making centers, nearly 60 branch offices, and over 160 ATMs in more than 100 locations.

### A multichannel customer experience

At BCV, we believe that customers should be able to choose how they interact with us – whether they want to work with an advisor in person or remotely, or manage their affairs by themselves online. We are putting that choice in our customers' hands by:

- maintaining our physical presence throughout the Canton, while keeping pace with advancements in technology and ever-changing customer needs
- making banking with us a seamless, effortless experience across all our channels
- rolling out new digital banking services and features.

We have made it easy and convenient for customers to speak with an advisor remotely. In addition to getting day-to-day banking advice by telephone, personal banking customers can make a videoconference appointment to discuss their loan or investment.

Our Customer Service Center, which is open every weekday from 7:30am

to 7:30pm, handled 725,000 customer contacts across all channels in 2024 – a sharp increase from 640,000 in 2023 as customers reached out for support with new cybersecurity measures and our digital banking services.

We also have a small business hotline offering remote advisory and day-to-day banking services to business customers, which is open weekdays between 8:00am and 6:00pm. The hotline handled around 100,000 inquiries in 2024 (a similar number as in 2023).

Our customers are increasingly taking advantage of our secure online banking platform, which is available in English, French, and German and can be accessed 24/7 via BCV-net on a computer and BCV Mobile on an iOS or Android device. Over 335,000 customers made regular use of our digital services in 2024 – 6% more than in 2023. We expect this number to keep rising as we continue to increase the number of products and services that customers can sign up for digitally.





### Backing local businesses

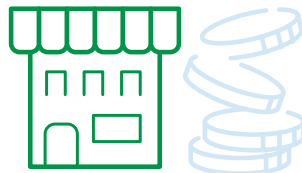
Our products and services cater to the needs of companies at every stage of their development. For budding entrepreneurs and new business owners, for instance, we run a regular series of seminars and offer discounted hour-long advice sessions in collaboration with the Vaud Chamber of Commerce and Industry (CVCI), GENILEM, and Star'Terre. We also hold events for Vaud-based companies such as a webinar on business finance, which drew 80 attendees last year.



**80** people attended BCV's business finance webinar

In 2024, we provided around CHF 90m in financing to get over 150 businesses off the ground in Vaud Canton (versus over CHF 70m in 2023), helping create more than 370 new jobs. Also last year, as in 2023, more than 800 businesses took advantage of our free services for companies less than two years old. And through partnerships with select organizations, we help back innovative businesses and high-impact initiatives. More information about our work in this area can be found on pages 36 and 37 of this report.

“By providing financing to help make business successions happen, BCV helps ensure that companies remain in Vaud.”



Over **150**  
new businesses  
financed

BCV provided more than CHF 80m in financing to help make over 65 business successions happen in 2024 (versus more than CHF 50m in financing for over 60 business successions in 2023), thereby helping to ensure that companies, expertise, and jobs remain in the Canton. Our business succession team is backed by in-house specialists in financing, asset management, and pensions. And our deep connection with the local community means that for every succession that we're involved in, we can bring to bear unique insights into the businesses of our home region and the people who run them.



Over **65**  
business  
successions  
financed

We also partner with the main Vaud business associations and local companies to offer BCV clients special deals to help them manage their businesses. For example, they can get discounts on PayEye QR bill readers from Crealogix, on Worldline payment terminals, and on the bexio online accounting software.

Last year, we continued our partnership with the PEIK energy audit program offered by SuisseEnergie (an energy-efficiency and renewable-energy initiative backed by the Swiss federal government) to support our corporate clients in their energy transition, contributing to the cost of these audits for 13 companies in Vaud Canton. Under the arrangement, corporate clients that carry out a PEIK energy audit can also take advantage of our Green Bonus capital expenditure loans to finance the recommended energy-saving measures, with zero interest for the first six months (more details can be found on page 88 of this report).



Our digital services are designed with the needs of our business clients in mind. In 2023, the Bank's digital-banking offering for business customers was highly rated in a study conducted by think tank e.foresight and the Institute for Financial Services Zug, part of Lucerne University of Applied Sciences and Arts.

### Risk-management support for corporate clients

Our business lines work together to help businesses and institutional clients – SMEs, large corporates, real-estate professionals, and public-sector entities – understand and manage interest-rate and exchange-rate risks.

Last year, our trading-floor specialists and corporate banking advisors held around 300 client meetings on these topics (versus 370 in 2023). These sessions were designed to help corporate clients assess their risk exposures and talk through their options for mitigating these risks.

## Competitive products and services

Our competitive products and services are designed to meet the banking and financial needs of Vaud residents and businesses.

### A full range of personal banking products

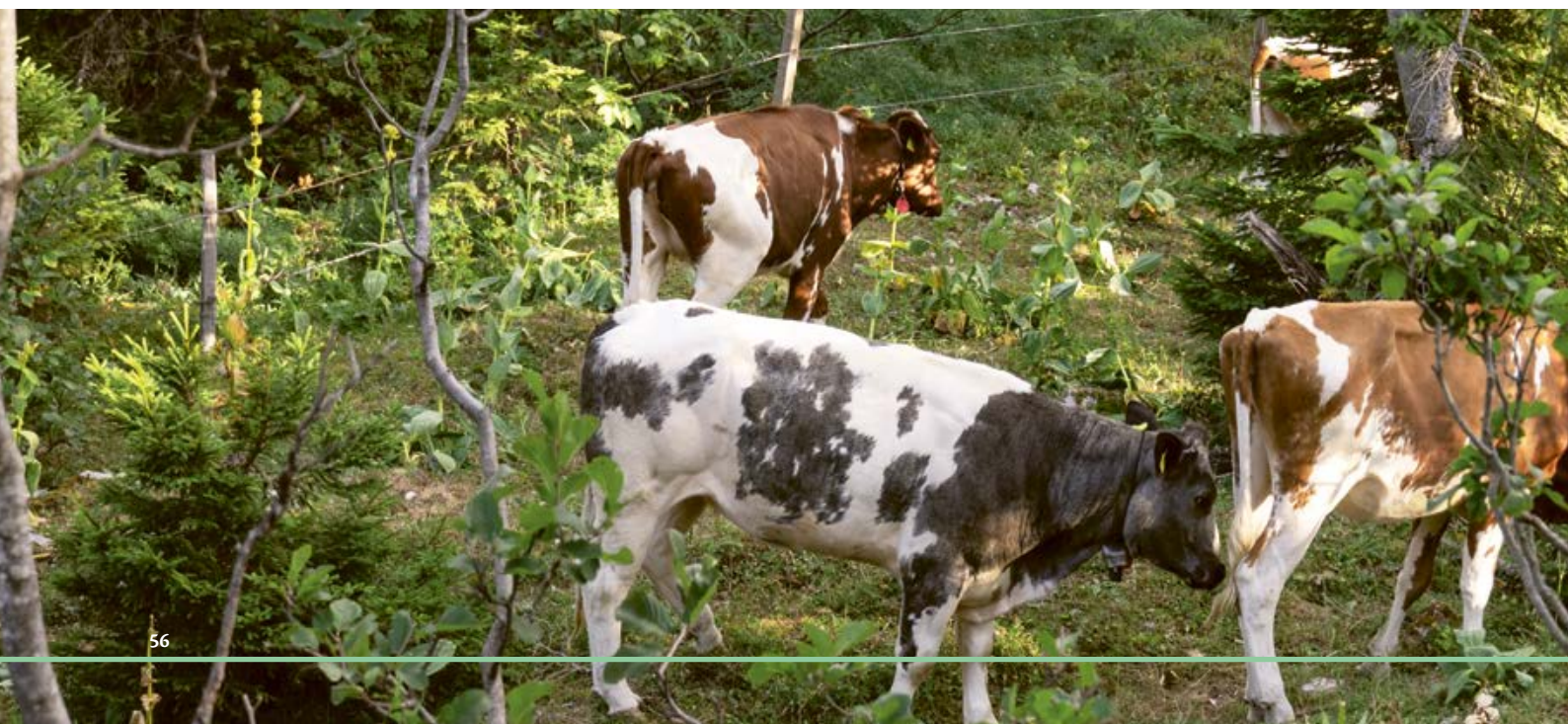
We offer a full range of personal banking products – including current, savings, and retirement accounts, mortgage loans, and wealth-management services – that are designed with competitive, attractive features tailored to the needs of our customer base.

Last year, we added a number of features to our website, [bcv.ch](https://bcv.ch), to our BCV-net online banking platform, and to our BCV Mobile app, which received 7.7 million, 4.2 million, and 64.1 million visits respectively in 2024 (versus 7.5 million, 3.9 million, and 51.9 million

in 2023). For instance, customers can now apply to open a Start Invest savings plan and manage their term accounts and fiduciary deposits via our digital banking platforms, while a new chatbot is there to assist with day-to-day banking inquiries. Video tutorials are also available in BCV Mobile to help customers get the most out of the in-app experience.

In response to the growing threat of cybercrime, the Bank has added an extra layer of security to the login process for BCV-net and the BCV Mobile app. We have also rolled out new anti-fraud features, including the ability to set payment limits and disable international payments and same-day payments to new beneficiaries.

BCV Mobile provides our wealth-management clients with the full range of features available on BCV-net – such as the ability to consult financial news articles, review investment opportunities and proposals, and place buy/sell orders – in a modern, streamlined interface.





We make investment solutions available to a broad demographic. One way we do this is through our BCV Start Invest savings plan, which lets our personal banking customers invest in funds starting from CHF 50 a month.

In mortgage lending, we offer preferential rates on loans for energy-efficient properties and renovations. More details can be found in the "Responsible lending" section of this report (starting on page 81).

We offer insurance products through our partner Retraites Populaires. We do not provide leasing services, consumer loans, or other unsecured loans directly to individuals. Instead, we refer customers to our partner cashgate, which specializes in those types of loans.

### Serving the region's pension funds

We are the partner of choice for our region's pension funds. Nearly three-quarters of all pension funds in Vaud are clients of our Asset

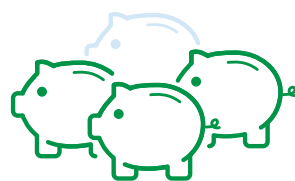
Management Department. The collective occupational pension fund AVENA Fondation BCV Deuxième Pilier manages pension assets for over 17,000 members covered under more than 1,000 pension plans. And we handle all administrative, accounting, and technical tasks for 17 other independent occupational pension funds, representing over 20,000 members.

Our Asset Management Department provides valuable advice and support – including on socially responsible investing (SRI) strategies – for our pension fund clients. Since 2018, we have integrated environmental, social, and governance (ESG) criteria into portfolios without compromising on expected risks or returns – as our business and institutional clients expect.

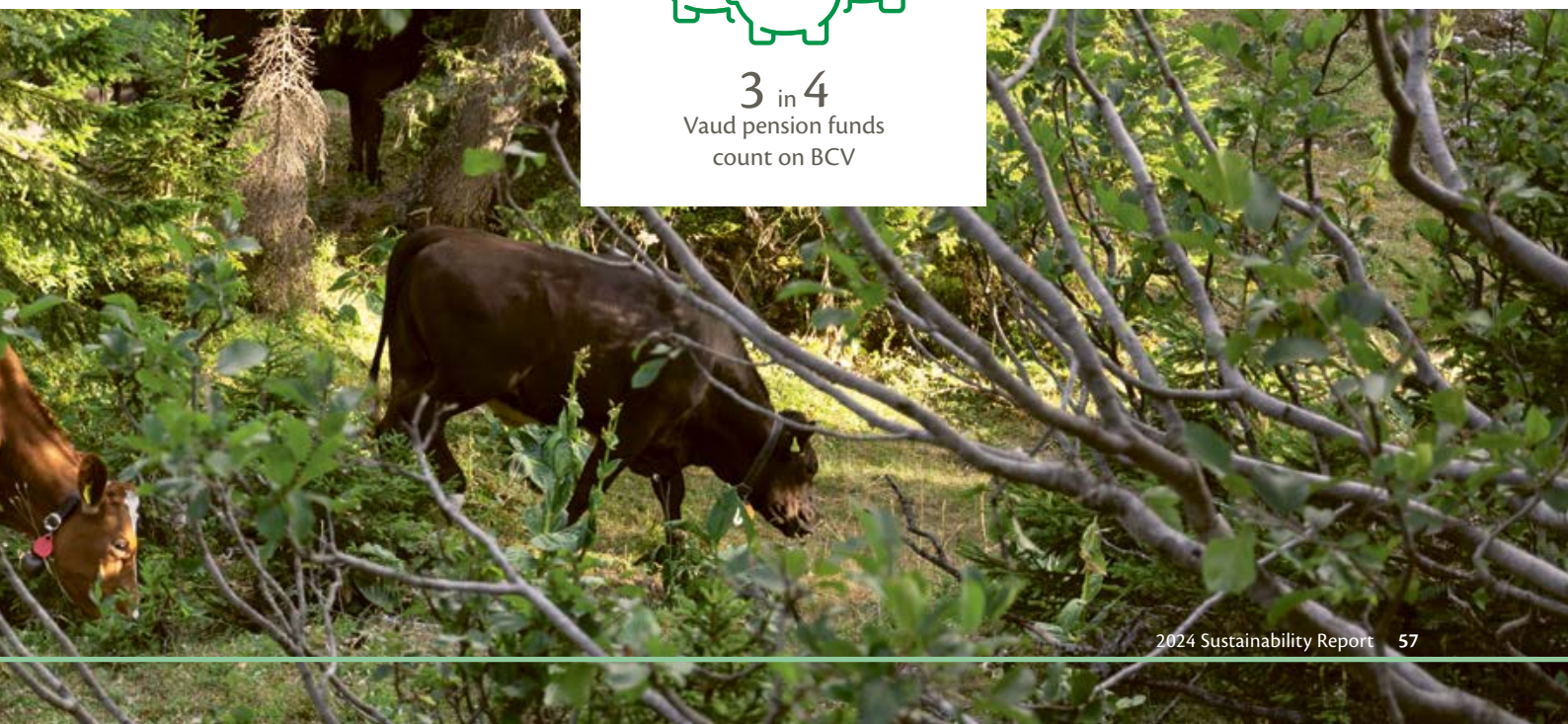
We are constantly refining our range of investment solutions for business and institutional clients in this increasingly

important area. Last year, we asked all our clients about their expectations in terms of incorporating ESG criteria into their investments. We also hold events in conjunction with Ethos, where our clients learn more about SRI and sustainability. More details of our SRI approach can be found in the "Responsible investing" section of this report (starting on page 64).

The Bank also offers training courses for pension board members, with 72 people attending these sessions in 2024 (versus 79 people in 2023).



3 in 4  
Vaud pension funds  
count on BCV







## Our culture of service quality

Service quality is one of the first things customers look for in a bank. This has been confirmed by market research, and it's something we know from our own experience. Service quality is also a key factor in whether customers recommend their bank to friends or family.

### Putting customers first

Continually improving customer satisfaction has been a strategic priority at BCV since 2015, when we launched our "Smile" program, with the goal of differentiating ourselves from the competition through operational excellence and impeccable customer service. These efforts have been recognized by the people of Vaud: in 2024, BCV was the most recommended bank in the Canton for the seventh consecutive year, according to annual surveys of representative samples of Vaud residents.<sup>1</sup> Our ambition is to retain this number-one position going forward.

### Steps we've taken

We have set up a cross-functional service quality team with responsibility for implementing the many measures introduced under our "Smile" program. All BCV employees complete training at the EHL Hospitality Business School, the world's top-rated hospitality management school. The one-day course focuses on the importance of

service quality at BCV and spotlights best practices in customer care and communication. In addition, we regularly provide refresher training for staff members across all BCV divisions. In 2024, our employees took a series of online quizzes focused on key elements of service quality, helping us maintain a consistent standard across our workforce.

Our far-reaching service-quality management system – which covers both customer-facing and non-customer-facing teams and includes over 100 metrics – draws on customer surveys, operational indicators, and mystery-shopping results.

In 2024, as in previous years, customers increasingly chose to bank online, especially on their smartphone. Despite this trend, branch footfall was 7% higher last year than in 2023. We handled this increase in line with our high standard of service: for example, on average, customers waited just 7.3 minutes to speak to an advisor (versus 6.0 minutes in 2023) and 4.1 minutes to see a teller (versus 4.3 minutes in 2023). These efforts are reflected in our customer satisfaction score, which stands at 3.6 out of 4 (the same as in 2023).

Our customers need to be able to reach us by phone. Our long-term target is to achieve a call answer rate in excess of 90% across the Bank, including at our call centers. In 2024, our answer rate came in slightly below target, at 88% (versus

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<sup>1</sup> Sources: YouGov Switzerland – Swiss Brand Observer, survey on brands in Switzerland, 2024; LINK, survey on the Swiss banking landscape, 2023; AmPuls Market Research, survey on the public image of Swiss banks, 2022; LINK, survey on the Swiss banking landscape, 2021; LINK, survey on the public image of Swiss banks, 2020; LINK, survey on the Swiss banking landscape, 2019; LINK, survey on the public image of Swiss banks, 2018



on-target performance of 91% in 2023), owing primarily to a sharp increase in call volumes (12% higher than in 2023).

Our online and mobile banking platform continues to grow in popularity. Our customers particularly appreciate BCV Mobile, which is the fourth highest-rated banking app in Switzerland, with a score of 4.6 out of 5 in the App Store. Customers also made around six million withdrawals from BCV ATMs in 2024. Service uptime across our digital services and ATMs exceeded 99%, which was in line with the 2023 figure.

We regularly review and refine our approach to protecting our customers against a rising tide of increasingly sophisticated fraud attacks. As well as fine-tuning our fraud detection systems (more information can be found starting on page 48), we are also working hard to keep customers informed, including through warning messages that appear when they log in to our online banking system.

At BCV, we see customer feedback as a key element to improving our products, services, and processes. We have a customer feedback center that can be accessed across all our

“ At BCV, we see customer feedback as a key element to improving our products, services, and processes. ”

channels via a dedicated email address (feedback@bcv.ch). We also carry out customer satisfaction surveys and systematically follow up on complaints. In 2024, we received 590 customer complaints that couldn't be handled on the spot (versus 595 in 2023). As in the previous year, 92% of these complaints were processed within the target deadlines. This feedback system enables us to improve on several fronts: first, through contact with customers to understand and address the root cause of their complaint, and second, by adjusting our processes accordingly. For example, customers with a building loan can now submit payment claims electronically via BCV-net or the BCV Mobile app thanks to feedback we received through this system.

how likely our customers are to recommend our Bank. In 2024, our NPS was +40 on a scale that ranges from –100 to +100. This two-point increase on our 2023 score shows that our longstanding efforts to raise the bar for service quality are paying off.

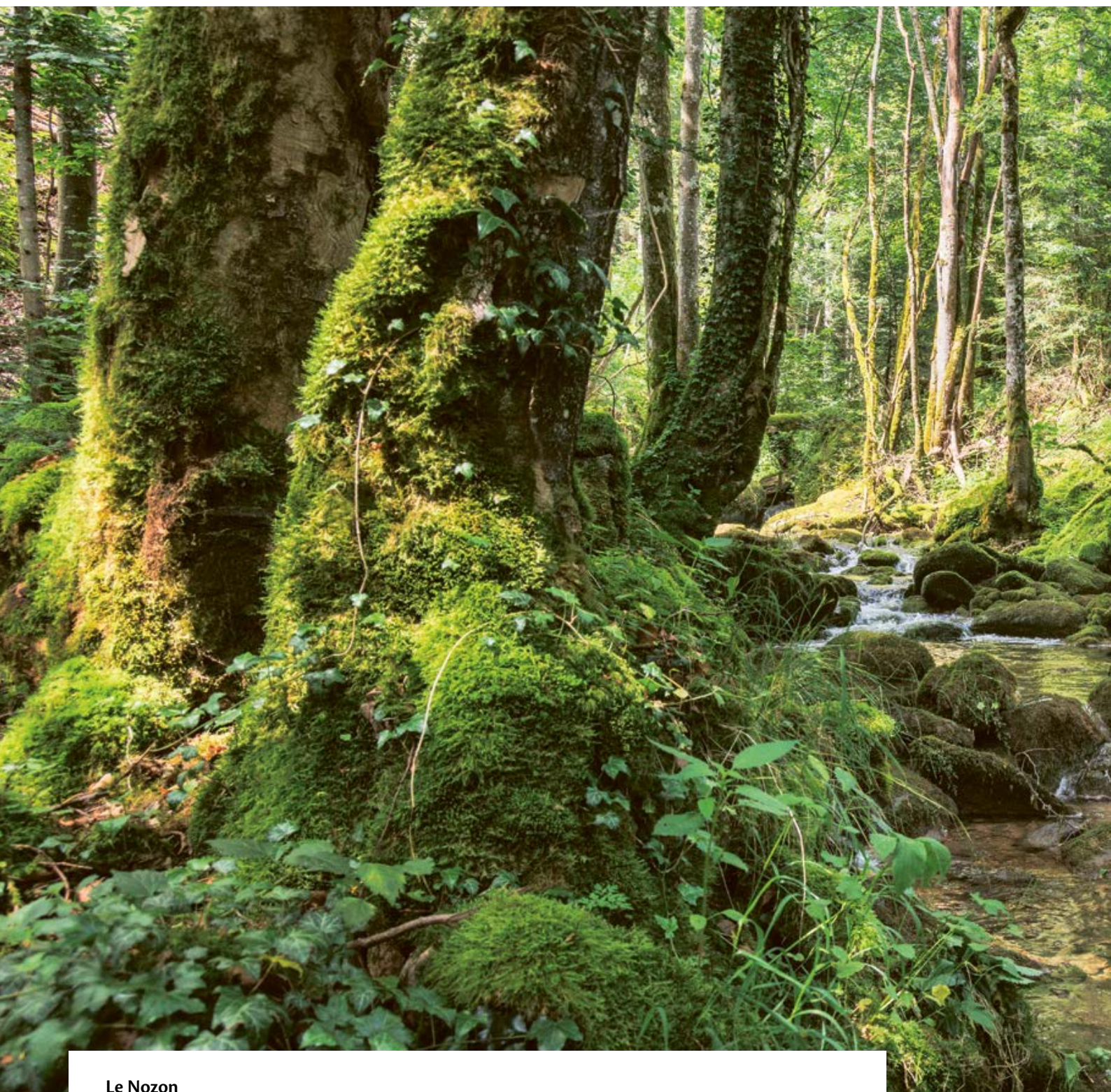
### Net Promoter Score

At BCV, we regularly check in with customers to gauge their satisfaction. One metric we track is our Net Promoter Score (NPS), which tells us

### Service quality

	2020	2021	2022	2023	2024
Net Promoter Score (NPS)	+29	+32	+33	+38	<b>+40</b>



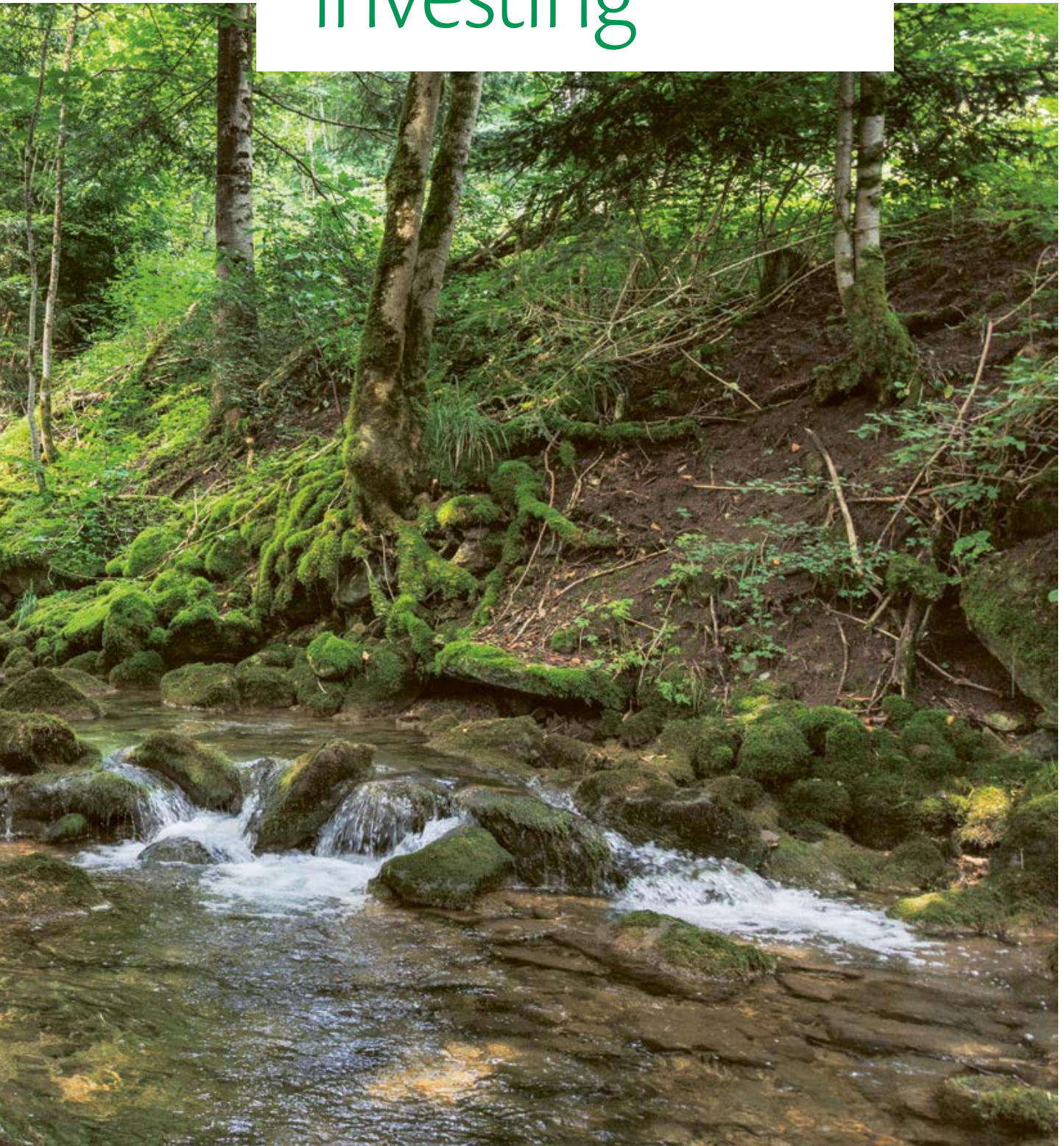


### **Le Nozon**

From its source at Cul du Nozon, a karst landscape typical of the Jura Mountains, the Nozon river winds through Vaulion and on to the village of Romainmôtier-Envy, the site of a former Cluniac priory. It then empties into the Talent, which in turn flows into the Orbe. With its natural bed interspersed with waterfalls, the river carves a meandering channel through open countryside.



# Responsible investing





## Proprietary assets

We do not have a proprietary trading business, have a portfolio of shareholdings, or acquire stakes in companies that are unrelated to our activities. The only proprietary assets we hold are those needed to meet our regulatory requirements as a bank, as well as a small number of assets in connection with our historical role in Vaud Canton's economy. These investments include:

- financial investments held primarily to build up our liquidity reserves, which are made up of investment-grade bonds authorized by the Swiss National Bank (e.g., bonds issued by the central mortgage-bond institutions, the Swiss federal and cantonal governments, foreign governmental institutions, or supranational authorities)
- shareholdings in companies directly related to our activities, such as SIX and TWINT
- small shareholdings in companies with a historical link to Vaud Canton or the Bank.

More information about our proprietary assets can be found in our 2024 annual report (on pages 140 and 141).

### Greenhouse gas (GHG) emissions associated with our proprietary assets

Mortgage bonds are the Bank's biggest category of proprietary assets by volume (CHF 3.806bn in 2024). The scope 1 and 2 GHG emissions<sup>1</sup> associated with these bonds are negligible, as indicated in the table at right, because the emissions of the buildings underlying the mortgages are accounted for in the scope 3 emissions of the central mortgage-bond institutions.

While sovereign debt makes up a small percentage of the Bank's proprietary assets by value (CHF 237m in 2024), the absolute emissions associated with this category amounted to 15,968 metric tons of CO<sub>2</sub> equivalent (tCO<sub>2</sub>e) in 2024 (versus a value of CHF 212m and 16,184 tCO<sub>2</sub>e in 2023). This results in a carbon intensity of 67.4 tCO<sub>2</sub>e per CHF million invested in 2024, a decline from 2023 (76.3 tCO<sub>2</sub>e per CHF million invested). These figures are not readily comparable with those for other

asset classes because sovereign debt is subject to a specific methodology for emissions accounting. As a result, these emissions are not included in the table at right and are reported separately here.<sup>2</sup>

We do not set climate targets for our proprietary assets, mainly because we have very little leeway in their selection. This portfolio is not held to generate income for the Bank. Instead, it is held in order to meet our regulatory requirements for liquidity reserves and collateral provision, for which strict criteria are set by the Swiss National Bank (e.g., only investment-grade bonds are eligible as collateral or for SNB repo transactions).

However, we have set climate targets for our asset management business (starting on page 65) and mortgage lending business (starting on page 83), which represent much larger asset categories for the Bank and for which we have greater scope to take action.

<sup>1</sup> These emissions were calculated based on MSCI data. There is currently no PCAF-recognized method for calculating the GHG emissions associated with mortgage bonds.

<sup>2</sup> The GHG emissions of countries are not assigned a scope but are calculated based on production and consumption figures. More information on the method used to calculate these emissions is given on page 137.





## Scope of proprietary assets included in GHG emissions calculation (in CHF millions)

	2022	2023	2024
Total proprietary assets	4,898	5,222	<b>6,319</b>
Excluded from GHG emissions calculation:			
– Shareholdings <sup>1</sup>	–216	–216	<b>–216</b>
– Other <sup>2</sup>	–1,142	–1,101	<b>–1,516</b>
<b>Included in GHG emissions calculation:</b>			
– <b>Assets in PCAF category “Listed Equity and Corporate Bonds”</b> (see Table 305-3 below)	3,302	3,693	<b>4,350</b>
– <b>Sovereign debt</b> (see section above)	239	212	<b>237</b>

## 305-3

## GHG emissions associated with proprietary assets for PCAF category “Listed Equity and Corporate Bonds”

	Volume (in CHF millions)	Proportion included in calculation	Scope 1 and 2 absolute emissions (tCO <sub>2</sub> e)	Scope 3 absolute emissions (tCO <sub>2</sub> e)	Scope 1 and 2 carbon intensity (tCO <sub>2</sub> e/ CHF million invested)	Scope 3 carbon intensity (tCO <sub>2</sub> e/ CHF million invested)	Scope 1 and 2 PCAF quality score	Scope 3 PCAF quality score
Bonds of listed com- panies	544	82%	6,958	31,413	15.50	70.00	2.5	2.2
Mortgage bonds	3,806	100%	22	45,578	0.01	11.97	3.1	3.1
<b>2024 total</b>	<b>4,350</b>	<b>98%</b>	<b>6,980</b>	<b>76,991</b>	<b>1.64</b>	<b>18.09</b>		
2023 total	3,693	98%	8,015	76,667	2.22	21.25		
2022 total	3,302	97%	7,691	54,878	2.40	17.10		

<sup>1</sup> Shareholdings are not included in the scope of calculation because they account for only a small portion of the Bank's proprietary assets, and because emissions data are not available for most of the shareholdings. The values given are based on the carrying value for this asset class.

<sup>2</sup> The “Other” category includes bonds issued by multilateral or state-linked institutions for which GHG emissions data are currently unavailable.

## Managing our clients' assets

We aim to offer our clients a wide range of responsible investment solutions in line with best market practice while generating competitive returns over the long term.

Our ambition is to be a leading provider of socially responsible investments not only in Vaud Canton but across Switzerland as a whole. That goal has translated into concrete efforts, including our partnership with the Ethos Foundation and our research collaboration with the University of Lausanne. We have also been a signatory to the United Nations Principles for Responsible Investment (UNPRI) since 2019 and are a member of Swiss Sustainable Finance (SSF).

We steer our clients toward investments that incorporate environmental, social, and governance (ESG) criteria and endeavor to bring portfolios into line with the goals of the Paris Agreement, the Swiss federal government, and the Vaud climate plan.

In line with our fiduciary duty and to best serve the interests of our clients, we incorporate ESG approaches into our investment policy. By doing this, we can improve the risk management of our client portfolios over the long term. We also offer specific investment solutions focusing on companies that tackle the challenges of sustainable development.

To avoid the risk of greenwashing, we place a premium on transparency, access to information, and training. We also systematically ask our clients about their expectations in the area of socially responsible investing (SRI).

We have set specific climate targets (see page 65) and engage with the funds and companies we invest in on behalf of our clients, both through shareholder dialogue and by exercising our voting rights.

### Partnership with the University of Lausanne

In 2019, we entered into a two-year partnership with the University of Lausanne (UNIL) to fund a research project on ESG investing.

In spring 2023, researchers from the Center for Risk Management at UNIL's Faculty of Business and Economics (HEC) published the second edition of their study on the integration of ESG criteria into indirect real-estate investments in Switzerland, highlighting the growing awareness of sustainability issues in the sector. At end-2023, the same research team published a new ESG rating system for Swiss real estate funds, called PRESS scores.<sup>1</sup> These scores, derived exclusively from publicly available data, ensure that progress in sustainability and transparency among the funds can be measured independently and on comparable basis. In 2024, the scores were used to build the PRESS Index, an index of Swiss listed real-estate funds that takes into account the funds' ESG

profiles. All these efforts support the systematic use of indicators to measure sustainability improvements in indirect real estate, a sector that is key to speeding up the energy transition. Real estate is a major component of institutional clients' portfolios, and the study will make it possible for investors to conduct an ESG portfolio analysis for all asset classes, including real estates.

At the same time, researchers involved in the project are delving further into SRI themes affecting other asset classes, including equities and bonds. Here, they are focusing specifically on the issues of achieving zero-carbon portfolios and of building sovereign-bond portfolios that factor in the issuing countries' sustainability commitments.

### UN Principles for Responsible Investment

We are a signatory to the United Nations Principles for Responsible Investment (UNPRI), which have over 5,000 signatories from nearly 100 countries.

There were 384 new signatories in 2023 and 2024, and it is estimated that UNPRI signatories represent total assets under management of USD 128.400tn.

Being part of this knowledge community has enabled us to strengthen our SRI approach. Our 2024 UNPRI transparency report<sup>2</sup> sets out our SRI ambitions and provides an overview of our SRI governance, our SRI approach, and the concrete measures we have taken to make our investment solutions more socially responsible.

<sup>1</sup> Center for Risk Management Lausanne, [PRESS Scores](#)

<sup>2</sup> The public report is available on the [UNPRI website](#).

## BCV's approach to responsible investing

### ESG criteria

We use several core SRI approaches to incorporate sustainability factors into our investment selection and management processes: active ownership, ESG integration, best-in-class selection, positive screening, and negative screening. We also offer thematic investment solutions focused on companies that address environmental and social challenges.

More information can be found in our SRI Policy,<sup>1</sup> which describes our principles for incorporating ESG criteria into our investment decisions.

### Climate targets for client investments

Our efforts to help reach Switzerland's target of net-zero by 2050 also encompass our asset management activities. We believe our Bank has a role to play in driving the transition to a resilient, low-carbon economy, and are taking action where we can to achieve that goal. We aim to have 28% of the assets managed in our discretionary investment solutions<sup>2</sup> aligned with the net zero target,<sup>3</sup> which means we need to achieve a 50% reduction in the carbon footprint<sup>4</sup> of those assets by 2030, a 90% reduction by 2040, and a 100% reduction by 2050, relative to 2022 levels.

These climate targets are designed to get us on a credible path to net zero, consistent with industry best practices and scientific research on climate change, and are based on the International Energy Agency's "Net Zero by 2050" scenario. That scenario describes the trajectory needed to limit global warming to a maximum of 1.5°C and includes intermediate targets for 2030 and 2040.

We have set these climate targets for our discretionary investment solutions because those are products for which we make investment decisions directly, while adhering to the terms of the management agreements with our clients and to our investment policy for each product. That said, the measures we are taking to reach these targets (see section starting on page 67) extend beyond our discretionary investment solutions and include our comprehensive investment advisory services, for instance.

The 28%-of-assets objective mentioned above applies to our actively managed equity funds and our indirect real-estate products. We plan to gradually expand the scope of managed assets that are on the path to net zero by updating this objective at least every five years.

Carbon intensities are calculated for scope 1 and 2 GHG emissions<sup>5</sup> in two ways: for equity and bond investments, in tCO<sub>2</sub>e per CHF million invested; and for indirect real estate, in kilograms of tCO<sub>2</sub>e per square

### Examples of ESG criteria

#### Environment

- climate change
- pollution and waste management
- environmental impact of products and services (energy transition, circular economy, etc.)

#### Social

- human rights
- labor practices (health and safety of employees, discrimination, etc.)
- policy on charity, donations, and sponsoring

#### Governance

- board independence, compensation, and diversity
- compliance
- business ethics (anti-corruption measures and business practices)

<sup>1</sup> BCV, [Socially Responsible Investment \(SRI\) Policy](#), January 2023

<sup>2</sup> Discretionary investment solutions comprise investment funds (asset allocation funds, BCV Pension funds, and targeted funds) and discretionary management agreements for institutional and personal banking clients. They do not include advisory or execution-only agreements.

<sup>3</sup> According to the International Energy Agency's [Net Zero by 2050](#) scenario.

<sup>4</sup> Calculated for scope 1 and 2 emissions, in tCO<sub>2</sub>e/CHF million invested (for equities and bonds) and in kg CO<sub>2</sub>e/m<sup>2</sup> (for indirect real estate investments)

<sup>5</sup> Based on the scopes defined in the [GHG Protocol](#)



meter (kg tCO<sub>2</sub>e/m<sup>2</sup>). We will also run analyses to include scope 3 emissions wherever they are material to our climate targets and whenever reliable, high-quality data is available.

To achieve our targets, we engage with the funds and companies we invest in on behalf of our clients, through shareholder dialogue and by exercising our voting rights (see pages 68 and 69). In our view, this approach can be a major driver of positive change in the overall direction of a company. In addition, we are expanding our range of investment products, training our advisors on sustainability issues, and building awareness among our clients by speaking with them about their SRI expectations. All these steps are geared towards supporting the transition to a low-carbon economy and not towards decarbonizing our investment portfolios independently of the broader economy.

Whether we achieve our climate targets depends largely on factors beyond BCV's control. These include governments' actions towards the goals of the Paris Agreement as well as the choices of

our clients, as they are the ones who will decide how much weight should be given to sustainability issues in their portfolios. BCV is an asset manager, meaning we are bound by our fiduciary obligations and must act in our clients' best interests, bearing in mind both their financial goals and ESG preferences.

The key climate figures and targets we report are calculated using internationally accepted standards and the data available. Changes to these standards or to the available data could affect our reported figures and targets.

#### Our SRI product ranges

In 2024, we continued to develop our SRI approach within our product offering. We have three product ranges, each of which uses different investment approaches and objectives to meet our investors' varied expectations.

#### Our standard range

Investment decisions are made based primarily on financial objectives, and SRI constraints are not systematically taken into account. However, ESG criteria may be factored in if it is in the investor's interest to do so.



# 100%

of Swiss strategic funds integrate ESG criteria

#### Our ESG range

ESG criteria are integrated into the investment process and play a role in investment decisions, with the aim of improving the risk management of portfolios over the long term.

#### Our ESG Ambition range

With these products, we apply the same approach as for the ESG range but go one step further – we allocate part of the assets to investments that will help drive positive change.

We do this in two main ways:

- by making thematic investments in companies that offer solutions to social or environmental challenges. These themes are geared toward one or more of the 17 United Nations Sustainable Development Goals.
- by investing in financial products that tend to generate positive change, such as those that actively promote good-faith shareholder dialogue.

### Biodiversity

Biodiversity preservation is becoming an increasingly important issue in the finance industry, following a dynamic similar to that for climate change. In 2024, we began a review of the biodiversity dependencies and impacts of a representative portfolio of stocks. We used the findings to obtain an initial snapshot of the biodiversity exposures and impacts of some of the Bank's assets. This work will continue in 2025.

## Our SRI approaches and measures

### Incorporating customers' SRI preferences and issuing ESG reports

Since 2021, we have been integrating SRI considerations into the advisory process for personal banking clients, in line with the Swiss Bankers Association (SBA) guidelines.<sup>1</sup> This process was extended to institutional investors in 2024.

As part of this, we now incorporate our clients' SRI expectations into their investor profiles, in addition to more conventional financial objectives (for more details, see the "Responsible selling" section on pages 50 and 51). We also tailor our comprehensive investment advisory services to clients' specific ESG requirements, for example by enabling them to exclude certain business activities or focus on sustainable development themes.

By end-2024, we had classified all our personal banking and institutional clients based on their ESG preferences. Almost half of these clients wanted to see ESG criteria integrated in some way into their investments in order to improve the risk management of their portfolios over the long term. Of this group, a small number expressed a strong interest in ESG issues and are seeking investments that make a positive difference in the economy and society. These exchanges with our clients enabled us to build their awareness of sustainability issues and were valued by our institutional clients

in particular, for whom it dovetailed with their own efforts to integrate ESG criteria into their investments.

We now check that portfolios are aligned with clients' expectations in terms of ESG criteria, as well as with traditional financial criteria, by monitoring the ESG thresholds of their investment products and the SRI measures applied to their portfolios, including sustainable investment themes to focus on and business activities to rule out. To ensure transparency, our investment analyses and reports for discretionary management agreements now include information on how clients' SRI expectations have been integrated into their portfolios. We are in the process of finalizing a new ESG reporting process for BCV investment funds that will enable us to measure and provide data on their ESG characteristics – especially with regard to climate issues – using the most relevant metrics on the market today (such as the Swiss Climate Scores<sup>2</sup>).

When providing investment advice, our advisors inform their clients about our various investment solutions and guide them toward the option best suited to their ESG expectations. To this end, they are taking part in an ongoing training program on integrating ESG criteria into the investment process. In 2022, all of our advisors completed training on SRI, the regulatory environment, and preventing greenwashing. In 2023 and 2024, our advisors leveraged

this training with the help of various documentary aids for use during client meetings.



# 100%

of our advisors have received  
SRI training

### Offering responsible investment products through our partnership with Ethos

In October 2020, we entered into a strategic partnership with Ethos with the aim of offering sustainable, responsible investment products and solutions to our institutional and personal banking clients. BCV Asset Management manages seven Ethos funds under this partnership, with Ethos serving in an advisory role. Ethos Services, the Foundation's operational arm, is responsible for carrying out ESG analyses, exercising voting rights at shareholders' meetings, and actively engaging in dialogue with investee companies. BCV's Asset Management teams contribute their expertise in financial analysis and portfolio management to the partnership.

<sup>1</sup> Swiss Bankers Association, Guidelines for the Financial Service Providers on the Integration of ESG-Preferences and ESG-Risks into Investment Advice and Portfolio Management, June 2022

<sup>2</sup> The [Swiss Climate Scores](#) establish best practices for transparency on the climate compatibility of investments.

The Ethos funds have been incorporated into BGV's fund offerings. We actively promote Ethos's funds and include them in the discretionary management agreements and portfolios that we manage for our clients. These funds exclude securities in specific sectors and those linked to major controversies.<sup>1</sup> They also take a best-in-class approach that draws on Ethos's ESG and carbon ratings.<sup>2</sup> For example, these criteria reduce the investment universe of the Ethos Equities Sustainable World ex CH fund by over 40% relative to the benchmark index.

Applying Ethos's non-financial criteria also lowers these funds' carbon footprint<sup>3</sup> relative to their benchmark index. Using the weighted average carbon intensity (WACI) calculation method, the Ethos Swiss Sustainable Equities and the Ethos Equities Sustainable World ex CH funds have a carbon footprint that is around 70% lower than their respective benchmark.

The Ethos equity funds are also backed by a shareholder voting and engagement policy that Ethos actively implements throughout the year. Last year for the first time, all Swiss companies above a certain size were required to submit their sustainability reports to a shareholder vote. Accordingly, Ethos's engagement with these companies focused on the quality of disclosed data, the degree of transparency, Ethos's requirements in this area, and the compensation and diversity of executives and board members. Ethos's

shareholder voting and engagement policy also focuses on human rights, with a view to encouraging companies to respect those rights throughout their supply chains.

In 2022, Ethos published its own climate strategy to support the global target of achieving net-zero GHG emissions by 2050. The strategy is applied to all Ethos equity funds, with the aim of reducing the funds' carbon intensity in line with the target of limiting global warming to below 2.0°C and as close to 1.5°C as possible. Our partnership with Ethos is already seeing results. In 2024, as in 2023 and 2022, the BGV-managed funds Ethos Swiss Sustainable Equities and Ethos – Equities Sustainable World ex CH were awarded the FNG's top three-star label.<sup>4</sup>

In 2024, Ethos and BGV launched the Ethos Climate ESG Ambition fund, which is based on Ethos's positive impact methodology. The fund is geared towards companies that support the ecological transition and lessen the impact of climate change. It is classified as an Article 9 fund under the European Union's Sustainable Finance Disclosure Regulation, meaning it meets the highest standards for SRI. The fund invests only in business sectors that contribute positively toward environmental or social objectives without significantly undermining other environmental or social objectives (the "do no significant harm" principle) and that apply good governance practices.

In the second quarter of 2024, Ethos launched two new sustainability indices – one for Swiss equities and the other for CHF-denominated bonds – and BGV launched two funds that track those indices.

Assets that are managed by the Bank and invested in products incorporating ESG criteria are included in the scope of BGV's discretionary investment solutions and are reported in the tables for GRI standard G4-FS11 (assets integrating environmental and social criteria) and 305-3 (GHG emissions associated with client investments) (starting on page 72).

#### **Active ownership at BGV**

In 2024, BGV subscribed to Ethos's shareholder engagement services, marking an important step forward in our efforts to dialogue with the Swiss and foreign companies in our investment funds and discretionary management portfolios. Ethos carries out long-term, constructive dialogue with companies to encourage them to improve their ESG practices. This dialogue covers topics including climate change and biodiversity impacts, corporate governance, working conditions, respect for human rights, and ESG reporting.

We joined Climate Action 100+ in 2023, working with other investors to encourage the world's biggest GHG emitters to do more to tackle climate change.

More information on our active ownership approach can be found in our shareholder engagement policy.<sup>5</sup>

<sup>1</sup> Ethos, [Exclusion Criteria](#), September 2021

<sup>2</sup> Ethos's carbon ratings are used only for the equity funds.

<sup>3</sup> Expressed in tCO<sub>2</sub>e per CHF million in revenues; covers scope 1 and 2 emissions as defined in the GHG Protocol

<sup>4</sup> The independent FNG label was created by the Forum Nachhaltige Geldanlagen, an association specializing in SRI in Germany, Austria, and Switzerland. It is awarded to funds that meet quality standards for sustainable investments and pass an independent audit conducted by the University of Hamburg.

<sup>5</sup> Our policies and reports in the area of SRI can be downloaded from the [BGV website](#).



We also apply guidelines on how to vote at the AGMs of Swiss companies whose stocks are held by our investment funds. These guidelines, which are based on ESG best practices, set out a systematic voting process and draw on the recommendations of Ethos Services. In 2023, we introduced similar voting guidelines for the AGMs of non-Swiss companies. We also publish an annual summary of how we've exercised our voting rights.<sup>1</sup>

In 2024, we voted on a total of 9,439 resolutions at the AGMs of 509 companies whose stock was held through our investment funds. In all, we voted against board recommendations on approximately 30% of resolutions.

BCV came in first place in the Voting for Sustainability global ranking published by Rezonanz in late 2024.<sup>2</sup> The ranking covers 140 asset managers and pension funds, which are evaluated on their proxy voting records based on the recommendations of Ethos Foundation and PIRC Ltd, an independent corporate governance and shareholder advisory consultancy for the European market.

### Responsible investing for our personal banking clients

As discussed above, we integrate ESG risks and SRI preferences into all of our wealth management and comprehensive investment advisory services for personal banking clients. The investment solutions available to our personal banking clients are managed through an open-architecture approach. This ensures

that our clients can invest in a broad range of both in-house and third-party products incorporating ESG criteria, as well as thematic products designed to address environmental and social issues. We have been systematically evaluating the SRI approaches used in these products since 2019, and as the chart on the following page shows, ESG criteria are now a key component of our product-selection process. To facilitate that process, we survey fund promoters using a standardized ESG questionnaire so that we can classify their products based on the degree to which they factor in ESG considerations. The qualitative data we collect from fund managers and fund management companies through these questionnaires are substantiated by quantitative ESG checks based on data from independent providers. Our asset managers then select products from the resulting investment universe for our discretionary management agreements and asset allocation funds, which include strategic funds and BCV Pension funds. We also use that investment universe when building portfolios for clients with an advisory agreement.

This product-selection process enables us to offer our personal banking clients a wide array of investment solutions. Our aim is to be transparent about the funds we select and, when choosing from among funds with similar financial analysis results, to favor those that best integrate ESG criteria. Since 2021, all of the assets

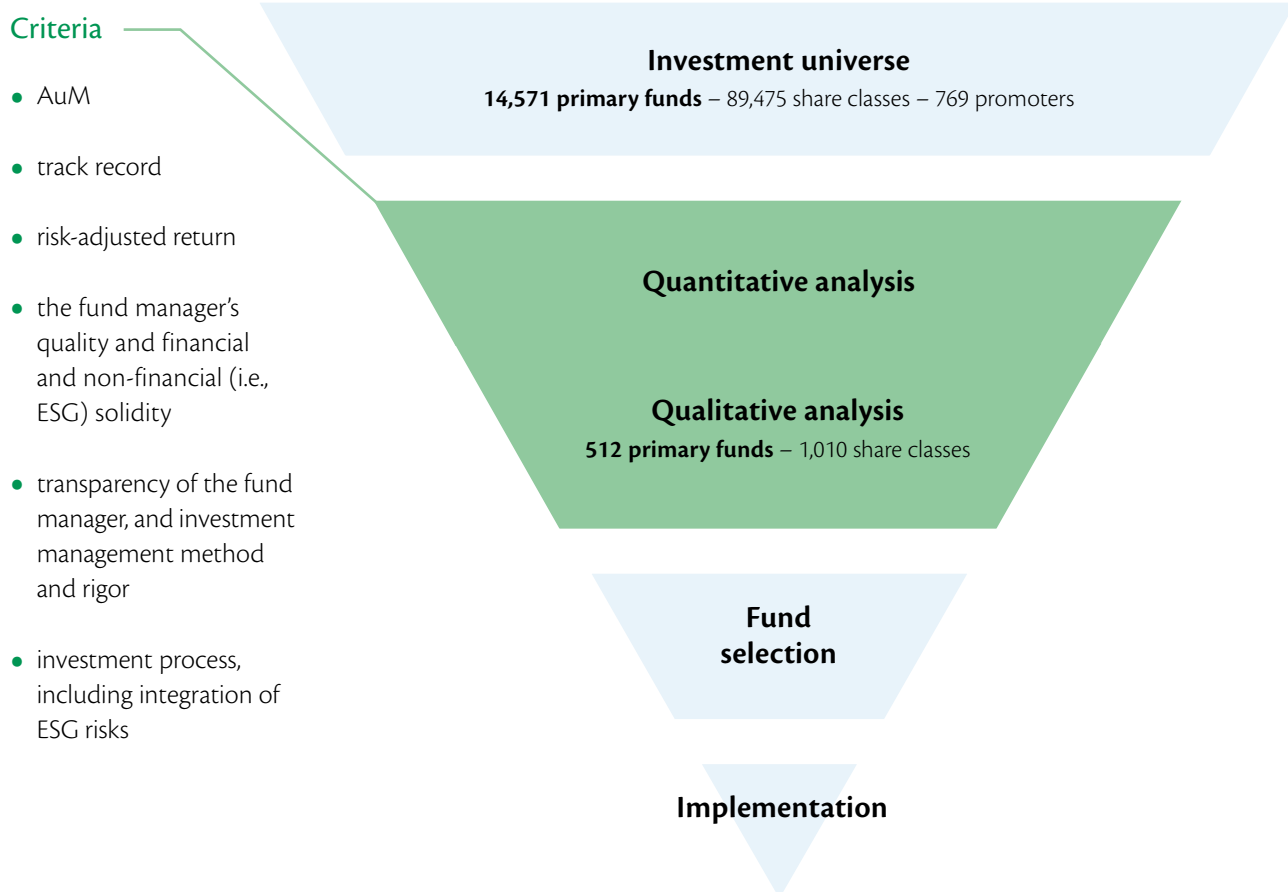
managed through our strategic funds for personal banking clients have included ESG criteria.

The strategic funds in the ESG Ambition range enable personal banking clients to invest in products that use one or more SRI approaches and that allocate at least 25% of their assets to thematic products. The thematic component includes equity and bond investments – such as green bonds and social bonds – in companies that provide solutions to the challenges of sustainable development. The strategic funds in this range apply the same fee schedule as the equivalent ESG fund.



CHF **331m**  
invested in the ESG Ambition  
range at end-2024

<sup>1</sup> Rezonanz, [Voting for Sustainability](#)



### Outlook for 2025

In 2025, we will continue to build out and strengthen our approach. Our main projects are to:

- track progress on our climate targets for client investments and examine the possibility of expanding the scope of coverage based on available data (e.g., scope 3 and sovereign debt)
- update our product ranges to incorporate the new industry guidelines against greenwashing issued by the Swiss Bankers Association (ASB) and Asset Management Association Switzerland (AMAS)
- run analyses to support the development of additional investment solutions geared towards the environment
- train all our advisors on our new product ranges and features
- start issuing an annual report on our shareholder engagement practices.

## Key indicators and comments

### Incorporating ESG into our product range

In 2024, 70% of the assets under discretionary management at BCV integrated ESG criteria (versus 48% in 2023). The table below provides more detail on that figure. We used the same method to categorize assets as in 2023, except for discretionary agreements for institutional clients. This method is described in the “Basis of preparation” appendix on page 141.

Since 2021, 100% of the assets managed through our strategic funds for

personal banking clients have included ESG criteria in order to improve the risk management of our client portfolios over the long term.

We apply product-selection criteria to the discretionary agreements and strategic funds for personal banking clients (products shown in the table below). These criteria are described on pages 69 and 70.

Regarding BCV Pension funds, a significant portion of the underlying assets already integrate ESG criteria. We are currently working to update the corresponding fund documentation accordingly; these efforts will be completed in 2025. However, owing to the calculation method used, BCV Pension funds are still reported as having a low proportion of ESG products.

“70% of assets under discretionary management integrate ESG criteria.”

## G4-FS11

### Breakdown of ESG products in BCV's discretionary investment solutions<sup>1</sup>

		Figures at 31 December					
		2022		2023		2024	
		Total assets (in CHF millions)	Proportion of ESG products	Total assets (in CHF millions)	Proportion of ESG products	Total assets (in CHF millions)	Proportion of ESG products
Funds	Strategic funds	2,373	100%	2,392	100%	2,413	100%
	BCV Pension funds	1,207	0%	1,285	2%	1,747	2%
	Targeted funds	8,240	51%	8,899	67%	10,724	69%
Discre- tionary agree- ments	Discretionary agreements for institutional clients	11,607	N/A*	12,871	N/A*	14,236	67%
	Discretionary agreements for personal banking clients	2,626	N/A*	2,947	92%	3,656	96%

\* These figures could not be recalculated using the new method (data unavailable). Based on the method used in the 2023 Sustainability Report for discretionary agreements for institutional clients, the proportion was 30% in 2024, versus 18% in 2023 and 14% in 2022.

<sup>1</sup> Discretionary investment solutions comprise investment funds (asset allocation funds, BCV Pension funds, and targeted funds) and discretionary management agreements for institutional and personal banking clients. They do not include advisory or execution-only agreements or the investment certificates given in the table on page 72.



Our ESG Ambition range aims to meet the needs of clients who are highly attuned to environmental and social issues. The assets under management of the ESG Ambition range have grown steadily since the range was introduced in 2020 (see table below).

#### G4-FS11

##### Monetary value of BCV ESG Ambition products

Figures at 31 December (in CHF thousands)	2020	2021	2022	2023	2024
Strategic funds	67,780	184,718	173,301	183,848	<b>210,318</b>
Discretionary agreements	n/a	20,207	44,637	57,477	<b>82,276</b>
Certificates	32,849	49,709	39,807	39,365	<b>35,453</b>
<b>Total</b>	<b>100,629</b>	<b>254,634</b>	<b>257,745</b>	<b>280,690</b>	<b>331,047</b>

#### GHG emissions associated with client investments

In 2024, we completed an initial assessment of the GHG emissions associated with our clients' investment portfolios.

We have decided to use the standard issued by the Partnership for Carbon Accounting Financials (PCAF), which we joined in 2022, so that our data can be compared with those of other financial institutions.

The assets included in the GHG emissions calculation consist of our discretionary investment solutions less any double-counted assets, cash holdings, and alternative investments (see table below).

##### Scope of assets included in GHG emissions calculation (in CHF millions)

	2022	2023	2024
Total value of discretionary investment solutions	25,983	28,348	<b>32,707</b>
– Double-counted assets <sup>1</sup>	–5,566	–6,582	<b>–8,373</b>
– Cash holdings	–1,508	–731	<b>–680</b>
– Alternative investments	–955	–953	<b>–831</b>
– Other <sup>2</sup>	–615	–638	<b>–797</b>
<b>Included in GHG emissions calculation:</b>			
– <b>PCAF category "Listed Equity and Corporate Bonds"</b> (see table 305-3 opposite)	16,134	17,985	<b>20,332</b>
– <b>Sovereign debt</b> (reported separately below)	1,206	1,457	<b>1,694</b>

<sup>1</sup> Double-counted assets are assets in BCV targeted funds that are invested in multi-asset funds or discretionary management agreements.

<sup>2</sup> The "Other" category comprises bonds issued by multilateral or state-linked institutions for which GHG emissions data are currently unavailable.

The absolute GHG emissions associated with sovereign debt<sup>1</sup> totaled 288,720 tCO<sub>2</sub>e in 2024, and CHF 1.694bn was invested in this asset class (versus 268,051 tCO<sub>2</sub>e and CHF 1.457bn invested in 2023). That amounts to a carbon intensity of 170.5 tCO<sub>2</sub>e per CHF million invested in 2024, versus 183.9 in 2023. These figures are not easily comparable with those for other

asset classes because sovereign debt is subject to a specific methodology for emissions accounting. As a result, these emissions are not included in the table below and are reported separately.

The scope 1 and 2 carbon intensity (in tCO<sub>2</sub>e per CHF million invested) for the sum of equity and corporate bonds, indirect real estate, and third-party

funds (see the “total” lines in the table below) has fallen by 30% since 2022. The downward trend is also reflected in the individual asset classes, as indicated in the graphs on page 74.

The physical intensity of indirect real estate investments (in kg tCO<sub>2</sub>e/m<sup>2</sup>) was 14.6 in 2024, down 13.4% from 16.9 in 2023.

### 305-3

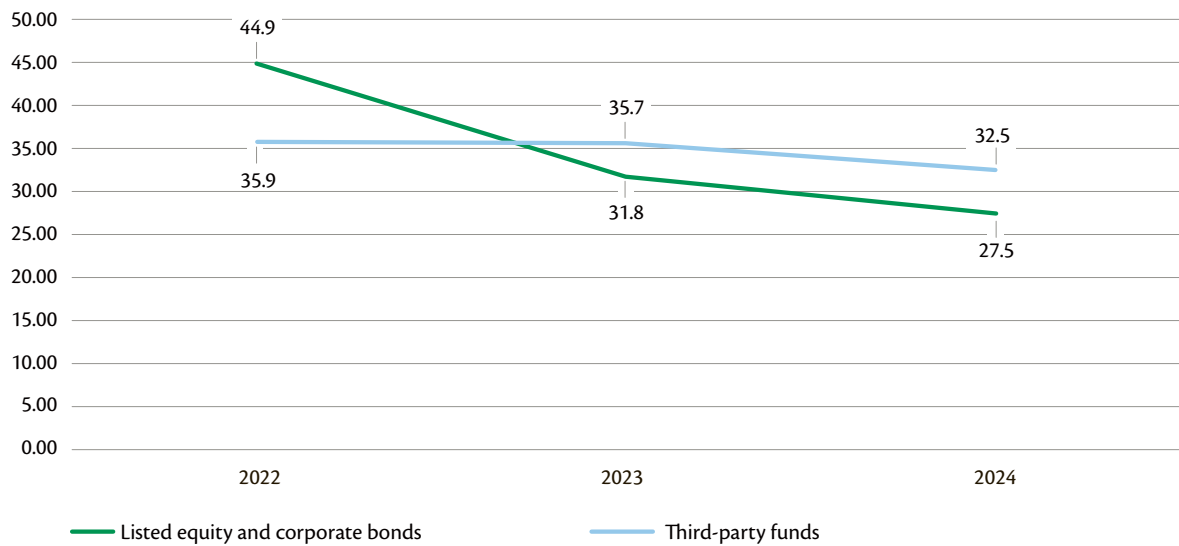
#### GHG emissions associated with client investments for PCAF category “Listed Equity and Corporate Bonds”

	Volume (in CHF millions)	Proportion of assets in scope	Scope 1 and 2 absolute emissions (tCO <sub>2</sub> e)	Scope 3 absolute emissions (tCO <sub>2</sub> e)	Scope 1 and 2 carbon intensity (tCO <sub>2</sub> e/ CHF million invested)	Scope 3 carbon intensity (tCO <sub>2</sub> e/ CHF million invested)	Scope 1 and 2 PCAF quality score	Scope 3 PCAF quality score
Equity and corporate bonds	7,516	94%	194,558	2,716,813	27.52	384.27	2.2	2.2
Mortgage bonds	1,306	100%	6	15,634	0.00	11.97	3	3
Indirect real estate	6,598	95%	24,723		3.92			
Third-party funds <sup>2</sup>	4,913	91%	145,393	913,279	32.50	204.90		
<b>2024 total</b>	<b>20,332</b>	<b>94%</b>	<b>364,681</b>	<b>3,645,726</b>	<b>19.06</b>			
2023 total	17,985	93%	366,526	3,068,457	21.89			
2022 total	16,134	93%	407,183	2,491,738	27.26			

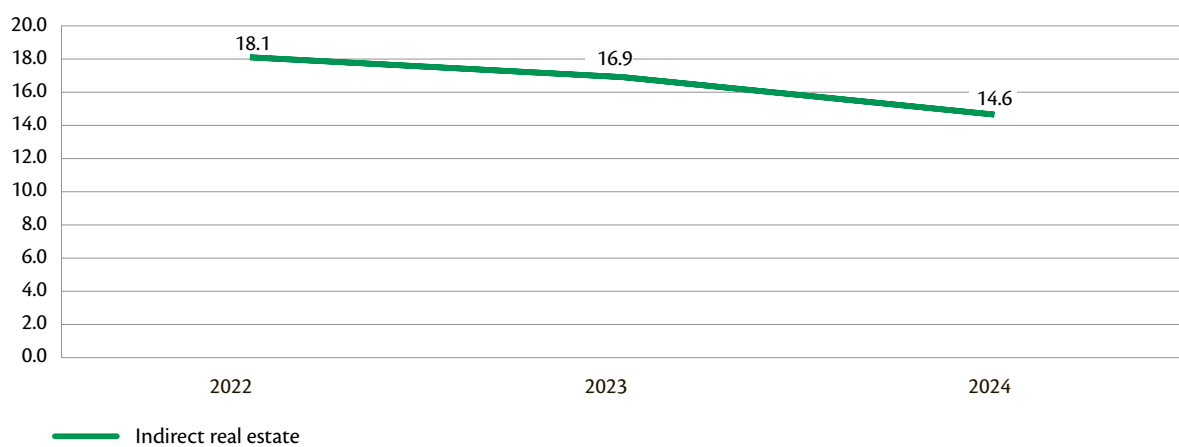
<sup>1</sup> The GHG emissions of a given country are not assigned a scope but are calculated based on production and consumption figures. More information on the method used to calculate these emissions is given on page 137.

<sup>2</sup> Third-party funds are composed of several asset classes and are reported separately because only fund-level data is available, with no breakdown by asset class.

**Carbon intensity of listed equity and corporate bonds and third-party funds (scope 1 and 2), in tCO<sub>2</sub>e per CHF million invested**



**Physical intensity of indirect real estate (scope 1 and 2), in kg tCO<sub>2</sub>e/m<sup>2</sup>**





### **PACTA climate compatibility test**

In June 2024, BCV took part, for the third time, in a voluntary study to assess the Swiss financial sector's alignment with climate benchmarks using the Paris Agreement Capital Transition Assessment (PACTA) methodology. The test is run by the Swiss Federal Office for the Environment (FOEN), in close collaboration with the State Secretariat for International Finance (IFM).

The PACTA test covers the eight most carbon-intensive sectors, i.e., those most affected by transition-related risks: oil, natural gas, coal, electricity, automotive, cement, aviation, and steel. These are often referred to as the "PACTA sectors." Taken together, they are responsible for around two-thirds of global GHG emissions. For each sector, the test focuses on the part of the value chain that contributes the most to GHG emissions.

The scope used for the PACTA test in 2024 is aligned with the one described on page 71 – that is, all assets managed under our discretionary investment solutions. This scope does not include indirect real estate and alternative investments.

The test results show that the BCV aggregate portfolio is less exposed to high-carbon technologies<sup>1</sup> (only 3.6% of equities and 2.6% of corporate bonds) than those of our peers (an average of 4.2% of equities and 3.9% of corporate bonds). The results also show that our aggregate portfolio has good exposure to low-carbon technology. This is due in part to the climate measures we have taken (such as integrating ESG

criteria into our investment products and screening out companies that generate a significant percentage of their revenue from thermal coal), which have reduced our portfolios' holdings in PACTA sectors.

We have undertaken a number of other SRI initiatives that should help us improve our results the next time the test is conducted. These initiatives are described in detail in the "Outlook for 2025" section on page 70.

We have identified some limitations to the PACTA test methodology in analyzing our results. In particular, participants have a great deal of freedom in selecting the portfolios they submit to the test, which means results are hard to compare within the peer group.

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<sup>1</sup> The PACTA test defines high-carbon technologies as those used for coal extraction, upstream oil and gas operations (exploration and production), oil- and gas-fired power generation, and combustion-engine vehicles.



## Physical gold

In line with Switzerland's Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour, the Group's banks consider environmental and social issues in physical gold sourcing, including human rights and miners' working conditions.

When sourcing physical gold, the Group's banks use only suppliers that have their registered office in Switzerland and participate in the London Bullion Market Association's Responsible Sourcing Programme. In line with the OECD due diligence framework, participants must demonstrate their efforts to safeguard the environment and combat money laundering, the financing of terrorism, and human rights abuses.<sup>1</sup>

Since 2022, the physical gold products available at BCV's counters and through the BCV Physical Gold ESG fund have been labeled and traceable. Using traceable gold also makes it possible for us to know where the gold has come from and avoid conflict areas.

For the BCV Physical Gold ESG fund, we apply ESG criteria in the investment process and carefully select the suppliers we work with along the entire value chain, ensuring transparency in how our gold is sourced. Concretely, the fund features two types of gold: traceable industrial gold (BCV traceable gold) and certified artisanal gold (PX Impact gold).

As for the physical gold available at our counters, our 1-, 5-, 10-, and 20-gram bars have been certified Fairtrade, a widely recognized, high-quality certification.

Our 50-, 100-, 250-, and 500-gram and 1-kilogram bars are offered in the form of BCV traceable gold, which comes from the large-scale mines

selected using the same process as for the BCV Physical Gold ESG fund. All of our gold offering is refined in Switzerland on separate production lines to ensure full transparency along the entire value chain, from the mine to the end customer.



### BCV traceable gold

This gold comes from a selection of mining companies handpicked by BCV on the basis of negative screening criteria and Ethos's ESG ratings. If no Ethos rating is available, the company is assessed based on MSCI data.

### PX Impact gold

This certification was created by PX PRECINOX, a gold refiner based in La Chaux-de-Fonds. Strict criteria are applied at each step of the supply chain. The company has also set up a program to fund projects that support artisanal mining communities.

### Fairtrade gold

This certification was created by the Max Havelaar Foundation (Switzerland). It guarantees that gold from small-scale artisanal mines is mined and traded fairly and that the gold can be traced throughout the production process.

<sup>1</sup> OECD, *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*, April 2016

## Piguet Galland

Piguet Galland's approach to SRI is based on transparency, measurability, and materiality. In addition to applying a negative screening policy<sup>1</sup> to all of the investment solutions proposed to clients, the bank offers its own range of products with responsible investing themes.

With regard to active ownership, Piguet Galland systematically considers ESG best practices when casting votes at the AGMs of Swiss companies whose stocks are held by its investment funds; voting decisions are made using the recommendations of Ethos Services. In 2024, Piguet Galland voted at 43 AGMs (39 in 2023).

Piguet Galland published its first Responsible Investment Policy<sup>2</sup> in 2024, marking a major step forward in its efforts to promote sustainable finance. The policy sets out the bank's approach to incorporating ESG criteria into its investment processes and provides a sweeping overview of the bank's ESG methodology, data sources, ESG integration for individual asset classes, and range of investment solutions. As a participant in the Swiss Triple

Impact program (STI),<sup>3</sup> Piguet Galland has committed to applying ESG criteria when selecting financial instruments for all of its investment solutions starting in 2025. It has also committed to publishing an ESG report to raise its clients' awareness of issues associated with sustainability and responsible investment.



## Fonds Immobilier Romand

The sustainability strategy defined by Fonds Immobilier Romand (FIR), which is managed by GEP SA, is based on a transparent, responsible approach that involves measuring the energy consumption of the buildings in its portfolio. Having this data available for all of its properties enables FIR to report reliably and factually on its impacts. To help Switzerland achieve its target of net-zero emissions by 2050, FIR's sustainability strategy focuses on environmental sustainability, which today is one of real-estate owners' greatest responsibilities.

FIR aims to cut GHG emissions in line with the targets specified for the buildings sector in Article 4 of Switzerland's Climate and Innovation Act (i.e., an 82% reduction by 2040 and a 100% reduction by 2050, compared with 1990 levels).<sup>4</sup> This entails phasing out fossil fuels completely from the heating systems installed in FIR properties. By 2050, direct GHG emissions from heating should be zero, owing to the gradual replacement of fuel oil and natural gas

### G4-FS11

#### Sustainability-themed certificates managed by Piguet Galland (in CHF thousands)

At 31 December	2022	2023	2024
Volume of products with responsible investing themes*	57,754	55,119	55,894

\* Piguet Galland's range of products with responsible investing themes includes the Helv-Ethic, Women Empowerment, and Climate Action certificates.

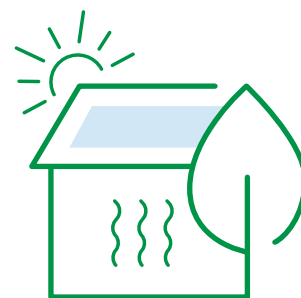
<sup>1</sup> Piguet Galland, [Exclusion Principles](#)

<sup>2</sup> Piguet Galland, [Responsible Investment Policy](#)

<sup>3</sup> B Lab Switzerland, [Piguet Galland](#)

<sup>4</sup> Swiss Federal Council, [Swiss Federal Climate and Innovation Act](#) (in French), September 2022





FIR to completely decarbonize  
its heating systems by

**2050**

heating systems. FIR aims to have non-fossil-fuel sources account for 40% of the heating of its total building surface area by 2030. However, reaching this target will be possible only if public officials build the necessary infrastructure, in particular district heating systems.

FIR has modelled its zero-carbon strategy after the ROSEN approach adopted by the Swiss Federal Office for Energy (SFOE) to get the country on track to reach the 2050 targets for Swiss buildings.<sup>1</sup> This approach is based on four objectives: reduction, optimization, substitution, and renewable energy. FIR's energy report describes the firm's current and planned measures in this area.<sup>2</sup>

In order to measure its progress toward these objectives, FIR tracks

several indicators from year to year and reports on them in line with the transparency guidelines on environmental indicators for real-estate funds published by Asset Management Association Switzerland (AMAS).<sup>3</sup>

Among the indicators tracked are the energy mix and GHG emissions of the buildings in FIR's portfolio as well as the funds invested to the end of addressing ESG issues. These indicators are discussed below.

### Energy mix and GHG emissions

FIR categorizes the energy surface area of its buildings by heating source, based on the consolidated portfolio data provided by the firm contracted to monitor energy use in FIR properties. The heating sources fall into two main categories, shown

in the table below. In 2024, 31% of the total energy surface area of FIR's portfolio was heated with non-fossil-fuel energy sources.

The figures for table 305-3 were calculated by Signa-Terre SA using buildings' actual energy consumption, which is measured based on the method developed by the Real Estate Investment Data Association (REIDA). For that reason, the data at 30 June 2024 are not yet available. More information on data reporting methods is given on page 137.

## G4-FS8

### FIR's energy mix

	30 June 2021*	30 June 2022*	30 June 2023*	30 June 2024*	By 2030**	By 2050***
Fossil fuels (fuel oil, natural gas)	79%	79%	73%	69%	60%	0%
District heating, heat pumps, wood pellets, electric heat	21%	21%	27%	31%	40%	100%

\* Actual values

\*\* Projected figures from GEP SA, subject to the availability of public infrastructure

\*\*\* Target, subject to the availability of public infrastructure

## 305-3

### GHG emissions associated with FIR properties

	1 July 2021 to 30 June 2022	1 July 2022 to 30 June 2023
Proportion of portfolio in scope	99.67%	95.85%*
GHG emissions (tCO <sub>2</sub> e)	8,514	7,425
Carbon intensity (kg CO <sub>2</sub> e/m <sup>2</sup> )	21.87	19.19

\* The decline in the proportion of the portfolio in scope is due to a delay in obtaining some data that, as a result, were not included in the emissions calculation.

<sup>1</sup> SFOE, [SFOE 2050 Targets for Swiss Buildings](#) (in French), June 2023

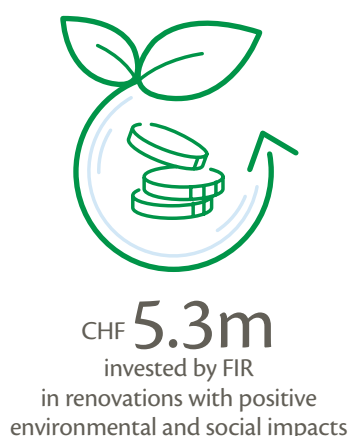
<sup>2</sup> FIR, [FIR Energy Report](#) (in French)

<sup>3</sup> AMAS, [Real Estate Funds](#)

The carbon intensity of FIR portfolio properties fell by 12% compared with the 1 July 2021–30 June 2022 period, due in part to measures taken by FIR, but also to a milder winter in 2022–2023 versus the prior year and to the implementation of Swiss government recommendations to mitigate the risk of a power shortage. Direct emissions from the combustion of fossil fuels, specifically fuel oil and natural gas (scope 1), currently account for 92% of the properties' emissions; the remaining 8% are scope 2 emissions resulting from district heating and heat pumps.

### ESG investments

To achieve its 2050 energy-mix target – 100% of surfaces heated using non-fossil-fuel energy sources – FIR has drawn up an investment plan and is continuing to invest in energy-efficiency improvements and renewable energy. Between 1 July 2023 and 30 June 2024, FIR invested CHF 5.3m in energy-efficiency improvements and related renovations that make the property safer and more comfortable for occupants; this figure amounts to 7% of rental income.



## BCV Group's pension fund

SRI efforts undertaken by the BCV pension fund are overseen by the fund's ten-member board, which consists of five employer representatives and five employee representatives. Pension board elections are held every four years.

The fund has a responsible investment charter that sets out its SRI policy. The charter states that the fund aims to fulfill its fiduciary and social responsibility by working toward a more just and sustainable society.

The fund's non-real-estate assets are managed by BCV Asset Management, with the exception of private equity assets. This means that the fund's assets are invested according to BCV's Socially Responsible Investment (SRI) Policy.<sup>1</sup> The fund's discretionary agreement with BCV Asset Management includes the following SRI approaches: negative screening, ESG integration, best-in-class selection, AGM voting, and shareholder engagement.

These SRI approaches are being implemented gradually across the fund's portfolio. The fund's holdings in stocks and bonds received an aggregate ESG rating of AA from MSCI ESG.

Since 2022, the fund has commissioned an outside firm to measure the carbon footprint of the buildings that it owns directly. Based on the results of this assessment, the fund has outlined a strategy and roadmap in 2024 for carrying out energy-efficiency renovations on its properties.

### G4-FS8 FIR's ESG investments

	30 June 2022	30 June 2023	30 June 2024
Total ESG investments (in CHF millions)	3.6	8.4	5.3
As a percent of rental income	5%	11%	7%

<sup>1</sup> BCV, [Socially Responsible Investment \(SRI\) Policy](#), January 2023

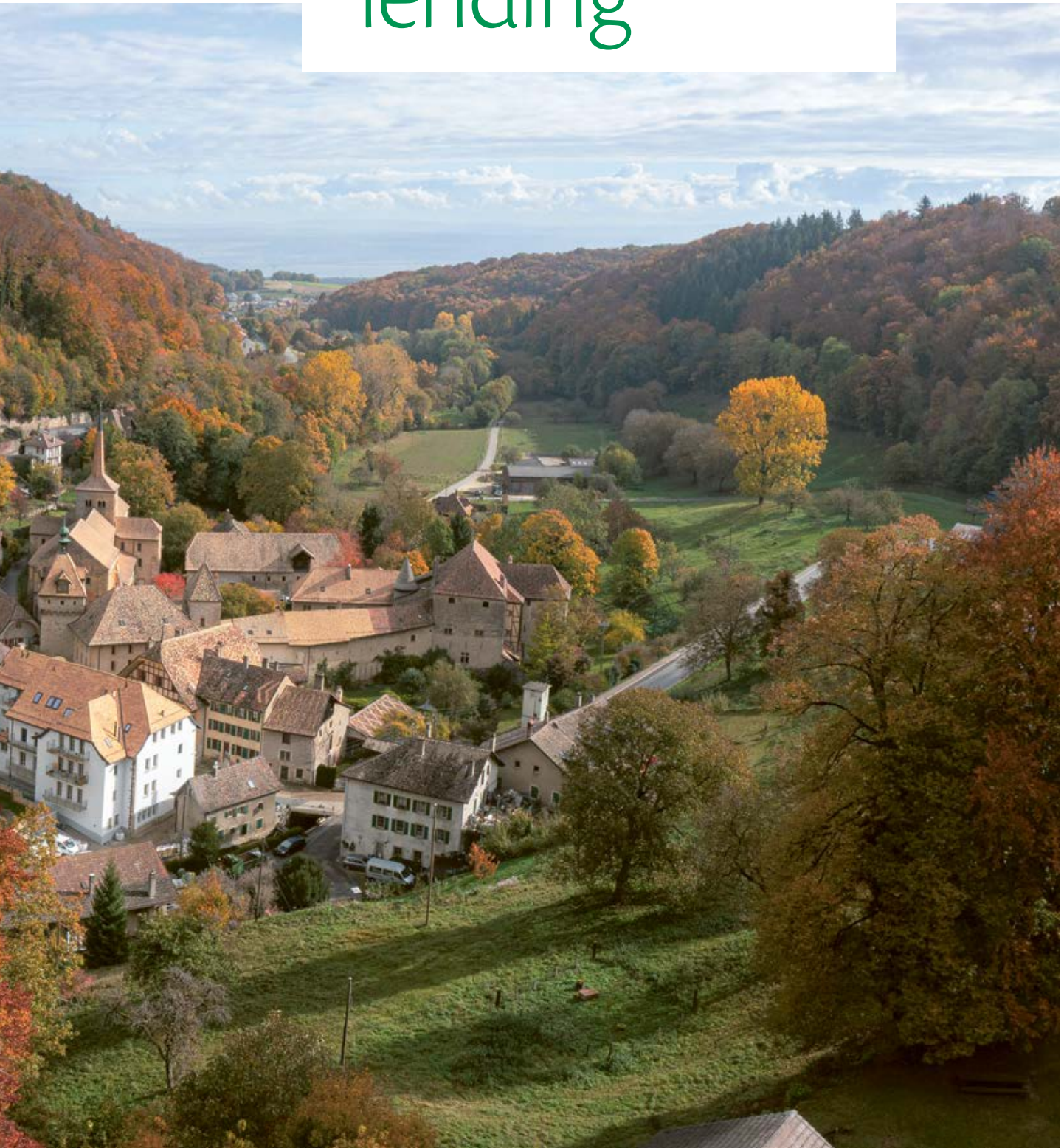


**Romainmôtier**

Romainmôtier-Envy is one of the 35 municipalities within the borders of the Jura Vaudois Nature Park. In the middle of the village is La Porterie, a visitor center that hosts an interactive exhibition giving tourists and passersby information about local attractions, the Cluniac abbey, and the wider nature park.



# Responsible lending



## Our lending philosophy

Contributing to the economic development of our Canton while being guided by the principles of economically, socially, and environmentally sustainable development is at the heart of our corporate mandate. Vaud-based customers, businesses, and public-sector entities (e.g., municipalities, nursing homes, and schools) account for 77% of our total lending volumes. And by keeping our lending locally focused, we help maintain a wide array of jobs, skills, and services in our home region that are aligned with the needs and expectations of the community.

Managing credit risk is a strategically essential core competency at BCV. In this, we adhere to the highest standards of good governance in processing lending transactions:

- We separate our customer-facing divisions, which are responsible for advising, selling, selecting, and pre-analyzing, from our credit management division, which is in charge of the other phases of the lending process, such as analysis, granting loans, arranging the financing, and monitoring credit limits.
- Our lending activities are underpinned by a clear internal policy, which is approved by the Board of Directors, as well as by internal directives and credit-risk monitoring systems and processes.
- Our lending and loan-renewal procedures are based on a detailed analysis of credit risk.
- We carry out strict affordability checks to ensure our customers can keep up with loan payments in the medium to long term.
- We set credit card limits according to the applicant's financial circumstances.
- Other than through our credit cards, we do not provide consumer loans or other unsecured loans directly to private individuals.
- We continuously monitor outstanding loans, not just on an individual basis but also at the level of the loan portfolio as a whole. This approach allows us to monitor the credit-risk profile to ensure that it remains consistent with strategic objectives, and enables early detection of increases in risk.
- We manage impaired loans separately from other loans, following clearly defined procedures that are designed to assist the debtor in distress as much as possible and thereby protect the interests of the Bank, as well as those of our depositors, creditors, and shareholders.
- Our approach to managing climate-related risks is fully aligned with our overall risk-assessment principles (more details can be found in the "Managing climate-related risk"

appendix to this report, starting on page 122).

- Our strategy is consistent with the commitments made by the Swiss government and the Vaud Cantonal Government to combat global warming.
- We seek to do business with clients who demonstrate financial transparency and good environmental, social, and governance (ESG) practices. And our lending criteria take into account internationally recognized human rights standards<sup>1</sup> and Swiss employment law,<sup>2</sup> which sets out the core protections extended to workers in Switzerland.

<sup>1</sup> United Nations, [International Bill of Human Rights](#), 1966; International Labour Organization, [ILO Declaration on Fundamental Principles and Rights at Work](#), 1998

<sup>2</sup> Swiss Federal Employment Act (EmpA) and its ordinances; Swiss Code of Obligations (CO)

## Mortgage loans

In line with our mission as Vaud's cantonal bank, we provide mortgage loans to property owners across our region.<sup>1</sup> In fact, we provide one in three mortgage loans in the Canton.

When assessing an application, we consider a range of qualitative and quantitative environmental criteria.

The majority of our mortgage lending is focused in Vaud, which has:

- a comprehensive legal framework with rules and requirements on energy efficiency, construction standards, land-use planning, and built-heritage conservation
- climate<sup>2</sup> and biodiversity<sup>3</sup> action plans
- a building permit system that gives interested parties the opportunity to express their views on any proposed new build or remodel, as well as on the associated social, environmental, and other impacts.

For every loan application we receive for a new build, we check that the owner has obtained a building permit, which signifies that the proposal meets criteria including the cantonal and municipal requirements on climate and environmental protection. We also look at a property's condition, how it is heated, and whether or not it has solar panels, and we take this into account when assigning valuations to properties.

### Climate targets for mortgage lending

Our ambition is to play a major role in financing Vaud's energy transition, and we are taking action wherever we can to support the shift toward a resilient, low-carbon economy, in line with Switzerland's goal of reaching net-zero emissions by 2050.

As part of this, we aim to reduce the carbon footprint<sup>4</sup> of our residential mortgage portfolio at a pace consistent with the Swiss federal government's pathway to a net-zero buildings sector by 2050.<sup>5</sup> That will entail a 99% reduction by 2050 versus 2022 levels, with interim reductions of 42% by 2030 and 87% by 2040.

In-house simulations on the Bank's portfolio show that meeting these ambitious targets will require important changes such as increasing the share of residential housing stock that undergoes building envelope renovations each year, and replacing fossil-fuel heating systems with renewable-powered alternatives at a faster pace than at present. The Canton of Vaud's new energy law, which is set to come into effect in 2026, is designed to drive progress on this front.

The Bank's ability to achieve its targets depends to a large extent on the pace of the energy transition in Switzerland, and in Vaud Canton in particular. Reaching net-zero emissions by 2050 will require a fundamental transformation of the Swiss economy. To make this happen, federal, cantonal,

and regulatory authorities will need to introduce rules and incentives to make sure that everyone – businesses, consumers, and homeowners alike – pulls together in the same direction.

Our greenhouse-gas (GHG) emission intensities and climate targets are based on available data and have been determined using internal methods that meet internationally recognized standards. The reported figures and targets could be affected by changes in these standards or in the available data.

<sup>1</sup> Cantonal Act Governing the Organization of Banque Cantonale Vaudoise (LBCV) of 20 June 1995

<sup>2</sup> Vaud Cantonal Government, [Sustainability and Climate](#) (in French)

<sup>3</sup> Vaud Cantonal Government, [Biodiversity Action Plan](#) (in French)

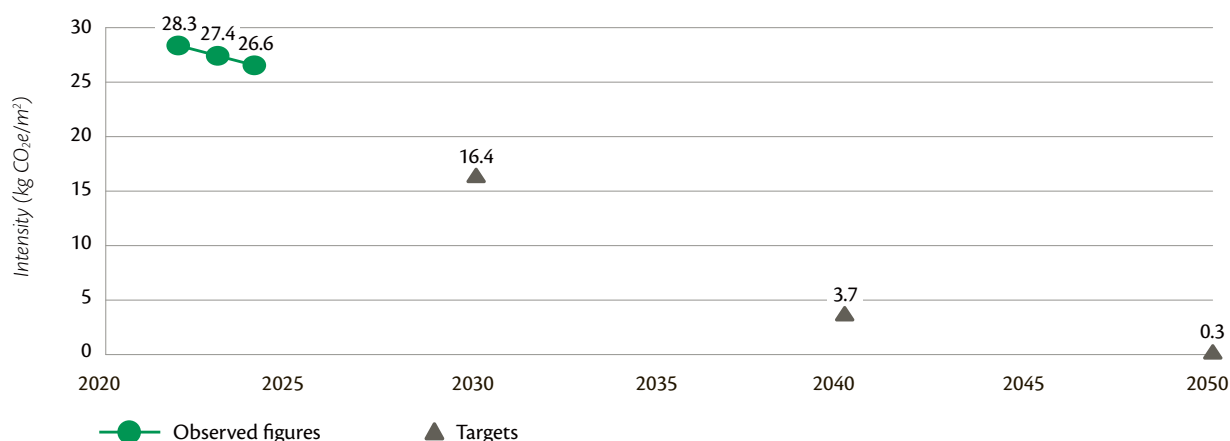
<sup>4</sup> Calculated for scope 1 and 2 emissions in kilograms of CO<sub>2</sub>-equivalent emissions per square meter (kg tCO<sub>2</sub>e/m<sup>2</sup>)

<sup>5</sup> Swiss Federal Council, [Switzerland's Long-Term Climate Strategy](#), January 2021



## GHG emissions associated with mortgage loans

### Physical intensity<sup>1</sup> of residential mortgage loans (owner-occupied and rental properties), and reduction targets



The decrease in emission intensity between 2022 and 2024 was driven by an improvement in the average energy-efficiency of the housing stock in our mortgage portfolio due to building envelope renovations and heating upgrades. With regard to heating, this trend reflected an increase in the share of residential properties heated by renewable sources (heat pumps, district heating networks, and wood-fired

boilers), which stood at 33% in 2024, versus 27% in 2022 and 29% in 2023.<sup>2</sup> A similar increase can be seen in the figures for Vaud Canton as a whole: the share of residential properties with renewable-powered heating systems increased from 20% in 2021 to 25% in 2023.<sup>3</sup>

The table below shows mortgage lending for properties with an emission intensity of less than 10 kg tCO<sub>2</sub>e/m<sup>2</sup>.

This threshold was chosen in order to determine and track the share of properties that meet high energy-efficiency standards. For the reasons discussed earlier in this section, these properties account for a growing share of the Bank's mortgage portfolio.

#### Mortgage lending for properties with a physical intensity of less than 10 kg CO<sub>2</sub>e/m<sup>2</sup>

		2022	2023	2024
Residential properties (owner-occupied and rental)	Lending (in CHF millions)	6,034	6,939	7,977
	Proportion of total residential lending (%)	24%	27%	29%
Non-residential properties (own use and rental)	Lending (in CHF millions)	782	1,013	1,153
	Proportion of total non-residen- tial lending (%)	17%	21%	21%
<b>All properties (residential and non-residential)</b>	<b>Lending (in CHF millions)</b>	<b>6,816</b>	<b>7,953</b>	<b>9,131</b>
	<b>Proportion of total lending (%)</b>	<b>23%</b>	<b>26%</b>	<b>28%</b>

<sup>1</sup> For an overview of the method we use to calculate our GHG emissions, see the "Basis of preparation" appendix, starting on page 134.

<sup>2</sup> As a share of loan exposures

<sup>3</sup> Swiss Federal Statistical Office, Buildings and Dwellings Statistics for Vaud Canton

## 305-3

GHG emissions associated with mortgage loans, by PCAF asset class and property type<sup>1</sup>

PCAF asset class	Property type	Year	Total on-balance-sheet lending (in CHF millions)	Proportion included in calculation	Scope 1 and 2 emissions (in tCO <sub>2</sub> e)	Physical intensity (in kg CO <sub>2</sub> e/m <sup>2</sup> )	PCAF data quality score
<i>Mortgages</i>	Owner-occupied residential properties	2024	15,463	100%	80,604	30.9	3.0
<i>Commercial real estate</i>	Rental residential properties	2024	12,008	97%	87,420	23.5	3.2
	Non-residential properties	2024	5,485	97%	65,836	25.3	3.6
<b>2024 total</b>			<b>32,956</b>	<b>98%</b>	<b>233,860</b>	<b>26.2</b>	<b>3.2</b>
2023 total			30,701	99%	235,210	26.9	3.2
2022 total			29,309	98%	232,345	27.9	3.2

## Steps we've taken

In recent years, we've implemented a series of measures that have helped us make progress toward the climate targets described above. For instance, we offer discounted-rate loans to fund green renovations, and we provide information to customers who are considering carrying out work of this kind. We also actively train our employees to include this topic in the financing advice they provide to their clients. These initiatives are described more fully below.

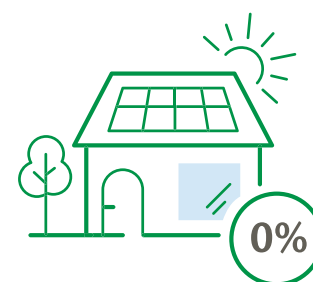
## Discounted-rate loans

In 2008, we introduced a Green Bonus offer that gives customers a reduced interest rate if their mortgage loan is used to purchase environmentally friendly real estate or to renovate their

property to exacting energy-efficiency standards.<sup>2</sup> The features of the Green Bonus are currently as follows:

- For real-estate purchases, the property in question must have an eco-rating of A on at least one of the three criteria of the CECB<sup>3</sup> certificate<sup>3</sup> and no score below B for the other criteria, or have Minergie-A or Minergie-P certification.
- For renovations, at least 25% of the total investment (no less than CHF 20,000) must be used to make energy-saving improvements that qualify for municipal, cantonal, or federal subsidies, such as installing heat pumps, insulation, or solar panels, upgrading windows or doors, or renovating the roof.

- Customers pay zero interest for the first 12 months of the loan.



interest for 12 months  
on loans for energy-efficiency  
renovations

All types of real estate are eligible for Green Bonus loans, including income-generating and commercial properties.

<sup>1</sup> In line with the Partnership for Carbon Accounting Financials (PCAF) reporting standards and the GHG Protocol Corporate Standard, BCV will recalculate base year (2022) and previous years' emissions whenever a significant change in methodology occurs. In 2022, the Bank set the significance threshold that triggers these recalculations at  $\pm 4$  kg CO<sub>2</sub>e/m<sup>2</sup>.

<sup>2</sup> BCV, [Energy-Saving Renovations with BCV Green Bonus](#) (in French)

<sup>3</sup> The Cantonal Building Energy Certificate is an eco-rating program recognized by all Swiss cantons.

## G4-F58

### Mortgage lending under the Green Bonus program (in CHF millions)

	2021	2022	2023	2024
Total	65.70	80.98	103.90	164.91

As the table above shows, mortgage lending under the Green Bonus program has increased every year since 2021.

#### Customer support measures

We are also encouraging green renovations by making it easier for owners to obtain a CECB® Plus energy audit (Vaud's cantonal energy certificate for buildings).

Through our partnership with Romande Energie, our customers pay a reduced price for the audit, which includes an energy-efficiency analysis of the building as well as a list of recommended improvements and their estimated costs. The discount applies on top of any cantonal or municipal subsidies. We subsidized 12 audits under this partnership last year, bringing the total to 92 since 2021.

We actively encourage our customers to engage with energy-efficiency issues. The Bank has developed a guide on energy-efficient renovations,<sup>1</sup> and our advisors routinely address this question in the mortgage advisory process for customers whose properties meet certain criteria. In 2024, we sent promotional messages to several thousand owners of properties that have not been renovated in at least 20 years. In addition, BCV's mortgage lending experts were guest speakers at events organized by Vaud municipalities to

help private homeowners learn about their renovation financing options.

The Bank has teamed up with Signa-Terre, a building energy management consultancy, to support real-estate professionals looking to renovate their properties. Our partner handles aspects such as project planning and assessing GHG emissions and renovation costs, while we bring to bear our expertise in financing this type of work. This partnership helps clients in this segment develop holistic, long-term renovation strategies underpinned by informed decision-making.

#### Advisor training

In 2023 and 2024, our banking advisors and credit analysts completed training on the benefits of energy-efficiency renovations and on how the subject should form part of discussions with clients looking to take out a mortgage on a single-family property for use as a primary or secondary residence.

In 2024, in keeping with our commitment to maintaining high standards of expertise across our workforce, we introduced a training course on energy-efficient properties and how they tend to retain their value in the long term. The training is aligned with the June 2022 guidelines issued by the Swiss Bankers Association (SBA), which require members to discuss energy-efficiency renovations during

the mortgage advisory process and to address the topic in greater depth when training advisors.<sup>2</sup>

#### Public information and communication

In 2024, as part of our work to raise awareness about the benefits of energy-efficient renovations, we published press articles and social media posts on this subject, and our experts shared insights in the media (see pages 34 and 35 for more details). The topic was also covered in an issue of *BCV Immobilier*, our overview of the real-estate sector in Vaud, and our annual *Conjoncture & Perspectives* event addressed the theme of the energy transition.

#### PACTA climate compatibility test results

Every two years, the Swiss Federal Office for the Environment and the State Secretariat for International Finance assess the carbon emissions associated with Swiss real-estate and mortgage portfolios using the Paris Agreement Capital Transition Assessment (PACTA) test.<sup>3</sup> The underlying model for the test uses data from the Swiss Federal Statistical Office's Federal Register of Buildings and Dwellings, as well as mortgage-portfolio data supplied by participating financial institutions, to calculate emissions from scope 1 sources (i.e., fossil-fuel heating and

<sup>1</sup> BCV, *Guide to Energy-Efficient Renovations* (in French), March 2025

<sup>2</sup> Swiss Bankers Association, *Guidelines for Mortgage Providers on the Promotion of Energy Efficiency*, June 2022

<sup>3</sup> Swiss Federal Council, *PACTA Climate Test 2024*



water heating systems), scope 2 sources (i.e., district heating systems and electricity for heat pumps and appliances), and scope 3 sources (i.e., construction and demolition of buildings). BCV voluntarily subjected its mortgage portfolio to this test for the third time in 2024.

The test results showed that the scope 1 emission intensity of BCV's mortgage portfolio was below the average for all participating institutions (21 kg tCO<sub>2</sub>e/m<sup>2</sup> versus 29 kg tCO<sub>2</sub>e/m<sup>2</sup>, respectively). For scope 2 and 3, the emission intensity of our portfolio was in line with the average among our peers.

## Lending to businesses

We provide financing to every sector of Vaud's economy, in keeping with our mission as a cantonal bank.<sup>1</sup> The Bank's corporate loan book reflects the economic structure of the Canton.

The breakdown of the Bank's loans to SMEs and large corporates (i.e., excluding the real-estate professional and trade finance segments) by geographical zone is as follows:

- Vaud Canton: 74% (72% in 2023)
- Rest of Switzerland: 24% (25% in 2023)
- Europe (excluding Switzerland) and North America: 2% (1% in 2023)
- Other: 1% (2% in 2023).

As a matter of policy, BCV does not lend to organizations whose practices could harm its image or reputation. We are equally mindful of the social and environmental risks and impacts of the projects we finance. Our approach is inspired by the United Nations (UN) Guiding Principles on Business and Human Rights, by International Labour Organization (ILO) Conventions Nos. 138 and 182 on child labor, by the Swiss Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour, and by applicable legislation in the Canton of Vaud.

To ensure our internal regulations are in step with the latest developments, we regularly revise our sector exclusion list to make sure we only finance projects that are consistent with our ethical principles and our CSR strategy, in light of identified risks. Any additions to this list require the explicit approval of BCV's Board of Directors.

We also consider sustainability with regard to our counterparties. When considering a potential financing arrangement, we look at the structure, purpose, and size of the loan and review it against ESG metrics.

Environmental and social criteria, including respect for human rights, are fully embedded and documented in our credit analysis process, which includes a questionnaire on this topic tailored to the type of loan applicant, their sector or industry, and the purpose of the credit facility. All relevant information is made available to the individual or committee responsible for making the lending decision.

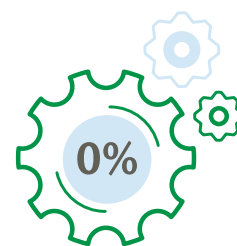
In 2022, we added a new module to our in-house lending training program explaining how we factor environmental and social criteria into our qualitative analysis process for corporate loans. This module is updated on a regular basis.

### Environment

In line with our sector exclusion policy, we do not finance projects relating to:

- nuclear power plants
- unsustainable fishing, logging, or agricultural activities
- coal mines or coal-fired power plants
- oil or gas extraction.

We offer discounted-rate loans and a range of support services to encourage businesses to lower their carbon footprint and use less energy, as part of our efforts to support the energy transition.



interest for 6 months on capital expenditure loans for energy-efficiency purposes

In addition, we have entered into a partnership with the PEIK energy-audit program run by SuisseEnergie, the Swiss

<sup>1</sup> See LBCV

federal government's energy-efficiency and renewable energy initiative. The goal is to support SMEs in their energy transition: corporate clients that carry out a PEIK audit receive a report setting out practical, targeted steps to reduce their energy use.

On top of this, clients can take advantage of our Green Bonus capital expenditure loans, with zero interest for the first six months if certain conditions are met. To help us actively promote this offer, all our corporate client-facing teams have completed a joint BCV-PEIK training program.

For larger corporate clients, the Bank also offers sustainability-linked loans, which are designed to encourage firms to align their financial objectives with sustainability targets.

## Society

Companies headquartered in Switzerland – which make up the vast majority of the companies we lend to – must comply with strict employment rules. Laws such as the Swiss Federal Employment Act and its ordinances, the Swiss Code of Obligations, and the

Swiss Federal Act on Gender Equality require employers to:

- foster a workplace environment that promotes workers' physical health and mental well-being
- treat men and women equally and ensure that women have the opportunity to progress to senior roles
- avoid all forms of discrimination
- maintain workers' work-life balance by adhering to rules on working time and rest time
- respect employees' workplace entitlements.

As part of our negative screening policy, we decline in particular to lend to:

- firms that manufacture or deal in controversial weapons and munitions

- companies in the pornography industry
- organizations associated with violations of internationally recognized human rights standards<sup>1</sup>
- entities that breach Swiss employment law
- gambling companies in other countries and unlicensed gambling operators in Switzerland.

## Governance

We systematically examine each counterparty's governance arrangements as part of our credit analysis process. This review is based on the general principles of the Bank's lending policy and on applicable directives for each client segment. BCV does not lend to organizations found to have engaged in active or passive corruption.

“ We offer discounted-rate loans and a range of support services to encourage businesses to lower their carbon footprint, as part of our efforts to support the energy transition. ”

<sup>1</sup> UN, *International Bill of Human Rights, 1966*; ILO, *ILO Declaration on Fundamental Principles and Rights at Work*, 1998

## Trade finance

The Lake Geneva region is a global center for commodities trading and home to a large number of trading firms. In our trade finance business, we focus on certain key markets and monitor all of our trade finance transactions.

Our trade finance policy takes account of environmental and social factors; it is based on the UN Guiding Principles on Business and Human Rights,<sup>1</sup> International Labour Organization standards (i.e., Conventions Nos. 138 and 182 on child labor), and the requirements of the State Secretariat for Economic Affairs (i.e., the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour, or the DDTro).

Our policy is to only finance transactions in commodities for which we are thoroughly familiar with the processes, context, and stakeholders

involved. Financed commodities are subject to a set of rules that take the associated materials' environmental and social impacts into account. The rules are reviewed and approved annually by the Executive Board's Credit Committee and provided to all trade finance employees.

Our current ESG assessment process aims to identify, evaluate, and manage the related risks and impacts. It covers the four key aspects of trade finance (client, commodity, country, and transaction type) and is designed to provide a comprehensive overview of the client and the transaction. Our relationship managers and credit analysts are responsible for rigorously following this process; they document their ESG assessments in annual credit files, based on their knowledge and the information available to them. All lending decisions are made by the respective decision-making authority. Outstanding loans are continuously monitored, and we review our credit files at least once a year.

We have also put in place specific measures to reduce environmental risks and potential impacts. For example, we require that ships used to transport petroleum derivatives be double-hulled, no more than 20 years old, subject to regular maintenance, and, if owned or chartered by our client, covered by civil liability insurance. These points are clearly set out in our lending policy.

BCV does not finance transactions in crude oil, oil residues, or shale gas in its trade finance business.

### Reducing our exposure to coal in line with the Paris Agreement-compatible scenario

Under the Sustainable Development Scenario, global coal use needs to be reduced in order to meet the emissions target set out in the Paris Agreement. Since 2020, we have pursued a phase-down rate in line with that scenario, based on International Energy Agency (IEA) publications.<sup>2</sup>

<sup>1</sup> UN, *Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework*, 2011

<sup>2</sup> IEA, *Net Zero Roadmap: A Global Pathway to Keep the 1.5°C Goal in Reach*, 2023





In 2020 and 2021, our target was to reduce exposure to coal by 4.5% per year, and since 2022 our aim has been to reduce it by 6.5% per year compared to 2021 targeted levels.

For thermal coal, we focus on transactions supplying developing countries where coal is an affordable energy source that accounts for much of the energy mix, making it difficult for these countries to phase out coal in the short term.

In 2022 and 2023, despite a surge in global coal demand, we sharply

decreased our coal exposure owing to the war in Ukraine and BCV's stance in that regard.

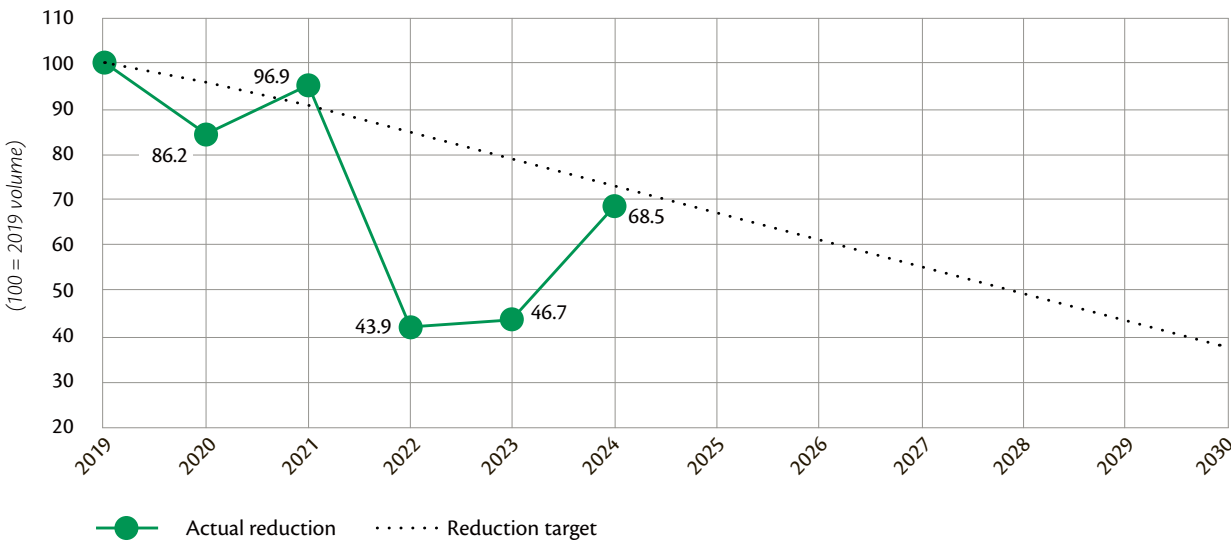
In 2024, global coal demand grew an estimated 1%, driven primarily by electricity generation. Although this represented a slowdown relative to 2022 and 2023 (4.7% and 2.4% growth, respectively), annual consumption still reached an all-time high.<sup>1</sup> Last year, BCV financed transactions that did not involve Eastern Europe while respecting our internal rules, particularly our limit on coal financing volumes.

### Commodities policy

Since 2020, we have been carrying out annual reviews of the social and environmental risks and impacts – actual and potential – of all commodities involved in the transactions we finance. We review the criteria for dealing in these commodities every year in light of market best practice.

For transactions involving certain commodities deemed sensitive in terms of their environmental or social risks or impacts, we require evidence that the commodities have been

**Coal exposure of BCV's trade finance business since 2019 (100% = 2019 volumes)**



<sup>1</sup> IEA, [Coal 2024: Analysis and Forecast to 2027](#), December 2024

sustainably sourced or that nationally or internationally recognized due diligence policies and practices have been implemented. These conditions relate to the following commodities:

- soy, depending on origin (e.g., Roundtable on Responsible Soy certification)
- palm oil (e.g., International Sustainability & Carbon certification)
- cobalt, depending on origin (e.g., the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas)
- tin (e.g., the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas)
- wood chips (e.g., Forest Stewardship Council certification)
- bauxite, depending on origin (e.g., the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas, along with evidence that the mine complies with International Finance Corporation standards or has Aluminium Stewardship Initiative certification).

Since 2020, we have continually improved our monitoring of social and environmental risks and impacts across our entire trade finance business, both

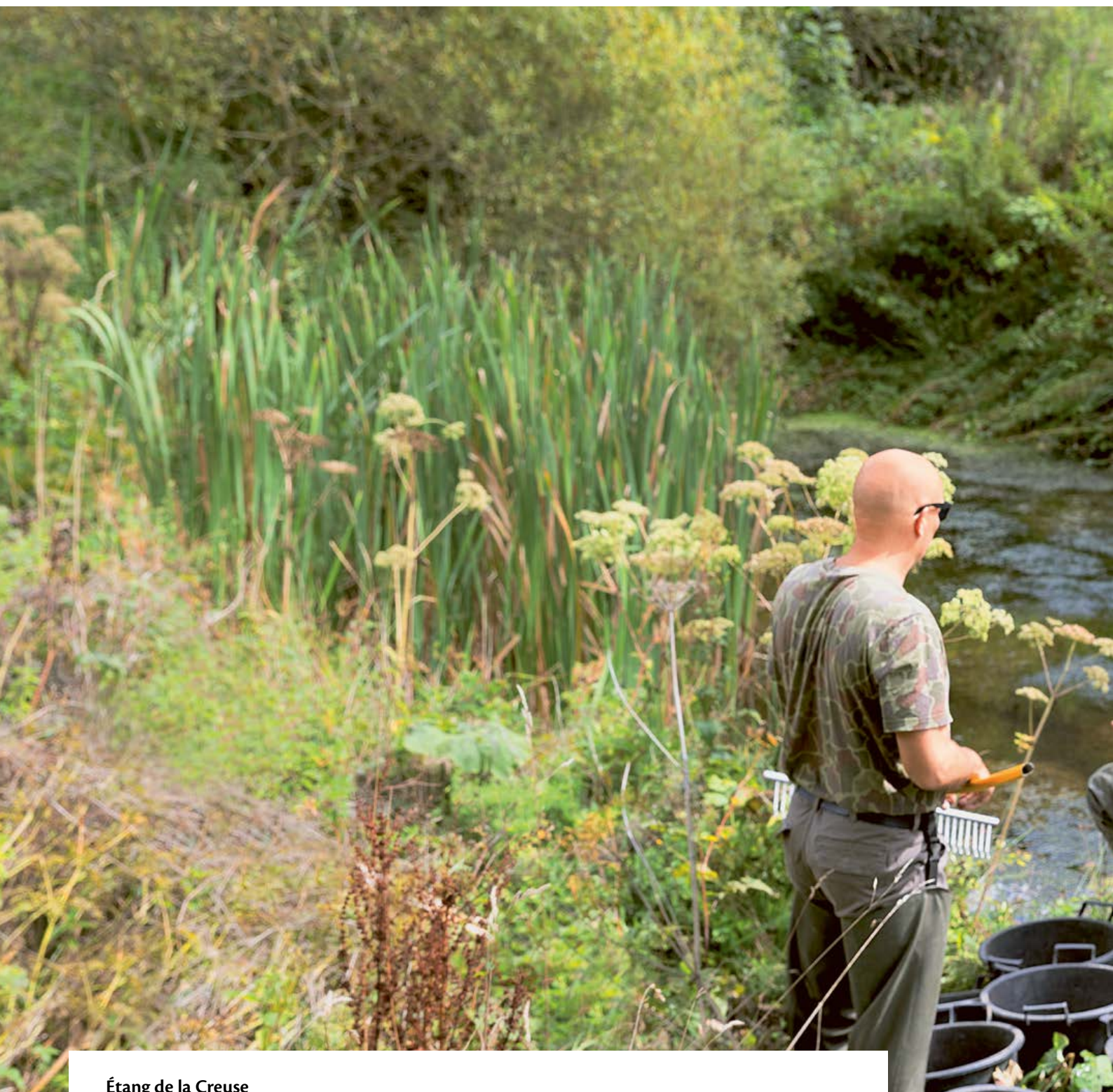
when each client's credit limits come up for annual review and with respect to day-to-day transactions.

To ensure that our policy is properly implemented, BCV employees involved with trade finance have completed a training course to increase their awareness of sustainability issues, particularly in relation to risk monitoring, documentation, and decision making processes.

### Training on environmental and social risks and impacts

All trade finance relationship managers and credit analysts have completed an online training session created by BCV, entitled "CSR and responsible lending." The session aims to give them an overview of what CSR entails for a bank like BCV, particularly issues in lending and trade finance, and to explain BCV's sustainability policies and processes for these activities.

To supplement this online training session, we have developed a workshop on assessing environmental and social risks and impacts in trade finance. It features case studies on CSR issues and how they affect day-to-day activities for our trade-finance employees, and the take-up rate has been 99% so far (versus 94% in 2023).



### **Étang de la Creuse**

In 2020, a team from the park authority carried out cleanup, rewilding, and reconfiguration work on this pond in the village of Vaulion, creating a more favorable habitat for insects and amphibians. Since then, the site has been maintained by groups of volunteers. In 2024, BCV employees took part in this project, which was initiated at the request of the municipal authority as part of the park's Toile Verte project.



# Being a benchmark employer



BCV is one of Vaud's leading employers. With one in every three people in the Canton's banking sector working for us, we're the number one provider of jobs in the industry, and no other bank in Vaud can match our staff's collective breadth and depth of skills. Our dynamic human resources policy is crucial to both our mission and our strategy, and we encourage training both to help our employees grow their skill sets and to help prepare our future managers. We're dedicated to creating workplace equality and promoting diversity, and we make the health and well-being of our people a priority.

At the heart of our human resources policy are BCV's four core values: responsibility, performance, professionalism, and close ties with our customers and the broader community. These same values, which are outlined on page 40 of this report, are also integral to the ethical principles underlying our Code of Professional Conduct. All new hires receive a copy of the Code, which is

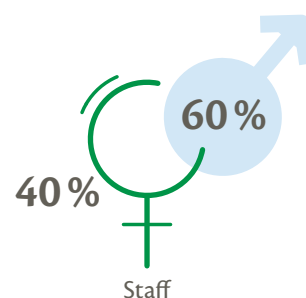
available on our website.<sup>1</sup> It sets out the behavior that is expected of our company as a whole, its governing bodies, and each and every staff member. The principles contained in the Code are applicable to any action or decision taken by BCV Group employees in a professional context (more details can be found on page 40 of this report).

## Diversity and equal opportunity

The Compensation, Promotions and Appointments Committee oversees the Bank's approach to diversity and equal opportunity. The Committee meets several times a year to make recommendations to the Board of Directors. The list of Committee members appears on page 88 of our 2024 Annual Report.

As set out in our Code of Professional Conduct, we aim to foster a working environment in which differences are respected and qualifications, skills, and achievements are valued. We are dedicated to creating a fair and diverse workplace with equal opportunities for all staff.

In terms of BCV's gender balance, the Bank had 824 female employees (around 40% of the workforce) at the end of last year. This figure reflects the makeup of our hiring pool: women accounted for around 40% of BCV job applicants, across all job categories, in 2024.



### 2-7 Employees

	2019	2020	2021	2022	2023	2024
<b>Total workforce (including trainees)</b>	<b>1,915</b>	<b>1,901</b>	<b>1,911</b>	<b>1,923</b>	<b>1,956</b>	<b>2,039</b>
– Employees on permanent contracts	1,806	1,799	1,795	1,804	1,835	<b>1,916</b>
– Women (%)	42%	42%	42%	41%	41%	<b>40%</b>
– Men (%)	58%	58%	58%	59%	59%	<b>60%</b>
<b>Employees working part-time</b>	<b>27%</b>	<b>27%</b>	<b>26%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>
– Women (%)	50%	49%	49%	46%	47%	<b>45%</b>
– Men (%)	10%	10%	10%	10%	11%	<b>11%</b>

<sup>1</sup> BCV, [BCV Group Code of Professional Conduct](#), December 2021

The number of women working at BCV, including in leadership and management positions, has risen over time. We are committed to promoting equal opportunity, including by increasing women's representation at all levels of responsibility. We aim to have 25% of senior leadership positions held by women by 2030. In 2024, women held 18% of these positions, which include members of the Executive Board, senior managers, experts, and managers in charge of large teams (versus 17% in 2023). We have also put a particular focus on gender balance in our trainee selection process.

We use indicators to track female representation in our various business lines, as well as at the various levels of responsibility. These indicators are monitored by the Bank's Executive Board and Board of Directors.

Our "Rejoignez-nous" hiring campaign is aimed at people who are looking to return to work after a career break



or who want to change direction and pursue a career in banking. The program, which now includes a new cybersecurity track, once again attracted a high number of female applicants, with eight women joining it last year (versus five in 2023).

The PLURI'elles network, an initiative led by some of the Bank's female employees, was created in 2020 to foster women's personal and professional development at BCV and help promote women's careers at the Bank. The network has enjoyed considerable success among our staff

and has become a key partner for women's career advancement. It has also grown considerably over the years, gradually rolling out learning materials and other resources to help women grow their skill sets. Soon after its inception, PLURI'elles made its events open to all employees: men often account for between 30% and 40% of attendees.

In 2024, the network once again ran a series of talks and workshops, on topics such as high-impact leadership, women's leadership, assertive communication, and the importance of first impressions. Around 400 staff members – women and men alike – attended these highly successful sessions across the year, hearing from a diverse panel of speakers.

**PLURI'elles**  
Le réseau féminin de la BCV

#### 405-1

##### Diversity of governance bodies and employees, percentage of women

	2019	2020	2021	2022	2023	2024	
						Proportion	Number
Board of Directors	29%	43%	43%	43%	43%	<b>43%</b>	<b>3</b>
Executive Board	0%	0%	0%	0%	0%	<b>0%</b>	<b>0</b>
Managers (excluding Executive Board)	31%	31%	31%	31%	32%	<b>31%</b>	<b>443</b>
Other employees	64%	66%	66%	64%	61%	<b>61%</b>	<b>378</b>
<b>Total workforce</b>	<b>42%</b>	<b>42%</b>	<b>42%</b>	<b>41%</b>	<b>41%</b>	<b>40%</b>	<b>824</b>



## 405-1

### Diversity of governance bodies and employees, by age group

	2023			2024		
	Under 30 years old	30–50 years old	Over 50 years old	Under 30 years old	30–50 years old	Over 50 years old
Board of Directors	–	–	100%	–	–	100%
Executive Board	–	–	100%	–	–	100%
Managers (excluding Executive Board)	4%	54%	42%	4%	52%	44%
Other employees	52%	27%	21%	51%	28%	21%
<b>Total workforce</b>	<b>19%</b>	<b>45%</b>	<b>36%</b>	<b>18%</b>	<b>44%</b>	<b>37%</b>

Our corporate culture is enriched by our staff's diverse range of experiences and educational backgrounds: 40% of our workforce completed an apprenticeship or high school, 44% graduated from university, and 16% have a vocational background. We also maintain a balanced age structure, with under-30s, 30-to-50-year-olds, and over-50s accounting for around 18%, 44%, and 37% of our employees, respectively (see table above).

BCV has nine employees (four women and five men) on hourly contracts (the same as in 2023), plus 307 subcontractor personnel – mostly IT specialists – who work alongside our staff day to day but aren't employed by the Bank directly (versus 321 in 2023).

## Focus on training

BCV is one of the Canton's main providers of professional training. We have our own training center, which offers courses to full-time and part-time BCV employees, as well as to employees of other cantonal banks in French- and Italian-speaking Switzerland.<sup>1</sup>

Our center focuses on skills development for all of the Bank's staff. Customer advisors receive regular training, in particular to help them keep pace with constant changes in customer needs and the regulatory environment. In 2024, our training center delivered close to 6,400 days' worth of training, including over 1,700 days of distance learning. On



1 in 3

local apprentices and high school graduates who train in banking

average last year, as in 2023, employees completed three days of training.

We place a high priority on our employees' ongoing professional development, whether through internal job training, certification from the Swiss Association for Quality (SAQ), or post-secondary qualifications from outside institutions.

<sup>1</sup> The term "cantonal banks in French- and Italian-speaking Switzerland" covers the cantonal banks of Fribourg, Geneva, Jura, Neuchâtel, Ticino, Valais, and Vaud.

We have adopted an advisor certification system used by several other banks that is in line with the ISO 17024 standard and recognized by SAQ (see box opposite for more details). A total of 17 client advisors received their certification last year (versus 30 in 2023). As a result, all our advisors are now SAQ-certified. We will continue supporting new advisors who join our team as they work toward this certification.

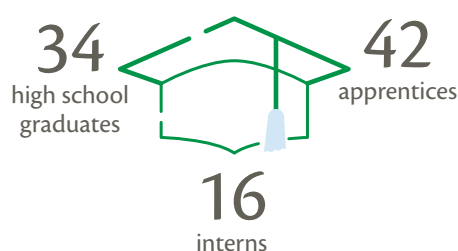
The ninth edition of BCV's Micro MBA program – developed in conjunction with the former director of the Diploma of Advanced Studies in Entrepreneurial Leadership at the University of Geneva – ran between March 2023 and October 2024. The 16 people who took part (6 women and 10 men – see chart on page 98) developed interdisciplinary and project-management skills.

In addition, 25 BCV employees received post-secondary qualifications from outside institutions in 2024 with the Bank's support.

Last year, we provided job training for 100 trainees (around 5% of our total workforce, unchanged from 2023): 42 apprentices, 34 high school graduates, 16 university interns, and 8 participants in our "Rejoignez-nous" training program (see page 95 for more details).

Apprentices, high school graduates, and university interns completed more than six days of in-house training on average.

A third of all young people in Vaud who choose to get training in a bank as apprentices or high school graduates do so at BCV.



### SAQ certification

The Swiss Association for Quality (SAQ) certificate attests that the holder has the expertise and knows the rules of conduct defined by the industry for the advisory profession.

Only professionals who are employed by a financial institution (bank or independent asset manager) and who have a client portfolio can take the SAQ examination.

In general, certifications make theoretical knowledge and practical skills visible, transparent, and internationally comparable. The SAQ Client Advisor Bank certification system was developed in close cooperation with the Swiss banking industry and is recommended by the Swiss Bankers Association to its members.

The certificate is valid indefinitely as long as holders continue to fulfill certain criteria. For instance, advisors must complete a set number of days of training each year and must be employed by a financial institution at the time of recertification.

#### 404-1

Average days of in-house training per employee per year

	2019	2020	2021	2022	2023	2024
All employees	4.3	3.7	4.2	4.0	3.0	3.1

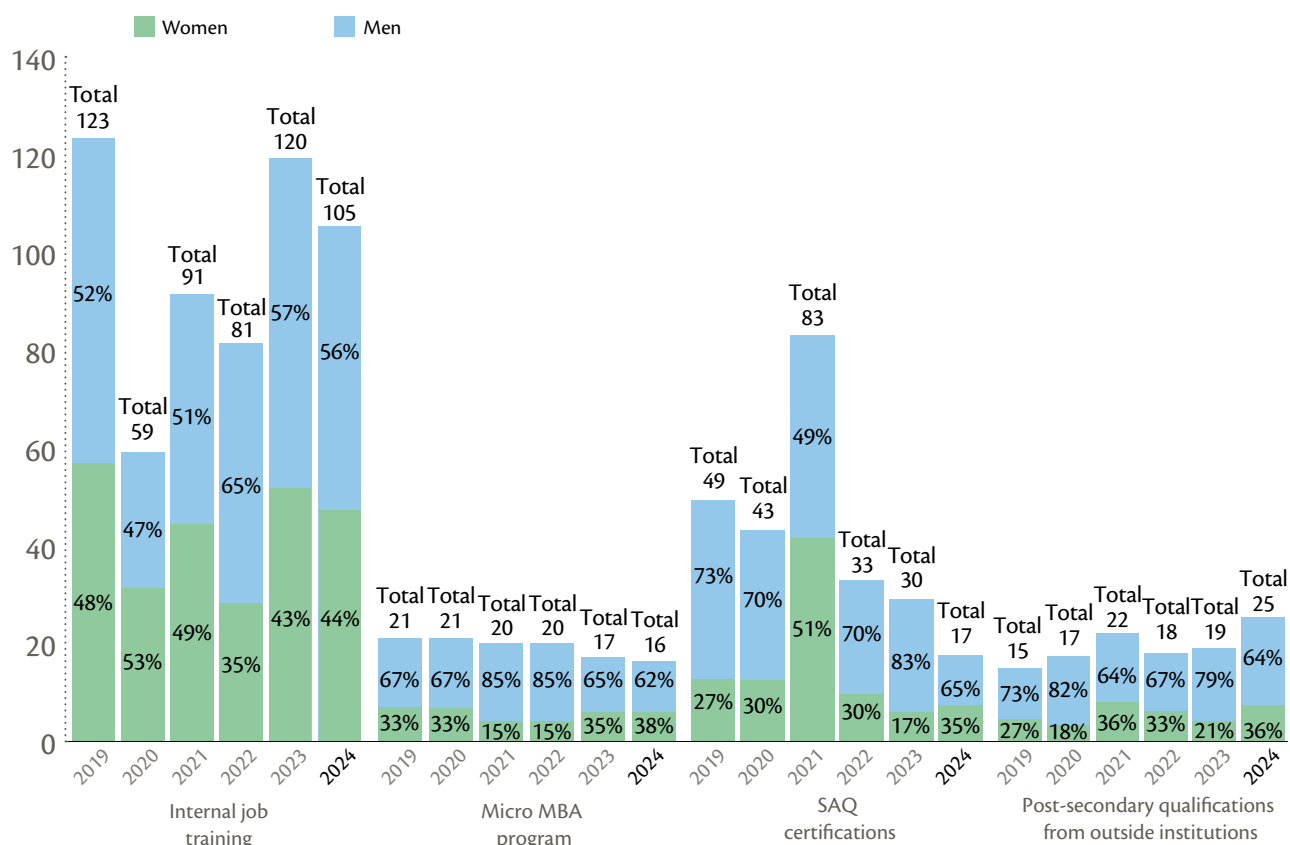
#### 404-1

Average days of in-house training per year per employee,  
by gender and employee category

	Other employees						Managers					
	2019	2020	2021	2022	2023	2024	2019	2020	2021	2022	2023	2024
Women	4.9	3.0	8.5	6.3	4.6	4.9	4.3	2.0	1.6	2.6	2.3	2.5
Men	5.7	3.4	12.8	7.4	5.2	4.9	5.7	2.3	1.9	2.5	2.1	2.3

#### 404-2

Programs for upgrading employee skills





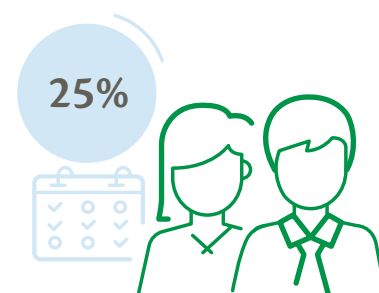
## Work-life balance

As one of the Canton's leading employers, we know how important it is for our more than 2,000 employees to be able to juggle the demands of work and family life. Encouraging work-life balance also makes good business sense, because it helps us attract and retain the talent we need going forward.

We have put in place a flexible policy so that BCV employees, including senior managers, may increase or reduce their hours as they progress through their career at the Bank. In 2024, 25% of managers and 25% of other employees worked part-time (versus 24% of managers and 28% of

other employees the year prior). In 2023, we took further steps to broaden our appeal to prospective employees. Staff can now purchase additional days of leave, and we introduced two new options for part-time members of our workforce: compensatory time off, where employees can take extra days off to compensate for overtime hours worked, and an annualized hours arrangement, where employees can spread their contractually agreed-upon working hours unevenly across the year.

We also help our employees fit work around their busy lives in other ways. For instance, employees aged 45 and over gain additional leave, and staff have the option to take their



of BCV employees work part-time

long-service bonus – awarded for 10, 20, 30, and 40 years' service at BCV – as an extra month's vacation time. And when they reach 58 years of age, employees can choose to take early retirement or, if they work full-time and if their line manager agrees, take partial retirement with a reduction of 20% or more in their working hours.

### 401-1

#### New employee hires, by gender and age group

	Total					Under 30 years old	30–50 years old	Over 50 years old	Total
	2019	2020	2021	2022	2023	2024			
Women	63	56	61	101	98	49	33	13	<b>95</b>
Men	101	92	120	135	150	47	77	36	<b>160</b>
<b>Total</b>	<b>164</b>	<b>148</b>	<b>181</b>	<b>236</b>	<b>248</b>	<b>96</b>	<b>110</b>	<b>49</b>	<b>255</b>

### 401-1

#### Employee turnover, by gender and age group

	Total					Under 30 years old	30–50 years old	Over 50 years old	Total
	2019	2020	2021	2022	2023	2024			
Women	7.9%	6.4%	8.5%	12.9%	9.3%	23.4%	8.3%	1.5%	<b>8.6%</b>
Men	5.7%	7.2%	7.6%	7.2%	8.1%	17.0%	9.1%	1.9%	<b>7.1%</b>
<b>Total</b>	<b>6.6%</b>	<b>6.9%</b>	<b>8.0%</b>	<b>9.5%</b>	<b>8.6%</b>	<b>20.1%</b>	<b>8.8%</b>	<b>1.8%</b>	<b>7.7%</b>

#### 401-3

##### Parental leave

	2019	2020	2021	2022	2023	2024
Female employees who took maternity leave during the year (excluding those on fixed-term contracts)	39	40	39	33	31	34
Female employees who returned to work after maternity leave ended in the year	100%	97%	92%	96%	100%	100%
Female employees who returned to work the previous year after maternity leave and were still employed 12 months after their return to work	89%	75%	80%	76%	87%	74%
Male employees who took paternity leave in the year (20 days since 2023)	47	53	46	41	51	45

##### Sabbatical leave

	2019	2020	2021	2022	2023	2024
Women	3	1	1	0	1	1
Men	5	0	0	5	5	2
<b>Total</b>	<b>8</b>	<b>1</b>	<b>1</b>	<b>5</b>	<b>6</b>	<b>3</b>

### Supporting working parents

In 2023, we significantly increased the amount of leave available to staff welcoming a new child into their family, extending the entitlement to:

- 22 weeks for women with fewer than five years of service
- 28 weeks beyond five years of service
- 30 weeks beyond 10 years of service.

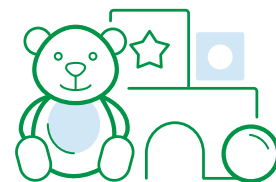
Beyond the 14 weeks of legally mandated leave, female employees working 80% or more full-time

equivalent can return to work part-time while continuing to receive maternity pay.

The Bank offers four weeks of fully paid parental leave to the newborn's father or to the birth mother's same-sex spouse (under the previous arrangement, we offered two weeks of paternity leave).

BCV also offers leave for adoptive parents: the child's primary caregiver receives the same entitlement as female employees taking maternity leave (without the option of extending the leave

period by returning to work part-time), while the other parent is entitled to the same parental leave as fathers and same-sex spouses. We also offer our employees daycare services and have a total capacity of up to 37 children.



# 37

children looked after in the daycare center

## Working conditions

As an organization headquartered in Switzerland, BCV must comply with strict employment rules laid down in laws such as the Swiss Federal Employment Act (EmpA) and its ordinances, the Swiss Code of Obligations (CO), and the Swiss Federal Act on Gender Equality (GEA). We take our responsibilities as an employer seriously, aiming to:

- foster a workplace environment that promotes employees' physical health and mental well-being
- treat men and women equally, and ensure women have the opportunity to progress to senior roles
- avoid all forms of discrimination
- maintain employees' work-life balance by adhering to rules on working time and rest time
- respect employees' workplace entitlements.

At any point, the Bank could be inspected by the cantonal authorities to make sure its practices are compliant with Swiss employment law.

The protections to which staff are entitled are set out in detail in the Bank's employee regulations. Under the regulations, every BCV employee receives a benefits package that equals, and in many cases exceeds, the minimum standard set by law and industry practice, including the requirements of the Agreement on

Conditions of Employment for Bank Employees (CPB).

### Working week

The standard working week for a full-time employee is 42 hours, and the maximum is 45 hours. Staff should not normally exceed this limit. In exceptional cases, line managers can ask employees to work up to 55 hours a week if the additional hours are essential for business continuity. In such cases, the employee in question must consent to the request.

The Bank has signed the Agreement on the Recording of Working Time (CSTT), a joint initiative of the Employers Association of Banks in Switzerland (Employers in Banking), the Swiss Bank Employees' Association (ASEB), and the Swiss Association of Commercial Employees. This agreement offers three options for recording employees' working hours:

- a standard arrangement that uses an electronic time clock to record working time.
- a simplified arrangement, under which staff need only record their total daily working hours, have greater freedom to plan their work, and are personally responsible for complying with the rules on working time and rest time.
- a waiver arrangement, which only applies to employees earning an annual base salary (excluding variable components) of CHF 120,000 or more and who are free to plan their work as they see fit. The decision to waive working-time recording must be set down

in an individual agreement with the employer, and the employee's workload must be discussed at annual performance review meetings. Staff in this category are also personally responsible for complying with working-time and rest-time rules.

The Bank has an arrangement in place that lets employees work from home for one day a week. The option is open to staff employed at least 60% of full time and whose role is compatible with remote working.

### Employee satisfaction surveys

Every two years, BCV commissions a third-party polling service to conduct an anonymous survey of all staff members in order to obtain their opinions on working conditions and workplace relations, to gauge their satisfaction with supervisors, and, more generally, to determine their buy-in and commitment. In 2024, 83% of employees took part in this survey (the same participation rate as in 2022). The overall score was 7.4 out of 10 – a 0.4-point increase in two years and the highest since the very first survey back in 2006. BCV also performed very well in a benchmark study by the same provider, which compared satisfaction among the Bank's workforce against a sample of over 14,000 employees at other companies in French-speaking Switzerland: the results showed a high level of staff buy-in, as well as progress across all metrics. The next survey will take place in 2026.



## Objectives and performance reviews

As part of our focus on skills development and workforce planning, we have set up a formal, twice-yearly review process to make sure we have the talent in place to fill management positions when they become vacant. The process aims to identify our needs going forward, the people who could fill those roles, and how we can help them succeed. Employees who demonstrate potential receive targeted development support through training programs such as the BCV Micro MBA (more details can be found starting on page 97). This approach has a dual benefit, helping to build strategic and managerial competencies within our workforce while also strengthening our appeal as an employer committed to talent development.

At BCV, our objective-setting and performance-review process is designed to give employees a clear picture of the Bank's expectations. At the beginning of the year, employees sit down with their line manager to discuss their individual performance

and skills-development targets for the coming year, and to talk through how they will achieve them.

Managers review staff performance twice yearly: once at the halfway point, and again at the end of the year. Ahead of each review, the manager gathers the necessary information and employees complete a self-assessment. The manager then meets with each employee to factually discuss the progress made toward performance objectives. Any points of disagreement can be escalated for a second opinion to the manager's line manager and the human resources team.

As part of the performance-review process, managers ask employees where they see themselves in two to five years' time, and their responses are formally documented. This step is designed to encourage internal job mobility and support the Bank's future workforce planning.

## Compensation

BCV's compensation system is designed to promote individual and team performance, skills development,

and professionalism, and to attract and train the talent that is integral to our long-term success. The Bank's compensation policy is managed by the Compensation, Promotions and Appointments Committee.

The components of the compensation system are base salary, annual performance-based compensation, and the employee share-ownership plan. In addition, the Executive Board and department heads are eligible for long-term performance-based compensation. No stock-option plans are offered as part of compensation.

More details of our compensation system can be found in our 2024 Annual Report (starting on page 99).

Annual performance-based compensation and long-term performance-based compensation for members of the Executive Board are based in part on objectives relating to the Bank's CSR strategy (more details can be found on pages 26 and 27 of this report). No such financial incentives are offered to members of the Board of Directors.

## 2-21

### Percentage change in annual total compensation

	2019	2020	2021	2022	2023	2024
Percentage change in the median annual total compensation	+2.6%	-0.3%	+1.3%	+1.3%	+4.0%	<b>+3.2%</b>
Percentage change in the highest-paid individual's compensation	-0.4%	-3.5%	+2.4%	+1.7%	+7.3%	<b>-1.8%</b>

Last year, the highest salary at BCV was 14 times more than the median salary (versus 14.7 in 2023).

The calculation basis for this ratio is gross compensation. However, if payroll taxes and pension contributions are taken into account, the result is a pay ratio of less than 10 to 1.<sup>1</sup> This latter estimate represents relative purchasing power across the Bank's workforce.



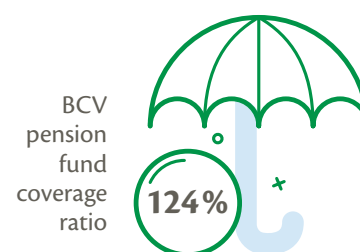
Under the amended Swiss Federal Gender Equality Act (GEA), companies with 100 or more employees had until 1 July 2021 to complete an equal pay analysis of all employees. In April that year, we hired an external consulting firm to conduct this analysis for our workforce. The results showed that BCV's compensation meets Swiss federal requirements on gender-equal pay. Also in 2021, we were awarded the Fair-ON-Pay certification in recognition of our equal pay practices over the long term. This certification, which is valid for four years, included an interim assessment in 2023.

### Pension fund

BCV Group provides its employees with pension coverage well in excess of the minimum legal requirements. The staff pension fund is run as a defined-

contribution plan for retirement benefits and as a defined-benefit plan for death and disability benefits.

All BCV Group employees are members of the staff pension fund, the Caisse de Pensions de la Banque Cantonale Vaudoise (CP BCV). The Bank's senior executives are also members of a supplementary pension fund (Fondation de Prévoyance Complémentaire de la Banque Cantonale Vaudoise).



The CP BCV is built to provide long-term security for past, present, and future members and to be resilient to the challenges of an aging society. It gives employees the flexibility to choose when to retire: the Bank's employee regulations set a standard retirement age of 65 years for both men and women, but staff can choose to take retirement between their 58th and 68th birthdays.

### CP BCV pension fund members

	2022	2023	2024
Active members	2,099	2,109	<b>2,210</b>
– Working at the parent company	1,883	1,891	<b>1,964</b>
Pension recipients	1,373	1,507	<b>1,479</b>
– Retirees	1,057	1,077	<b>1,088</b>

### 201-3

#### Pension plan obligations

	2022	2023	2024
CP BCV coverage ratio	117%	117%	<b>124%</b>
Ratio of pension benefits to LPP minimum requirement	3.8	3.9	<b>3.9</b>
Total contributions (as a % of gross salary)	24%	23%	<b>23%</b>
Employer's share of contributions	67%	66%	<b>66%</b>

<sup>1</sup> Calculation based on an average tax rate of around 15%, which is the estimated rate for a person who is married, has two children, and earns the median annual salary. Other income, wealth, and deductions were excluded from the calculation. A rate of 41.5% was applied for the highest salary.

Our pension fund also gives members financial peace of mind in retirement. Contributions amount to nearly one-quarter of gross salary, shared one-third to two-thirds between the employee and the Bank. As a result, members build up pension benefits almost four times larger than the minimum requirement under the Swiss Federal Occupational Pensions Act (LPP).

### Health and safety in the workplace

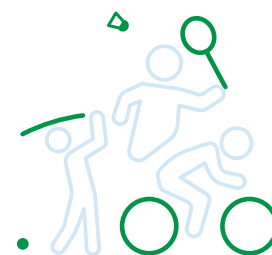
At BCV, we promote workplace health and safety with a focus on:

- preventing issues before they arise
- identifying employees at risk
- providing support to those who need it.

#### Prevention

We've put in place a range of measures in the interest of our employees' health:

- A medical officer works with our Human Resources Department to assist employees with complex health issues requiring individual attention.
- Each year, we contribute CHF 45,000 to our in-house sports association, which lets employees choose between 17 different activities as a way to keep fit and build friendships with colleagues outside of work.
- The Bank has a joint team of volunteer firefighters and first responders trained to attend emergencies.
- Staff at our administrative center in Prilly have access to an on-site fitness room, and we provide locker rooms and showers at our head office at Place Saint-François in Lausanne and our Chauderon branch so employees can bike or walk to work and exercise during their breaks.



**17** different activities offered by our sports association

- We advise our staff, especially the members of our workforce who experience pain and other health conditions, on ways they can make their workstations more ergonomic. We also run a safety course, developed in conjunction with the Police Academy in Savatan, to teach customer-facing employees how to deal with abusive language and physical violence. And we have installed airlock doors, reinforced windows, and biometric access systems at our branch offices to keep our people safe.

### Work-related injuries\* and sick leave

	2019	2020	2021	2022	2023	2024
No. of work-related injuries requiring time off work	5	2	1	1	3	4
No. of work-related injuries not requiring time off work	14	11	9	6	13	9
Days of sick leave per person (Bank-wide average)	6.3	6.0	6.7	8.0	6.8	6.4

\* Work-related injuries are all injuries within the meaning of the Swiss Federal Act on Accident Insurance (LAA) sustained by employees in the course of their professional activities at BCV.



### Identifying at-risk employees and providing support

The Bank has systems and processes in place to identify at-risk employees and to provide support to those who need it.

If employees have any concerns, they can discuss the matter openly with their line manager at their mid-year and year-end performance review meetings, while more sensitive issues can also be raised with the Bank's human resources business partners.

As part of our health-risk mitigation strategy, we aim to identify risks early and to support employees who are ill, on long-term leave for an injury, acting as a caregiver, living with a disability, dealing with the death of a family member, or facing other challenging circumstances.

Here is an overview of our approach:

- All line managers have access to a dashboard showing how often their team members are off work and the categories of absence involved. Managers can compare team absences against a Bank-wide benchmark and check whether employees are taking their legally mandated leave. The system also issues alerts in certain circumstances.
- The same dashboard allows managers to track other indicators, such as working-hour limits, giving them a real time picture of employees' workload and other potential problems.
- The Bank has a special monitoring procedure for employees on long-term leave, with a defined process

for dealing with administrative formalities and supporting staff members as they return to work.

- In keeping with our duty of care to our people, we have set up an external support service for staff members who face situations of conflict, bullying, discrimination, or violence in the workplace. We likewise offer an external counseling service for employees dealing with bereavement, financial worries, family problems, addiction, or other personal issues. Both of these services are independent and run by leading outside providers. They can be reached easily using the contact details published on our intranet, and employees can approach them at any time for free, confidential advice and support. The two providers submit periodic, confidential reports to BCV detailing how many cases they have handled and what measures have been put in place.

## Piguet Galland

Piguet Galland's human resources strategy and corporate culture are built around fostering a diverse and inclusive workplace. The bank is committed to promoting a work environment where every employee can share their knowledge, experience, and ideas.

Piguet Galland offers working arrangements that enable employees to organize their daily activities in a way that promotes a healthy work-life balance. Wherever possible, the bank

offers job-sharing, part-time work, remote work, and hotdesking between sites, without regard to the employees' job level or gender.

Piguet Galland has also put in place the following entitlements:

- 16 weeks of fully paid maternity leave in all three cantons where the company operates
- 15 days of fully paid paternity leave
- for parents, an annual benefit not subject to Swiss social security contributions, in addition to the statutory family allowances
- fully paid care leave in the case of illness in the immediate family (three days per incident, up to ten days each year)
- five to six weeks of annual paid vacation
- one day a year of paid leave for employees' birthdays
- one day a year of paid leave for volunteer work, to promote employees' civic engagement.

In terms of gender equality, Piguet Galland has a high number of female employees, particularly in management.

In June 2023, Piguet Galland once again received the Fair-ON-Pay Advanced certification, which recognizes its pay practices as being in line with Swiss federal regulations on gender pay equity. The company first received this certification in 2019 and was recertified in 2021.

## 2-7

## Piguet Galland employees

	2022	2023	2024
<b>Total workforce (including trainees)</b>	<b>169</b>	<b>177</b>	<b>187</b>
– Employees on permanent contracts	160	167	<b>180</b>
– Women (%)	43%	42%	<b>41%</b>
– Men (%)	57%	58%	<b>59%</b>
<b>Employees working part-time (%)</b>	<b>21%</b>	<b>21%</b>	<b>19%</b>
– Women (%)	38%	38%	<b>34%</b>
– Men (%)	9%	10%	<b>9%</b>
<b>Hourly workers</b>	<b>3</b>	<b>3</b>	<b>1</b>
– Women	1	1	<b>1</b>
– Men	2	2	<b>0</b>

## 401-1

## New employee hires at Piguet Galland, by gender and age group

	2023				2024			
	Under 30 years old	30–50 years old	Over 50 years old	Total	Under 30 years old	30–50 years old	Over 50 years old	Total
Women	3	4	0	7	6	7	0	<b>13</b>
Men	4	10	4	18	5	9	2	<b>16</b>
<b>Total</b>	<b>7</b>	<b>14</b>	<b>4</b>	<b>25</b>	<b>11</b>	<b>16</b>	<b>2</b>	<b>29</b>

## 401-1

## Employee turnover at Piguet Galland, by gender and age group

	2023				2024			
	Under 30 years old	30–50 years old	Over 50 years old	Total	Under 30 years old	30–50 years old	Over 50 years old	Total
Women	18.5%	11.0%	0.0%	5.7%	14.5%	6.7%	5.3%	<b>6.7%</b>
Men	0.0%	11.0%	2.6%	6.4%	9.3%	4.0%	2.3%	<b>3.9%</b>
<b>Total</b>	<b>6.6%</b>	<b>11.0%</b>	<b>1.3%</b>	<b>6.1%</b>	<b>11.3%</b>	<b>5.0%</b>	<b>3.7%</b>	<b>5.1%</b>

In September 2024, the bank won the Prix de l'Égalité at the Grands Prix de l'Économie business awards hosted by the Geneva Chamber of Commerce, Industry and Services (CCIG) and the Canton of Geneva.<sup>1</sup> This award, introduced in 2021, recognizes companies that actively promote gender equality in the workplace.

Also last year, Great Place to Work named Piguet Galland one of the Best

Workplaces™ in Switzerland, as well as one of the 25 Best Workplaces™ in the French-speaking part of the country.<sup>2</sup> The annual rankings are based on a confidential survey of all employees concerning various aspects of their workplace experience; it uses a methodology that is transparent and totally independent. In the survey, 93% of respondents said that Piguet Galland was a pleasant place to work.



#### 405-1

##### Diversity of governance bodies and employees at Piguet Galland, by proportion of women

	2022	2023	2024	
			Proportion	Number
Board of Directors	20%	20%	20%	1
Executive Board	40%	40%	40%	2
Managers (excluding Executive Board)	43%	40%	40%	51
Other employees	42%	46%	44%	24
<b>Total workforce</b>	<b>43%</b>	<b>42%</b>	<b>41%</b>	<b>78</b>

#### 405-1

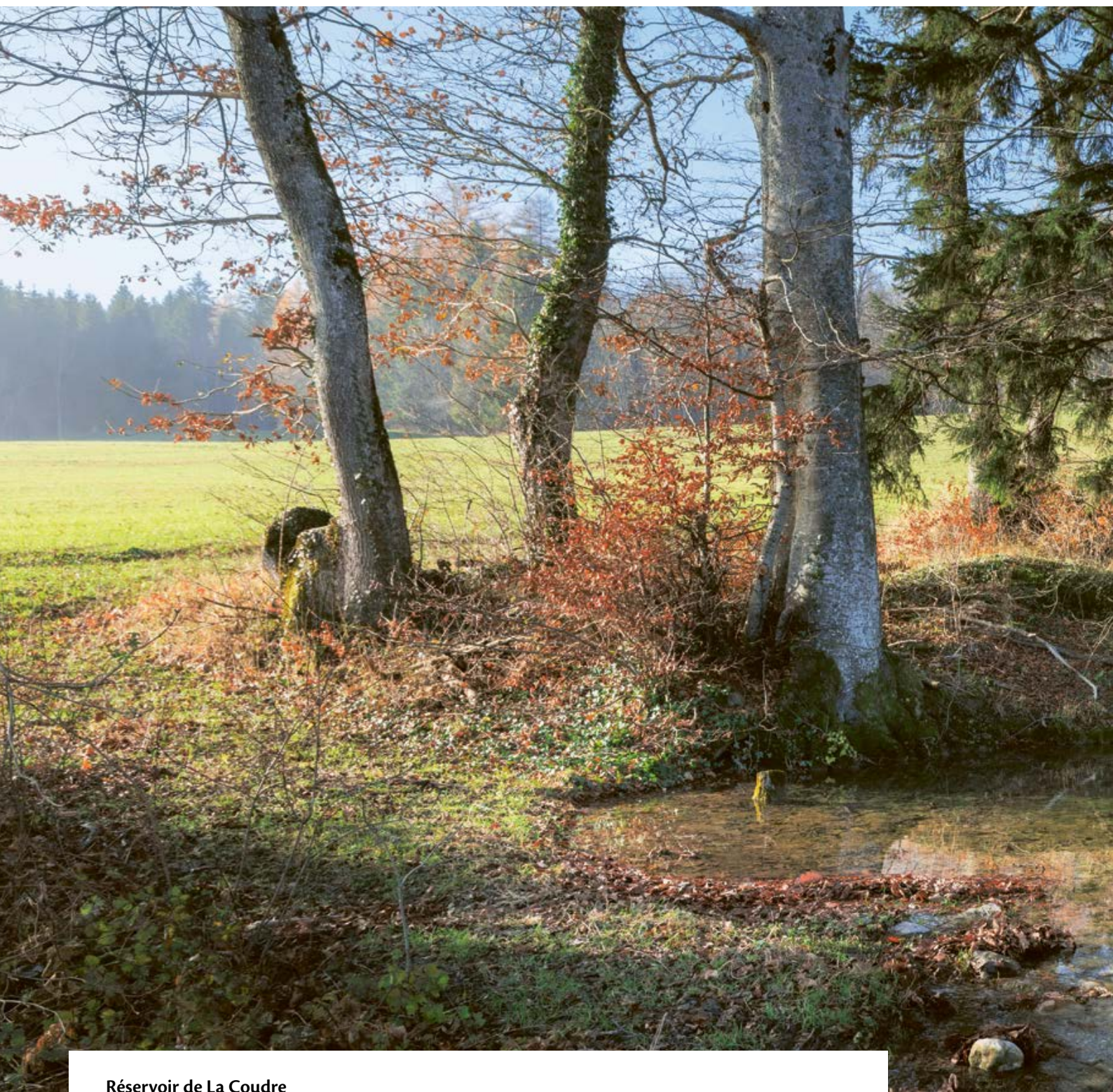
##### Diversity of governance bodies and employees at Piguet Galland, by age group

	2023			2024		
	Under 30 years old	30–50 years old	Over 50 years old	Under 30 years old	30–50 years old	Over 50 years old
Board of Directors	–	–	100%	0%	0%	100%
Executive Board	–	60%	40%	0%	60%	40%
Managers (excluding Executive Board)	1%	49%	50%	0%	51%	49%
Other employees	40%	31%	29%	39%	33%	28%
<b>Total workforce</b>	<b>12%</b>	<b>44%</b>	<b>44%</b>	<b>11%</b>	<b>45%</b>	<b>44%</b>

<sup>1</sup> CCIG, [Palmarès des Grands Prix de l'économie 2024](#) (in French)

<sup>2</sup> Great Place to Work, [Piguet Galland & Cie SA](#)



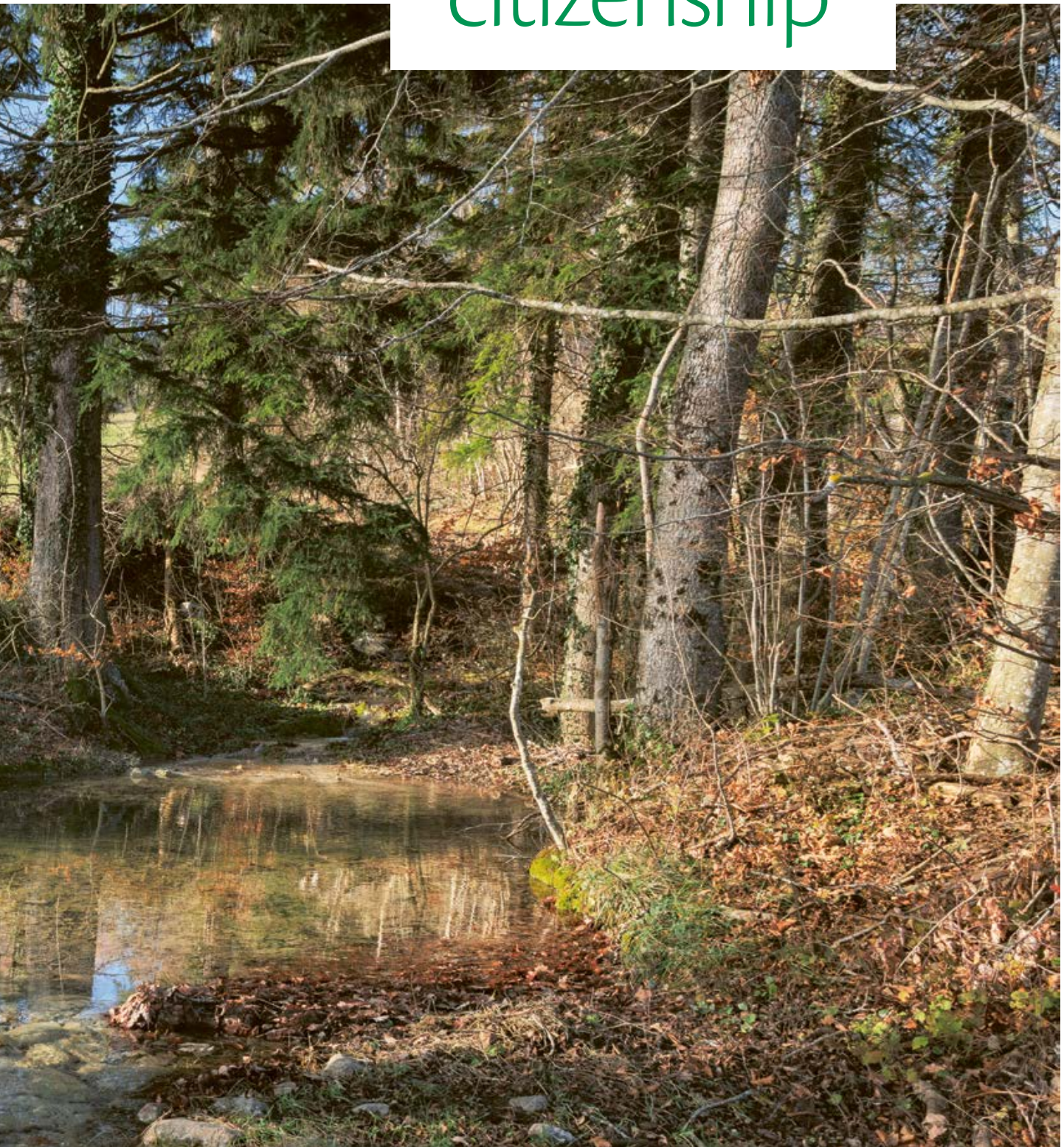


### **Réservoir de La Coudre**

As part of its Toile Verte project, the park authority teamed up with residents of La Coudre, a hamlet in the hills above the village of L'Isle, to convert a disused reservoir. A bat box was installed in the abandoned building at the site, and the reservoir was rewilded to attract amphibians, dragonflies, and numerous other species.



# Corporate citizenship



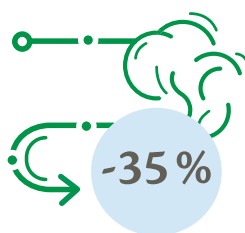


## Reducing the environmental impact of BCV's operations

For the past several years, we've put our commitment to sustainability into action by taking concrete steps to reduce our impact on the environment. That's why, as part of our approach to corporate social responsibility (CSR), we are working hard to shrink the carbon footprint of our operations and of the resources we use. Since 2019, we've supported climate-protection projects that take a holistic, long-term view of sustainability.

### Climate target for our operations

As part of our commitment to preserving the environment, and of our ongoing efforts to reduce our direct environmental footprint, we are aiming to cut our operational greenhouse gas (GHG) emissions in line with the Swiss federal government's goal of reaching net-zero by 2050, with an interim emissions-reduction target of 35% from 2019 levels by 2030. We arrived at this figure after reviewing all our emissions sources to see where we could reduce our footprint and by how much, aligning our approach with federal and cantonal government targets.



Emissions reduction target  
by 2030

### Measuring our direct carbon footprint

Our carbon-footprint assessment looks at GHG emissions generated by the Bank's day-to-day operations, specifically from transportation, buildings, and consumables. These emissions are measured in accordance with the GHG Protocol. Our 2024 assessment showed that we emitted 4,453 metric tons of CO<sub>2</sub> equivalent (tCO<sub>2</sub>e). This figure, which is 31% lower than 2019 levels, indicates that we are on course to meet our goal of cutting our emissions by 35% by 2030.

In intensity terms, the Bank's emissions per full-time equivalent (FTE) employee decreased from 2.7 tCO<sub>2</sub>e in 2023 to 2.4 tCO<sub>2</sub>e in 2024.

### GHG emissions by source

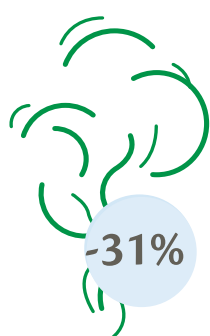
Emissions (tCO <sub>2</sub> e)	2019	2020	2021	2022	2023	2024	Change (vs. 2023)	Change vs. base year (2019)
Employee commuting	2,718	2,515	2,007	1,940	1,986	1,590	-20%*	-41%
Heating	2,218	1,832	1,629	1,396	1,543	1,657	+7%	-25%
Computer hardware	322	322	363	366	386	436	+13%	+35%
Business travel	386	137	110	332*	307	321	+5%	-17%
Electricity	409	382	267	258	228	229	+0%	-44%
Paper and printed materials	349	326	321	254	225	183	-19%	-48%
Waste	40	34	25	37	34	37	+7%	-8%
Refrigerants	0	0	0	0	0	0	-	-
<b>Total</b>	<b>6,442</b>	<b>5,549</b>	<b>4,721</b>	<b>4,583</b>	<b>4,710</b>	<b>4,453</b>	<b>-5%</b>	<b>-31%</b>
– of which scope 1**	1,716	1,471	1,301	1,089	1,157	1,211	+5%	-29%
– of which scope 2**	284	267	166	165	139	140	+1%	-51%
– of which scope 3**	4,441	3,811	3,254	3,328	3,413	3,102	-9%	-30%

\* The change in GHG emissions from employee commuting is due in part to a change in the data collection method. More information can be found on page 137.

\*\* For a breakdown of emission sources by scope, please see page 113 of this report.

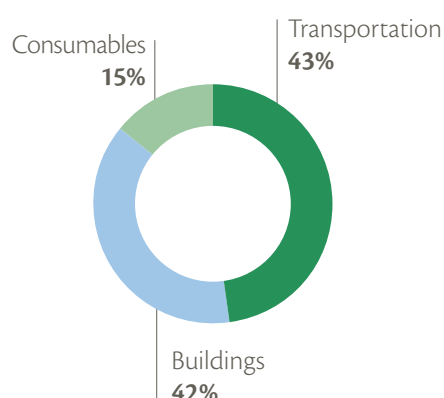


Overall, our emissions were 5% lower last year than in 2023 (a reduction of 257 tCO<sub>2</sub>e), owing largely to a decrease in employee commuting emissions. More details on emissions trends by source can be found below.



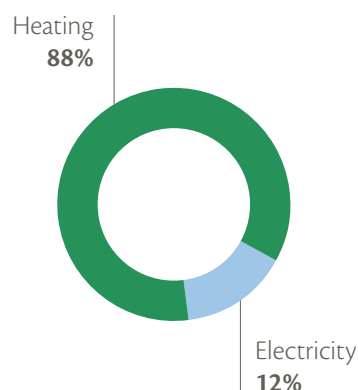
reduction in GHG emissions  
since 2019

### Main sources of GHG emissions



Buildings (heating and electricity) account for around 42% of our GHG emissions, while transportation (employee commuting and business travel) and consumables (paper, printed materials, computer hardware, and waste) – make up 43% and 15%, respectively.

### Buildings



Heating (fuel oil, natural gas, and district heating) is the largest single contributor (37%) to our operational GHG emissions and accounts for the majority (88%) of our building-related GHG emissions. Despite the completion of renovations to reduce heat loss, heating emissions were 7% higher last year than in 2023 (an additional 114 tCO<sub>2</sub>e). This increase was largely due to the rollback of energy-saving measures such as lowering the temperatures in our offices, which we introduced in response to potential power and gas shortages in Switzerland in 2022 and 2023.

Electricity consumption represents 12% of carbon emissions from our buildings – broadly unchanged relative to 2023. We've reduced energy consumption across our business by 22% in five years – from 10,941 megawatt-hours (MWh) in 2019 to 8,519 MWh in 2024 – and GHG emissions in this subcategory were 44% lower last year than they were five years ago. Our two biggest sites are powered exclusively

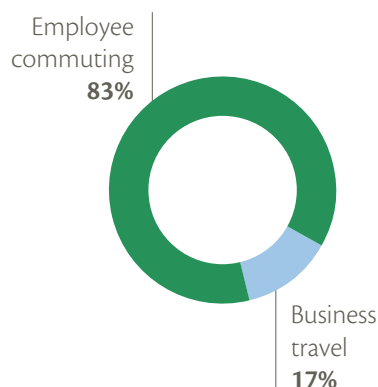
by renewable energy from Swiss hydroelectric plants.

Under the terms of the energy-efficiency agreement we signed with the Canton of Vaud and the federal government, we are taking steps to meet energy-saving targets for our two flagship sites: by 2027, we are aiming to increase energy efficiency by 9% from 2017 levels at our head office and by 20% at our administrative center. In 2024, the Bank completed a program of works, costing in excess of CHF 2m, that included improving the sealing and insulation of the roof at its administrative center as well as installing 1,500 solar panels with the capacity to generate nearly 10% of that building's electricity. Also last year, we continued fitting triple-glazed windows and installed more LED lighting as part of our drive to make our buildings more energy-efficient. Investments for this purpose totaled around CHF 1.3m (versus CHF 1.2m in 2023).



Over  
CHF **1.3m**  
invested in making our  
buildings more energy-efficient

## Transportation

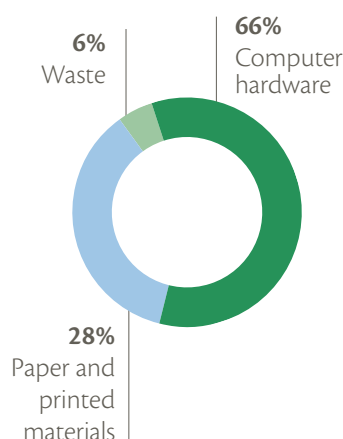


The majority (83%) of our transportation-related emissions comes from employee commuting, which covers trips to and from work at BCV. Commuting emissions were 20% lower last year than in 2023 owing to a decrease in car travel (44% of commuter trips in 2024, versus 52% in 2023), an increase in train travel (36% of trips last year, versus 30% in 2023), and a change in the calculation method (see page 137).

At BCV, we actively encourage our people to travel more sustainably and use public transportation. Until the end of last year, we gave all employees who didn't have a parking space provided by the Bank CHF 30 a month toward transportation costs. Our new employee commuting and business travel plan, effective from 2025, aims to further promote eco-friendly commuting practices – such as walking, biking, and public transportation – while giving employees the freedom to choose the mode of transportation that suits their preferences and circumstances. The new measures include a CHF 50 monthly subsidy paid to employees who travel to and from work in an eco-friendly way. Further details about

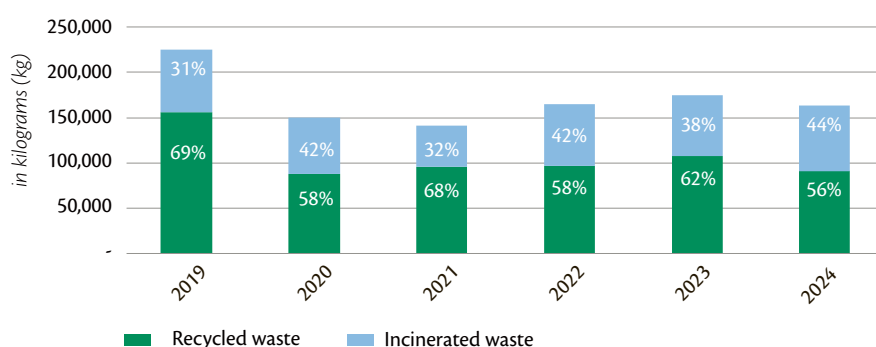
the plan can be found on our website. Business travel – journeys specifically taken for work purposes, such as meeting customers or traveling between two places of work – accounts for 17% of transportation-related GHG emissions. Emissions in this subcategory were 5% higher last year than in 2023, owing largely to the fact that employees tended to make more of these types of trips by car.

## Consumables



IT equipment (computers and monitors) accounts for about 66% of the Bank's emissions in this category – mostly from the manufacture and end-of-life disposal phases. The 13% rise in hardware-related emissions recorded last year was largely due to an increase in the number of monitors used at the Bank.

## Waste by disposal method



**56%** of waste sorted and recycled

In 2024, we introduced a new hardware renewal policy that extends the lifespan of IT equipment. Under this policy, monitors, keyboards, and mice are no longer replaced automatically every five years.

Paper accounts for 28% of BCV's emissions from consumables. Last year, we achieved a 19% year-on-year reduction in paper-related GHG emissions as more customers switch to online banking and as we continue to digitalize our processes and raise employee awareness about paper consumption. In 2024, recycled paper represented 93% of our paper consumption (versus 87% in 2023).

Waste accounts for 6% of the Bank's GHG emissions in this category. We sort and recycle the majority (56%) of the waste we produce. Emissions in this subcategory were 7% higher in 2024 than in the previous year, owing largely to a major clear-out in the second half of the year that will continue in 2025.

<sup>1</sup> BCV, [Employee Commuting](#) (in French), October 2024

## Key indicators for emissions from our operations

## 305-1, 305-2, 305-3

## GHG emissions by scope and source

Emissions (tCO <sub>2</sub> e)	2019	2020	2021	2022	2023	2024	Change (vs. 2023)	Change vs. base year (2019)
Scope 1 – Heating	1,710	1,464	1,299	1,085	1,154	1,207	+5%	–29%
Scope 1 – Refrigerants	0	0	0	0	0	0	-	-
Scope 1 – Company vehicles	6	7	2	4	4	4	+2%	–35%
<b>Scope 1 – Total</b>	<b>1,716</b>	<b>1,471</b>	<b>1,301</b>	<b>1,089</b>	<b>1,157</b>	<b>1,211</b>	<b>+5%</b>	<b>–29%</b>
Scope 2 – Electricity	283	266	162	158	137	136	+0%	–52%
Scope 2 – District heating	1	1	5	7	2	4	+111%	+285%
<b>Scope 2 – Total</b>	<b>284</b>	<b>267</b>	<b>166</b>	<b>165</b>	<b>139</b>	<b>140</b>	<b>+1%</b>	<b>–51%</b>
Scope 3 Cat. 1 – Paper and printed materials	349	326	321	254	225	183	–19%	–48%
Scope 3 Cat. 2 – Computer hardware	322	322	363	366	386	436	+13%	+35%
Scope 3 Cat. 3 – Energy supply	634	485	431	406	480	540	+13%	–15%
Scope 3 Cat. 5 – Waste	40	34	25	37	34	37	+7%	–8%
Scope 3 Cat. 6 – Business travel	379	129	108	326	302	316	+5%	–17%
Scope 3 Cat. 7 – Employee commuting	2,718	2,515	2,007	1,940	1,986	1,590	–20%	–41%
<b>Scope 3 – Total</b>	<b>4,441</b>	<b>3,811</b>	<b>3,254</b>	<b>3,328</b>	<b>3,413</b>	<b>3,102</b>	<b>–9%</b>	<b>–30%</b>
<b>Total</b>	<b>6,441</b>	<b>5,549</b>	<b>4,721</b>	<b>4,583</b>	<b>4,710</b>	<b>4,453</b>	<b>–5%</b>	<b>–31%</b>

## 302-1

## Energy consumption within the organization

Energy consumption (MWh)	2019	2020	2021	2022	2023	2024	Change (vs. 2023)	Change vs. base year (2019)
Natural gas	7,036	6,311	5,584	4,010	3,784	5,379	+42%	–24%
Fuel oil	1,038	1,014	909	1,223	1,734	836	–52%	–20%
District heating	51	52	57	90	69	81	+17%	+58%
Hybrid electricity	2,106	1,976	1,941	1,896	1,648	1,636	–1%	–22%
Hydroelectricity	8,835	7,727	6,719	5,626	6,129	6,883	+12%	–22%
Company vehicles	21	26	6	16	13	14	+2%	–35%
<b>Total</b>	<b>19,088</b>	<b>17,106</b>	<b>15,217</b>	<b>12,862</b>	<b>13,378</b>	<b>14,829</b>	<b>+11%</b>	<b>–22%</b>



## Measures taken to reduce GHG emissions

Emission source	Measures taken in 2024	Impact in 2024	Future impact
Buildings	Improving energy efficiency: installing LED lighting and energy-efficient glazing, improving insulation, upgrading elevators, and replacing ventilation fan motors	✓	✓
	Reorganizing our data centers to make cooling and heat removal more efficient and reduce air-conditioning demand		✓
	Switching to renewable heating sources, including district heating networks	✓	✓
	Contributing to the development of renewable energies by installing solar panels	✓	✓
Transportation	Rolling out a new employee commuting and business travel plan (effective from 2025)		✓
Consumables	Introducing a new hardware renewal policy under which non-critical equipment is no longer replaced automatically	✓	✓
	Using Blue Angel-certified recycled paper <sup>1</sup>	✓	✓
	Reducing paper consumption: shifting to electronic versions of documents for use inside the Bank, raising employee awareness about paper consumption via personalized reports showing how much paper each employee uses for printing, and drawing up a short guide on responsible printing practices	✓	✓

### Climate-protection projects

In addition to the measures we are taking to reduce our carbon footprint, we finance projects with positive social and environmental impacts in Vaud and outside Switzerland that offset the equivalent amount of GHG emissions associated with our operations. These projects, selected by our partner Swiss Climate, are certified to internationally recognized standards.

In Vaud, we support an ISO 14064-2-certified on-farm biogas plant that collects methane generated from the fermentation of manure to produce energy. We also select Gold

Standard-certified initiatives outside Switzerland. More details about these projects can be found on our website.<sup>2</sup>



**4,453** metric tons of CO<sub>2</sub> avoided through climate-change mitigation projects

## Compliance with social and environmental procurement standards

The International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work expresses a commitment by governments and employers' and workers' organizations to uphold basic human values. It affirms the obligations and commitments set out in the various ILO Conventions, namely:

<sup>1</sup> Blue Angel, [The German Ecolabel](#)

<sup>2</sup> BCV, [Direct Environmental Impact](#)

- freedom of association and the effective recognition of the right to collective bargaining
- the elimination of all forms of forced or compulsory labor
- the effective abolition of child labor
- the elimination of discrimination in respect of employment and occupation
- a safe and healthy working environment.

In keeping with these principles, BCV is especially mindful of internationally recognized human rights standards<sup>1</sup> and of employment law. We also pay close attention to the environmental impact of the goods and services we source.

Our approach to sourcing is guided by the following three principles:

- In principle, we source from suppliers in Vaud. Swiss employment and environmental law sets out standards that are aligned with international law, and compliance with these standards can be monitored via inspections by the supervisory and judicial authorities. Our locally focused procurement approach significantly reduces the risk that BCV could source from suppliers whose practices violate the ILO's fundamental labor standards, which cover issues such as discrimination, forced and child labor, workplace health and safety, and the right to free association and collective bargaining.

- Every supplier we work with – in areas such as IT, construction, and training – signs a statement attesting that they fully comply with their obligations to pay social security contributions and to hold accident and civil liability insurance. We also have formal requirements regarding occupational health and safety and waste management.
- Our sourcing policy is based on recommendations issued by recognized bodies including the *Guide to Responsible Professional Purchasing*,<sup>2</sup> which provides practical advice for companies looking to incorporate sustainable principles into their procurement practices and reduce the social and environmental impacts of their operations.

### Due diligence and transparency in relation to minerals and metals from conflict-affected areas and child labor

The overwhelming majority of the Bank's procurement spend goes to service providers in Switzerland, reflecting our position as a Swiss company active in the tertiary sector.<sup>3</sup> We likewise provide our own services within the same geographical area.

Given Switzerland's legal and regulatory framework concerning the workplace, there is low risk for child labor linked to our procurement spend.<sup>4</sup> Last year, 88% of the Bank's total procurement spend related to either services purchased in Switzerland or goods sourced from countries considered low risk for child labor (versus 89% in 2023).

BCV is thus exempt from enhanced due-diligence and disclosure requirements under Article 7 of the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (DDTrO). We document our eligibility for this exemption annually.

All the physical gold we offer is sourced from suppliers based in Switzerland, which are subject to the due-diligence and other requirements of the DDTrO. Details of our other gold traceability measures can be found in the "Responsible investing" section of this report, starting on page 76.

<sup>1</sup> United Nations, *International Bill of Human Rights*, 1966; International Labour Organization, *ILO Declaration on Fundamental Principles and Rights at Work*, 1998

<sup>2</sup> Geneva Cantonal Office of Sustainable Development, *Guide des Achats Professionnels Responsables (version courte)*, (in French), 2015

<sup>3</sup> Only the parent company is discussed here in light of its predominance in our Group. (BCV accounts for 90% of the Group's spending on services.)

<sup>4</sup> A country is considered "low risk" if it is rated as "basic" in UNICEF's *Children's Rights in the Workplace Index*. Switzerland falls into this category.

# Responsible, local sourcing

We source locally as a matter of policy, choosing whenever possible to work with companies in our Canton. That’s both good for the local economy and limits our impact on the environment. In 2024, Swiss companies accounted for nearly 90% of our procurement spend.



We work with **600** suppliers based in Vaud Canton

Our commitment to local sourcing is reflected in our procurement policy. The Bank works with a large pool of facilities management contractors, and we regularly switch between suppliers. Each year, we source supplies and services from over 600 businesses based in our Canton. And



the catering suppliers for our two biggest sites both have responsible sourcing policies.

Novae Restauration has run the cafeteria at our head office at Place Saint-François in Lausanne for many years, and on 1 July 2024, it also took over as the catering supplier for our administrative center in Prilly. Novae has a policy of working with trusted local suppliers and producers. Rather than operating a central procurement system, it sources directly from a network of over 150 artisans, growers, and farmers, all of whom are based in Switzerland or are part of carefully selected supply chains. The company prioritizes partnerships with small-scale producers within 50 kilometers of each of its restaurants.

Novae is also working to remove potentially harmful additives and products containing palm oil from its menus, and over 55% of the ingredients and produce (by weight)

used are of Swiss origin. Novae has cut procurement-related emissions by 29% since 2020 by sourcing seasonal produce whenever it can, by eliminating air-freighted food from its supply chain, and by adding more vegetarian options to its menus. For coffee and similar products that are difficult to source locally, Novae buys Fairtrade or organic produce wherever possible. For instance, 100% of the bananas served in its restaurants are certified Fairtrade, organic, or both.

In 2021, the company received a gold medal from EcoVadis, which assesses the sustainability performance of suppliers. When this distinction was renewed in December 2023, Novae’s total score increased by five points, largely as a result of its performance under the “sustainable procurement” theme. Novae’s triple ISO certification (ISO 9001, 14001, and 45001) was also renewed in summer 2024. Last year, the company

## 204-1 Proportion of spending on local suppliers

	2020	2021	2022	2023	2024
Swiss companies as a share of the Bank’s procurement spend (supplies and services)	91%	91%	90%	92%	89%





also obtained the EcoEnterprise Excellence label, which is awarded to Swiss firms that demonstrate a strong commitment to sustainability and corporate citizenship.

We are working with our catering supplier to identify ways to reduce waste from takeout food and beverages. Together, we agreed to introduce the reCIRCLE system of washable, sealable, and recyclable containers in our cafeterias.



We teamed up with BE WTR to replace the bottled water served in our customer areas and at BCV events with chilled, ultra-filtered, still and sparkling tap water. Through its business practices and products, the Lausanne-based company is helping to preserve precious natural resources while sharply reducing carbon emissions, plastics, and waste.

## BE WTR™

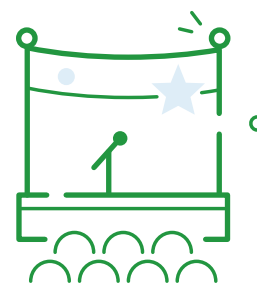
As a member of the 1% for the Planet network, BE WTR donates 1% of its annual sales to local water-related projects. It is also a certified B Corp, reflecting its commitment to upholding the highest environmental standards and adhering to transparent, socially responsible practices.

## Playing an active role in the community

Our local community is important to us, and we take our responsibilities as a corporate citizen in Vaud Canton seriously. We pursue an active sponsorship policy and we encourage employees to get involved in community projects.

In 2024, as in 2023, we backed over 850 associations and events in areas such as the economy, sports, the arts, social causes, and the environment.

That represented an allocation of 1.3% of the Bank's net profit (versus 1.2% in 2023) and included some of the biggest events taking place across the Canton. In keeping with our core values, we support various innovative training and skills development initiatives. And we're stepping up our contribution to carbon-reduction and biodiversity projects by setting aside part of our sponsorship and donations budget for local organizations active in these areas.



Over **850**  
associations and  
events sponsored

### Contributing to all aspects of community life

With regard to sponsorships, we provide significant – and, in many cases, long-term – financial support for organizations and events such as the Théâtre de Beausobre, the Théâtre du Jorat, the Paléo Music Festival in Nyon (since 2005), the Cully Jazz Festival (since 2009), the BCV Concert Hall, the Musée Cantonal des Beaux-Arts, the Lausanne 20K race (since 1982), the Lausanne Hockey Club (since 1987), the local soccer club FC Lausanne-Sport (since 2011), and the Forum des 100.

Last year, we once again lent our support to a number of cultural, sporting, and community initiatives across the Canton. These included the Musée Suisse du Jeu (a games museum in La Tour-de-Peilz), the Diabolo Festival in Morges, Territoires (an exhibition organized by the Association des Amis de Muma at Espace Arlaud in Lausanne), Sorcière – Le Musical (a show staged by the Fondation de la Saison Culturelle de Montreux), the renovation of Lausanne’s iconic Capitole cinema, an

initiative by the Ligue Vaudoise contre le Cancer to cover out-of-pocket medical expenses for low-income cancer patients, and the installation of new parking canopies with solar panels for Transport Handicap Vaud.

As the examples below show, we contribute to our region – economically, socially, and environmentally – in a variety of ways.

#### 42 Lausanne

In 2024, we maintained our financial backing for 42 Lausanne, a school of computer programming that opened in 2021. The school is entirely free, does not have any educational prerequisites for admission, and is open to anyone aged 18 or over. It represents a training opportunity for people who may not feel suited to or are ineligible for a more traditional academic track, offering new career paths for IT enthusiasts while helping meet the growing demand for skilled professionals in Switzerland. Last year, we welcomed several students from 42 Lausanne on internships. Two of them were hired by the Bank after completing their internships.



545

programmers in training at 42 Lausanne thanks in part to our backing

#### Vaud Générations Champions

Last year, the Bank continued its partnership with Vaud Générations Champions, an initiative we have backed since its inception in 2022. It was founded by former elite athletes from Vaud to support promising young athletes in the Canton and to use their inspiring stories as a platform to build enthusiasm for sports in the local community. Participants receive financial assistance, gain access to a mentoring program, and get advice on career management and support for the transition to life after competitive sports.

#### Supporting good causes

In 2024, as in previous years, we supported the yearly orange-sale fundraiser by the NGO Terre des Hommes. Another cause close to our heart is Étoile Filante, a foundation that makes dreams come true for sick and disabled children and teens. Every year since 2010, we have donated CHF 10 to the foundation each time someone opens a Custodial Savings account. Last year, our donations totaled CHF 13,000, the same amount as in 2023.

#### Terre Vaud Eau

We have stepped up our commitment to environmental preservation with Terre Vaud Eau, a BCV initiative launched in 2023 that backs biodiversity projects in our Canton. For 2023 and 2024, we supported the following three projects, all of which

promote biodiversity in local land and water ecosystems:

- A project to rewild a lake in the Jura Vaudois Nature Park
- An initiative to protect the population of common midwife toads in the Vallée du Joux
- A program to create a biodiversity-rich wet meadow in Yens to provide a habitat for amphibians

More details about these projects can be found on our website.<sup>1</sup>

### Printemps d'abeilles

In the area of biodiversity, BCV lends its support to Printemps d'abeilles, a local association working to raise awareness about the importance of bees and to restore wild pollinator habitats. By sponsoring three beehives at La Ferme des Huttins in Écublens, we help this organization carry out its vital work.

### CHF 1 for the climate

BCV backs the Webeelong Association's "CHF 1 for the climate" initiative, which lets restaurant owners and their customers support both the environment and the local economy. Participating restaurants offer diners the option of making a small donation, part of which goes toward planting trees. Some of the money is also returned to restaurant owners in the form of vouchers, which they can spend with local suppliers.

### Organic vineyard

The Château de Montagny is a BCV-owned property nestled among more than 3.4 hectares of vineyards above the village of Lutry. The estate is operated by Maison J&M Dizerens and has joined

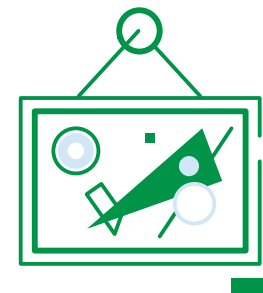
a growing number of winegrowers in opting to forgo synthetic chemicals. In early 2023, the vineyard received the Bio Suisse label, which is awarded to products containing organic, locally grown ingredients. This achievement, which caps a three-year transition, reflects Maison J&M Dizerens's commitment to adopting more sustainable winegrowing practices.

### The BCV art collection

The BCV art collection is made up of more than 2,400 works by artists with strong ties to Vaud. We acquire around a dozen new pieces by emerging artists every year, and around 700 works from the collection are currently on long-term loan to more than 50 foundations and nursing homes across the Canton.

### Helping young people manage their money

BCV and other cantonal banks back FinanceMission, a Swiss-wide initiative supported by educators to promote financial literacy and teach adolescents how to manage their money<sup>2</sup>.



Over  
**2,400**  
works in BCV's art  
collection

### The BCV Foundation

The BCV Foundation was created in 1995 to commemorate BCV's 150th anniversary. Operating as a separate legal entity from the Bank, it supports ambitious initiatives launched by local residents or entities.

The Foundation board selects deserving charity programs, cultural projects, and academic research programs to receive donations. Since its creation, the BCV Foundation has awarded over CHF 11m to 107 projects and organizations, including CHF 300,000 in donations in 2024.



<sup>1</sup> BCV, [Terre Vaud Eau](#) (in French)

<sup>2</sup> FinanceMission, [FinanceMission](#) (in French)



### BCV employees making a difference

The following section describes a number of Bank initiatives that give employees the opportunity to make a positive contribution to society and the environment.



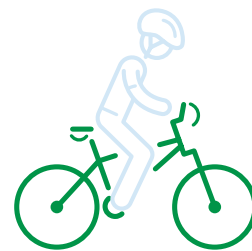
#### Bike to work

In June, we took part in the “bike to work” challenge, which encourages people to adopt healthier lifestyles and shift to low-carbon modes of transport.

In our fourth year participating in this event, 75 BCV employees formed 23 teams and covered a combined total of 15,245 km by bike despite poor weather conditions (76 employees covered 20,350 km in 2023).

#### BCV Generosity

As part of our BCV Generosity program, we give employees one day's leave each year – prorated for employees working less than full time – to spend time volunteering for their favorite NGO or charity. Last year, over 50 staff members took part in group initiatives with various charities and organizations (versus nearly 60 staff members in 2023).



Bike to work  
**15,245 km**  
covered by bike or foot

#### Protecting biodiversity

In May last year, a group of employees volunteering under our BCV Generosity program joined a team from the Jura Vaudois Nature Park to remove invasive plants in the Bois de Chênes, an area of woodland in Genolier. Staff volunteers later took part in a lake habitat conservation project in Vaulion and helped plant trees near Gingins.

#### Food drive for vulnerable people

In June, a team of 15 employees spent two afternoons working with Samedi du Partage Vaud as part of our BCV Generosity program. The volunteers sorted non-perishable food items collected from shopping centers in Vaud. The association supplies the Centrale Alimentaire Région Lausannoise – an umbrella organization representing around 40 local charities and other social-service institutions – by collecting food and hygiene products for vulnerable people in the Canton.

#### Donating life-saving blood

In 2024, the Bank once again supported the blood-donation program run by the Vaud Red Cross, an initiative we've been backing for more than 15 years. We ran two blood drives for our employees last year – one at our head office and the other at our administrative center – and collected 26.6 liters of blood in total (versus 25.7 liters in 2023).







### Getting a humanitarian project off the ground

Through our BCV Solidarity initiative, set up in 2012, we make an annual donation of CHF 150,000 to a humanitarian project organized by an association based in Switzerland and chosen by employees selected from a pool of volunteers. BCV Solidarity stemmed from a decision by the Bank to redirect funds it had previously spent on an end-of-year gift for employees toward supporting people and communities living in hardship. While the value of this gift to individual staff is small, the total amount raised each year is enough to make a real difference for a humanitarian project.

In 2024, BCV Solidarity supported a SWISSAID-led project to improve water access and hygiene practices in Dan-Kassari, a rural commune in south-west Niger. The project, which benefits 5,200 people in seven villages, involves

digging a well, installing water lines and distribution points, and equipping five schools and two health centers with sanitation facilities. Activities will also be carried out in 2025 to promote better hygiene in the community.



BCV Solidarity  
CHF **150,000**  
donated to a humanitarian project

# Managing climate-related risk

This appendix on managing climate-related risk was prepared in accordance with the Swiss Federal Ordinance on Climate Disclosures and follows the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). It focuses on how climate change affects BCV (i.e., single materiality). The appendix is divided into three sections, which deal with:

- BCV's exposure to climate-related risk in our business activities and operations (section 1)
- our approach and methods for assessing climate-related risk (section 2)
- climate-risk monitoring and reporting (section 3).

The TCFD content index on page 144 shows where in the report the TCFD's recommendations are addressed.

## 1. Exposure to climate-related risk

### 1.1 Introduction

The socioeconomic impacts of the physical hazards caused by climate change and of the transition to a low-carbon economy are increasing and can affect all economic agents, including the financial sector and banks.

At BCV, we integrate climate-related risk into our risk management framework in order to protect our own interests and those of our customers. In keeping with the recommendations of supervisory authorities (i.e., FINMA

and the Basel Committee), we consider the physical hazards caused by acute and chronic climate events and the transition to a low-carbon economy – which is being driven in particular by changing legislation and societal expectations and by economic and technological developments – to be risk factors that could impact all categories of risk to which we are exposed: strategic and business risk, credit risk, market risk, and operational risk.

As a full-service bank with solid local roots, BCV is exposed to climate-related risk factors in various ways. The main sources of exposure taken into account are:

- our lending activities, including mortgage financing and corporate financing, as well as trade finance
- our trading and investment activities, i.e., client-driven investments and proprietary assets
- our operations, in particular the buildings we use for our banking activities.

For each source of exposure, we use a specific approach to assess and monitor the associated climate-related risk factors.

The assessment of climate-related risk exposure presented in this appendix is based on current information and currently applied methods. Because of uncertainties about how climate-related risk factors will develop in the future, this assessment may change in the years to come.

### Climate-related risks

#### Physical risks

- Extreme weather events (acute)
- Long-term changes in the climate (chronic)

#### Transition risks

- Changes in legislation and societal expectations
- Economic and technical developments
- Public perception of companies and business sectors

### Socioeconomic consequences

- Increase or decrease in the revenue of individuals and companies
- Increase or decrease in the costs borne by individuals and companies
- Changes in the value of real estate and companies, and of other assets and liabilities



## 1.2 The Bank's overall exposure to climate-related risk factors

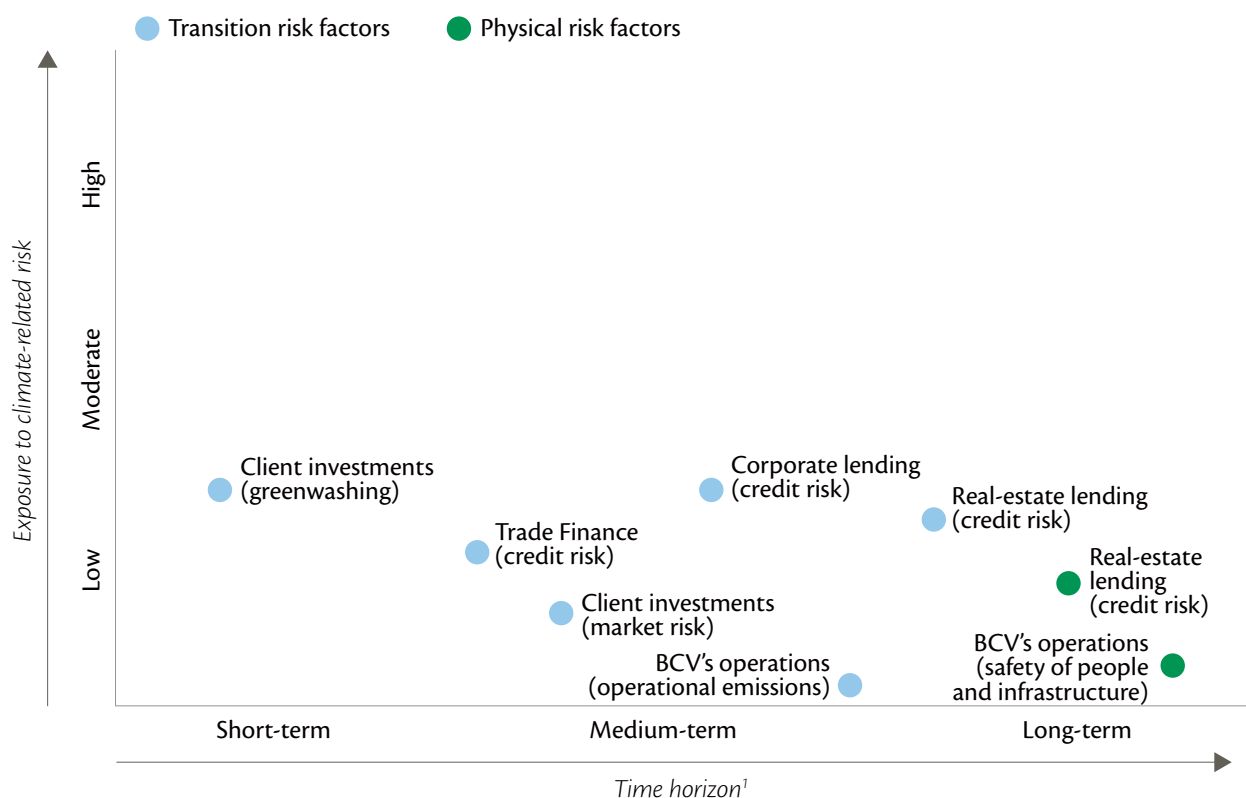
The Bank's exposure to climate-related risk is very low. That stems from the fact that BGV operates primarily in Vaud Canton, which has a strongly services-oriented economy; the transition to a low-carbon economy has less of an impact on the services sector. In addition, BGV does not have significant operations in regions that are particularly exposed to physical hazards.

Based on current estimates, the potential impact of climate-related risk factors is well below than that of the main risk factors for our banking activities, such as a rise in interest rates, a sharp increase in the value of the Swiss franc, or a marked decline in immigration in the Canton of Vaud.

Assuming an orderly transition in accordance with the targets set out in the Paris Agreement, transition risk factors – in particular changes in legislation aimed at limiting greenhouse gas (GHG) emissions – could increase in the medium term (three to ten years). Extreme physical events such as floods could also become more frequent regardless of how GHG emissions develop in the coming years.

To limit BGV's exposure to climate-related risks, we ensure that our strategy is consistent with the targets set by the Swiss government and the Canton of Vaud to combat global warming (e.g., in the Swiss Federal Climate and Innovation Act and the Vaud climate plan). In line with the Swiss Federal Ordinance on Climate Disclosures, we have set quantitative GHG emissions-reduction targets for 2030, 2040, and 2050 for our main business activities (residential mortgage lending and client investments) and for our own operations.

The chart below summarizes BGV's overall exposure to climate-related risk factors for our business activities and our operations. This is followed by a more detailed description of the exposures we have identified and the mitigation measures we have put in place. Details of the method used to carry out this assessment are provided starting on page 128.



<sup>1</sup> Time horizons considered for the potential occurrence of a climate-related risk event: short-term (0–3 years), medium-term (3–10 years), and long-term (>10 years)

### 1.2.1 Exposure to climate-related risk factors in lending activities

BCV's lending activities mainly comprise mortgage financing and corporate financing in the Canton of Vaud and, to a limited extent, trade finance. The mortgage lending business has little exposure to transition risk (relating to regulatory changes in heating and construction standards, for example) and very limited exposure to physical risk (i.e., through loans on properties in regions subject to natural hazards). The proportion of loans granted to companies in sectors most exposed to the energy transition is considered low; these loans are not concentrated in any one sector, and no loans are granted to companies involved in the production of fossil-fuel energy. The overall impact of climate-related risk factors on potential credit losses at the Bank is considered very low and well below that of other risk factors affecting lending, such as a rise in interest rates, a sharp increase in the value of the Swiss franc, or a marked decline in immigration in the Canton of Vaud.

#### Mortgage lending

The vast majority of our mortgage exposures (around 90%) are loans on properties located in the Canton of Vaud. These loans are potentially exposed to transition risk factors relating to regulatory changes in building or heating standards aimed at reducing the GHG emissions of the buildings that secure the loans. Customers could have to carry out renovations on the building envelope and replace their heating system in order to comply with statutory requirements, which could affect their solvency in certain cases. With regard to loans on residential properties (rental properties, single-family homes, and condominium apartments), a third of these exposures relate to properties potentially impacted by the energy transition, i.e. that have an physical intensity of more than 30 kg CO<sub>2</sub>e/m<sup>2</sup>.

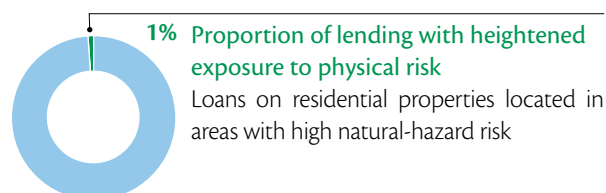
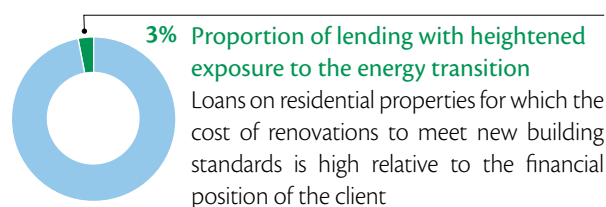
Based on a scenario consistent with Vaud Canton's draft energy law (LVLene), the proportion of residential real-estate financing with heightened exposure to transition-related risk factors is considered very low (around 3%). These are loans on residential properties for which the cost of renovations to meet new building standards (i.e., upgrading the building envelope or replacing the heating system) would be high relative to the financial position of the client.

We monitor the real-estate market and the regulatory environment closely in order to assess and anticipate transition risks in our mortgage business. We help fund the energy transition by offering clients preferential interest rates on environmentally friendly real-estate purchases and green renovations. In line with the relevant guidelines published by the Swiss Bankers Association, BCV advisors address the question of energy efficiency with their clients when discussing financing for properties that meet the Bank's criteria for necessary renovation work. More details about our efforts in this area can be found in the "Responsible lending" section of this report starting on page 85.

Real-estate financing is also potentially exposed to physical risks. Extreme weather events may cause damage to the buildings that secure the mortgage loans. The proportion of residential real-estate financing with heightened exposure to physical risk factors is considered very low (around 1%). The most exposed buildings are in areas with high natural-hazard risk according to the relevant maps drawn up by the Swiss cantons. In Vaud Canton, damage to buildings caused by such events is covered by ECA Vaud, the cantonal fire and natural-hazards insurance agency. Consequently, a physical risk event would have a negligible impact on our potential losses.

#### Residential mortgages

CHF 27.9bn



### Corporate lending (excluding trade finance)

A very high proportion of the businesses to which we lend are located in the Canton of Vaud. In the large corporates segment, we lend across the whole of Switzerland, taking a selective approach. Corporate loans are exposed to transition risk factors because of potential changes in GHG emissions standards for business activities (e.g., the introduction of a carbon tax) and changes in demand for the products that companies sell. Such changes could increase a company's costs or reduce its revenue, which could in turn affect its solvency and increase the risk of loss for BCV. The proportion of loans granted to companies in the sectors most exposed to the energy transition is low (around 20%); these loans are not concentrated in any one sector, and no loans are granted to companies involved in the production of fossil-fuel energy. Most of the companies concerned are Swiss firms active in air, sea, or road transportation, construction, manufacturing, and chemicals and pharmaceuticals.

The impact of transition-related risk factors on the companies' default risk is deemed to be low. BCV's corporate lending process now includes a specific analysis of environmental and social risks.

### Trade finance activities

Our trade finance business may be exposed to transition risk factors because of potential changes in GHG emissions standards (e.g., the introduction of a carbon tax) and restrictions on the sale of certain fossil-fuel-derived commodities. Financing of fossil-fuel-derived commodities makes up around 25% to 30% of the Bank's trade finance business. That exposure relates mainly to liquid and gas petroleum products, and to a lesser extent to steam coal (concentrated on trade to developing countries that cannot yet undertake the energy transition).

All of this financing is transaction-based and is granted for terms of a few months. Accordingly, transition-related risk factors have no material impact on our risk of credit loss.

In 2020, we committed to reducing our transaction-based exposure to coal in line with the Paris Agreement-compatible scenario (i.e., the rate at which global coal use needs to be phased out of the energy mix in order to meet the emissions target set out in the Paris Agreement, as defined by the International Energy Agency). More information on our approach in this area can be found starting on page 89.

## 1.2.2 Exposure to climate-related risk factors in trading and investment activities

### Proprietary assets

The Bank does not engage in proprietary trading and does not invest in a portfolio of equity holdings. For the purposes of liquidity management, the Bank has a portfolio of financial investments made up of investment-grade bonds, which is not concentrated in any one sector. The portfolio mainly comprises securities issued by entities with very limited exposure to climate-related risk factors, such as the Mortgage-Bond Bank of the Swiss Mortgage Institutions and the Swiss Central Mortgage-Bond Institution, and bonds issued by the Swiss federal government, Swiss cantons, and other supranational state entities. As a result, climate-related market risk factors only marginally affect this portfolio. Details of the GHG emissions associated with our proprietary assets are provided starting on page 63.

### Client investments

As part of our asset-management activities, we make investments at the request of our individual and institutional clients. The value of these client-driven investments may be affected by climate-related risk factors, such as stricter laws on GHG emissions, adverse public-image trends for certain business sectors or companies, changes in the value of resources, and extreme weather events like storms and heatwaves. These client-driven investments are considered to have only a very low overall exposure to market risk factors related to the energy transition. This is based on the results of the PACTA climate compatibility test run by the Swiss Federal Office for the Environment (SFOE), in which BCV took part for the third time in 2024. The 2024 test showed that our portfolios have low overall exposure to the most carbon-intensive sectors of the economy and are less exposed than an aggregate portfolio of all banks participating in the test.

We assess exposure to climate-related risk factors for the main asset classes, i.e., listed equities, corporate bonds, and indirect real-estate investments (including real-estate funds).

In 2024, for the third time, we assessed the exposure of the listed equities and corporate bonds in our portfolios to carbon-intensive sectors by taking part in the PACTA climate compatibility test run by SFOE. The test showed that our portfolios have low overall exposure to the most carbon-intensive sectors of the economy (3.6% for equity



holdings and 2.6% for corporate bond holdings) and are less exposed than an aggregate portfolio of all banks participating in the test (4.2% and 3.9%, respectively).

The indirect real-estate portfolio consists of investments in real-estate funds, foundations, and companies that mainly invest in Swiss real estate. Of the entities in this portfolio with a known carbon footprint (over 95% of the portfolio), none are potentially affected by the energy transition (i.e., have a physical intensity of over 30 kg CO<sub>2</sub>e/m<sup>2</sup>).

To limit climate-related risk in client investments, we have a policy of excluding from direct investments companies that derive a significant portion (15% or more) of their revenue from thermal coal mining or power generation, or from unconventional fossil fuels. For more information about our negative screening policy, please consult our socially responsible investment (SRI) policy.<sup>1</sup> We also apply SRI approaches such as active ownership, positive screening, and best-in-class selection for a large proportion of the assets we manage for our clients, in order to limit the impact of climate-related risk factors on financial performance.

With regard to our asset management activities, our reputation could be affected by controversies such as accusations of greenwashing. To mitigate this risk, we have introduced control processes and systems along our entire asset-management value chain, in accordance with FINMA guidelines and the recommendations of Asset Management Association Switzerland (AMAS), Swiss Sustainable Finance (SSF), and the Swiss Bankers Association (SBA).

We have a dedicated SRI organizational structure and apply an appropriate policy in this area. Our SRI committee monitors developments in market practices and regulations, and our SRI policy sets out BCV's principles on incorporating environmental, social, and governance (ESG) criteria into client investments. We check that portfolios are aligned with clients' expectations in terms of non-financial criteria as well as traditional financial criteria by monitoring the measures applied to their portfolios, including sustainable investment themes to focus on and business activities to rule out. We provide clear information on the sustainability characteristics of investment solutions when advising our clients, and we systematically ask clients about their expectations in

terms of integrating ESG criteria. To ensure transparency, our portfolio analyses and reports for discretionary clients include information on how clients' SRI expectations have been factored into their investments. In addition, our internal control system now covers ESG issues to ensure that our SRI policy is properly implemented.

More information on our approach regarding client investments can be found in the "Responsible investing" section of this report, starting on page 64.

### Subsidiaries' exposure to climate-related risk factors

The principles applied by BCV Group subsidiaries to manage and control climate-related risks are aligned with those of the parent company.

Piguet Galland & Cie SA (PGSA) has adopted its own SRI policy that governs the approaches implemented for its investment solutions, in line with market best practice. PGSA's advisors receive training on raising clients' awareness about PGSA's SRI approach and on determining clients' SRI preferences. Specific reports are prepared to help clients monitor SRI performance.

To protect the value of its real-estate investments, GEP SA – which manages the Fonds Immobilier Romand (FIR) real-estate investment fund – has adopted an energy renovation plan to decarbonize the heating systems in its buildings by 2050 and upgrade the envelopes of the buildings that consume the most energy. In 2024, 31% of the portfolio's total energy reference area was heated by non-fossil-fuel energy sources (versus 27% in 2023).

### 1.2.3 Exposure to climate-related risk factors in our operations

With regard to our operations, and in particular the buildings we use for our banking activities, we have very little exposure to climate-related risk. We have taken various measures over the past several years to reduce our carbon footprint, especially when it comes to heating our buildings. We also encourage employees to commute using public transportation or by walking or biking.

BCV owns around 40 buildings (branches and offices) which we use for our own operations. Most of the emissions from those buildings (scope 1 and 2) are produced by our three main sites – our head office at

<sup>1</sup> BCV, [Socially Responsible Investment \(SRI\) Policy](#), January 2023.

Place Saint-François in Lausanne, our administrative center in Prilly, and our Chauderon building), all of which have a physical intensity of less than 30 kg CO<sub>2</sub>e/m.<sup>2</sup> We frequently undertake renovation work on our other buildings, particularly on our branches. More information on our approach in this area can be found in the “Reducing the environmental impact of BGV’s operations” section of this report starting on page 110.

Although BGV is located in a region that has relatively little exposure to climate-related physical hazards, extreme weather events – such as storms, flooding, landslides, and heatwaves – may give rise to operational-risk events affecting individuals (e.g., accidents and illnesses) or operating resources (e.g., damage to buildings). We keep individuals and infrastructure safe by implementing a set of measures that are based primarily on Swiss government directives on security planning and business-continuity planning.

## 2. Assessing climate-related risk

### 2.1 Integrating climate-related risk into the Bank’s risk management

Our approach to managing climate-related risk is fully aligned with the basic principles of risk assessment: determining risk exposure, identifying risk factors and potential risk events, and determining the financial, regulatory, and reputational impact of those risks. The physical impacts of climate change and the transition to a low-carbon economy are among the various types of risk factors:

- **Climate-related laws, regulations, and societal norms may change significantly in order to speed up the transition to a low-carbon economy.** This could involve tighter restrictions on emissions from buildings, vehicles, and industry, significant adverse effects on the public image of certain companies and business sectors, and an increase in climate-related lawsuits.
- **Economic development may be heavily affected by structural shifts in the economy that occur in response to changes in demand for goods and services and to technological progress.** The transition to a low-carbon economy will alter the value of resources, transform sectors and industries (e.g., the automobile sector), and affect the jobs market.

- **Climate-related physical hazards are becoming increasingly frequent and more intense as a result of global warming, particularly in certain regions of the world.** There are two main types of climate-related physical hazards:

- extreme weather events, such as storms (causing flooding, landslides, and avalanches), heatwaves, droughts, and forest fires (i.e., acute physical hazards)
- long-term changes in the climate leading to desertification, coastal erosion, coastal flooding, and less snowfall and melting glaciers in mountain areas (i.e., chronic physical hazards).

Climate-related risk factors may result in the occurrence of a risk event that has a negative impact on BGV. Such events may relate to strategic, business, credit, market, or operational risks.

### 2.2 Methods for assessing climate-related risk

The Basel Committee has stated that measurement methodologies for climate-related risks are still under development. We monitor such risk metrics actively and use standard methodologies as the basis for our approach, particularly in our lending activities. Accordingly, we regularly examine ways to add to our climate and environmental data in order to improve our measurement of climate-related risks. In the coming years, we will continue to develop our methods by seeking to adopt best practices and improving the data needed for our assessments.

Below is a description, for each main source of exposure, of the methods we currently use to assess the level of exposure to climate-related risk factors, as well as the potential financial impact for BGV.

#### 2.2.1 Credit risk

Any climate-related risk factor can potentially affect the financial position of a counterparty or the value of the collateral used to secure loans. Exposure to transition risk factors is assessed mainly by considering a counterparty’s GHG emission levels, while exposure to physical risk factors – i.e., natural hazards – is assessed based on the geographical location of the properties securing the loans or of the company’s business activities (i.e., whether the region is particularly affected by physical natural hazards).

We estimate the financial impact of potential physical or transition-related risk events using various scenarios, such as the introduction of strict new legislation on building standards or major flooding in parts of Vaud Canton. When assessing credit risk, we systematically examine the proportion of exposure that could be put at an increased risk of default by transition risk or climate-related physical risk factors, and we monitor that exposure in half-yearly risk reports.

### Mortgage lending

For our mortgage loan book, the main transition risk factors relate to regulatory changes aimed at reducing the carbon footprint of buildings. For this reason, we calculate the mortgage book's exposure to transition risk based on the GHG emissions of the buildings that secure the loans. We calculate each loan's scope 1 and 2 emissions in line with the Partnership for Carbon Accounting Financials (PCAF) approach, using an in-house model based on the method applied by the SFOE for its PACTA test. A building's emissions depend on its energy consumption and on emission factors that vary according to the energy source (fuel oil, natural gas, electricity, district heating, etc.). We determine a building's energy consumption based on standards developed by Swiss Society of Engineers and Architects (SIA), which take into account building use (residential, industrial, retail, hospitality, etc.).

We determine which mortgages have heightened exposure to transition risk on the basis of a scenario consistent with Vaud Canton's draft energy law (LVLEne). According to the Vaud Cantonal Government, the draft law aims to drive progress toward the targets set out in Vaud's climate plan of reducing GHG emissions by 50% by 2030 and achieving net-zero by 2050 at the latest. In particular, the draft law would introduce requirements to renovate the building envelope of properties that were built before 1986 and have a CECB rating of F or G,<sup>1</sup> and to replace all heating systems that are not powered by renewable energy. Mortgage loans are considered to have heightened exposure to transition risk factors if the cost of bringing the financed building into line with the LVLEne standards (i.e., by renovating the building envelope or replacing the heating system) would be high relative to the financial position of the client. The financial impact for BCV corresponds to the potential loss, which is directly related to the effects of a reduction in the value of certain properties in connection with new renovation requirements, the solvency of the client concerned, and

the amount BCV might recover if the client were to default. We determine the physical risk exposure of residential mortgages based on the geographical location of the buildings that secure the loans, and on the natural hazard maps prepared by the environmental departments of the Swiss cantons. The physical risks taken into account include flooding (river and lake flooding and flash floods), rock falls, and landslides. Mortgage loans are considered to have heightened exposure to physical risks if the financed building is located in an area with high natural-hazard risk. We determine the financial impact based on various global or regional scenarios, by assessing how a reduction in the property's value following a physical risk event would affect the client's solvency and the amount BCV would recover if the client were to default. That assessment takes into account the fact that property insurance is mandatory in Vaud and most other Swiss cantons. The main scenario is based on historical recurrence time for physical risk events, but increases in the frequency and intensity of such events in line with the Swiss government's climate scenarios are also taken into account.

### Corporate lending (excluding trade finance)

For our corporate loan book, the main transition risk factors relate to potential changes in GHG emissions standards for business activities, along with structural shifts in the economy that occur in response to changes in demand for goods and services and to technological progress. We assess the corporate loan book's exposure to transition risk based on the sector in which companies operate. Loans to companies in sectors with heightened exposure to the energy transition are determined by assessing the potential impact of new laws, taxes, or restrictions on both emissions and potential changes in demand for the goods and services of companies in sectors most affected by the transition.<sup>2</sup> Sectors considered to have heightened exposure to the energy transition include fossil fuel distribution, heavy industry, transportation, and chemicals and pharmaceuticals.

### Trade finance activities

For our trade finance business, the main transition risk factors relate to changes in GHG emissions standards (e.g., the introduction of a carbon tax) and restrictions on the sale of certain fossil-fuel-derived commodities. We assess exposure to transition risk in our trade finance business using an in-house method based on the commodities being financed. BCV's credit exposure to companies with

<sup>1</sup> CECB: Cantonal Building Energy Certificate, an eco-rating program recognized by all Swiss cantons

<sup>2</sup> See Battiston, S. et al., "A climate stress-test of the financial system", *Nature Climate Change*, 2017



heightened exposure to the energy transition corresponds to the Bank's financing activities for fossil-fuel-based commodities (petroleum products and steam coal).

### 2.2.2 Market risks

#### Client investments

In our asset-management activities, we act as an intermediary in fulfilling the requests of our individual and institutional clients. Climate-related risk factors may impact the market value of clients' investments in companies that may be more affected either by the transition (i.e., that have higher carbon intensity) or by physical natural hazards. We assess exposure to transition risk factors for the main asset classes, i.e., listed equities, corporate bonds, and indirect real-estate investments.

We have assessed the exposure of the listed equities and corporate bonds in our portfolios to carbon-intensive sectors by taking part in the PACTA climate compatibility test. The test covers the eight most carbon-intensive sectors of the economy, i.e., those most affected by the energy transition: oil, gas, coal, electricity, automotive, cement, aviation, and steel (also known as the "PACTA sectors"). For each of these sectors, the test focuses on the part of the value chain that has the greatest impact on the climate and on which decarbonization efforts should be concentrated (e.g., car manufacturers for the automotive sector). Together, the PACTA sectors are responsible for around two thirds of global GHG emissions. For the 2024 test, we submitted the assets in our discretionary management portfolios, excluding asset classes not covered by the test such as indirect real-estate and alternative funds.

We assess exposure to transition risk factors in indirect real-estate investments using an approach similar to that used for mortgages. Real-estate funds, foundations, and companies are classified based on the GHG emission intensity (scope 1 and 2) of their real-estate holdings. The GHG emissions calculation method for this asset class is described on page 137.

### 2.2.3 Operational risks

Transition risk factors such as the introduction of stricter energy standards or higher carbon taxes could adversely affect the value of buildings belonging to BCV that we use in our own operations, i.e., our main sites and branches. We assess our exposure using an approach similar to

the one used for mortgages, i.e., by classifying buildings according to their GHG emission intensity (scope 1 and 2). Buildings with a physical intensity of over 30 kg CO<sub>2</sub>e/m<sup>2</sup> are regarded as potentially having greater exposure to the energy transition.

Physical hazards, including extreme weather events such as storms, flooding, landslides, and heatwaves, may give rise to operational-risk events that affect our operating resources in particular (e.g., damage to buildings). We assess our exposure to physical risk factors by identifying the buildings located in areas with high natural-hazard risk according to the natural hazard maps prepared by the environmental departments of the Swiss cantons. Natural hazards taken into account include flooding (river and lake flooding and flash floods), rock falls, and landslides. This method is the same as the one used to assess exposure to physical risk factors in the mortgage book.

## 3. Monitoring climate-related risk

We monitor climate-related risk through our review of the Bank's main climate risks and in our risk reports. Our primary goal is to ensure that information on BCV's exposure to climate-related risk is regularly reviewed by management in order to anticipate any changes in risk exposure and take corrective action as necessary.

### 3.1 Review of main climate-related risks

Our review of the main climate-related risks aims to identify potential climate-related risks for BCV Group, assess the Bank's exposure to them, and highlight the control systems in place.

Our approach to this review is similar to the one used for the annual assessment of the Bank's main risks (i.e., checking the appropriateness of our system for managing the main risks we face) – but with certain adjustments, including:

- a focus on climate-related risk factors (i.e., transition and physical risks) in our lending activities, trading and investment activities, and operations
- an assessment of our exposure to climate-related risk (in terms of credit, market, and operational risk) as low, moderate, or high based on both quantitative data, where available, and qualitative information

- an expansion of the time horizon taken into account for the occurrence of risk events: short-term (0–3 years), medium-term (3–10 years), and long-term (> 10 years).

The most recent review of the main climate-related risks was presented to BCB's Executive Board Risk Management Committee in the second half of 2024.

### 3.2 Risk reporting

The aim of preparing risk reports is to ensure an in-depth understanding of our business and strategic risk, credit risk, market risk, and operational risk, including in relation to climate-related risks.

For credit risk, we assess our main loan books' exposure to climate-related risk factors twice yearly and report on that exposure to BCB's Executive Board and the Board of Directors' Audit and Risk Committee. Those assessments include the following information:

#### Residential mortgage lending

- physical intensity of financed buildings (average and by emissions class), by type of property<sup>1</sup>

- mortgages with heightened exposure to transition risk, based on the type of property
- mortgages with heightened exposure to physical risks

#### Corporate lending (excluding trade finance)

- loans with heightened exposure to the energy transition, based on business sector
- larger counterparties with heightened exposure, based on business sector

#### Lending in the trade finance business

- financing considered to have heightened exposure to the energy transition, based on the commodity being financed

#### 1. Identification of potential risks

Identification of the main potential risk events arising from climate-related risk factors in BCB's business activities and operations



#### 2. Risk assessment

Assessment of exposure to climate-related risk, taking into account different time horizons (short-term, medium-term, and long-term)

#### 3. Risk control

Identification of ways in which risks are mitigated through the Bank's positioning (inherent risk) and control system

<sup>1</sup> For the purposes of risk management, physical intensity is calculated taking into account both on-balance sheet positions (as with the physical intensity figures shown on pages 84 and 85 for our climate targets) and off-balance sheet positions (i.e., the unused portion of lines of credit), in order to assess climate-related risk for all credit exposures.

## Climate-related risk in our lending activities

Loan book	Type of risk	Indicator	2022	2023	2024
Residential mortgages	Transition	Average physical intensity in kg CO <sub>2</sub> /m <sup>2</sup>	28	27	<b>26</b>
	Transition	Proportion of loans secured by buildings with an estimated physical intensity of over 30 kg CO <sub>2</sub> /m <sup>2</sup>	34%	32%	<b>30%</b>
	Transition	Proportion of loans with heightened exposure to transition risk	3%	3%	<b>3%</b>
	Physical	Proportion of loans secured by buildings in areas with high natural-hazard risk	1%	1%	<b>1%</b>
Corporate lending (excluding trade finance)	Transition	Proportion of loans granted to companies in sectors with heightened exposure to the energy transition	20%	21%	<b>20%</b>
Trade finance	Transition	Proportion of financing for commodities with heightened exposure to the energy transition	29%	26%	<b>30%</b>



# Basis of preparation

## Scope of the report

In addition to BCV (the parent company), BCV Group comprises the following wholly or almost wholly owned subsidiaries: Piguet Galland & Cie SA, Gérifonds SA, and Société pour la Gestion de Placements Collectifs GEP SA. As stated in the section “About this report,” as of 2023 the sustainability report covers all BCV Group companies (see also GRI disclosure 2-2, regarding the entities described on page 4).

The “Ethics and corporate governance” section describes the principles that are applicable across BCV Group with regard to corporate governance, due diligence and tax compliance, anti-corruption measures, managing conflicts of interest, and responsible selling. It also covers the material topic “Reliability: Combating cybercrime, ensuring transaction security, and protecting data,” (see the materiality matrix on page 13).

For other material topics, subsidiaries have been included in this report only where significant and relevant, taking into account their impact (based on, for example, staff numbers or assets under management relative to the Group), the means at their disposal for reducing that impact, and the importance of the topic for the Group, as follows:

- Piguet Galland, a private bank specialized in wealth management with nearly 200 employees and assets under management of CHF 7.7bn. Piguet Galland is included in the “Responsible investing” section of this report as well as in the “Being a benchmark employer” section, in particular with respect to diversity and equal opportunity in the workplace.
- Gérifonds and its Luxembourg-based subsidiary are the fund administrators for BCV and 11 other fund providers. Gérifonds does not manage or sell any of the funds it administers, instead delegating these activities to fund managers. In light of this, and given its small size (fewer than 40 employees), only the topics related to ethics and corporate governance, as mentioned above, apply to Gérifonds as a Group entity.
- GEP manages and administers the Fonds Immobilier Romand (FIR), a listed, Swiss-registered real-estate fund. While GEP’s staff and assets are relatively small,

it has leverage on climate issues through its real-estate portfolio and has been included in the “Responsible investing” section of this report.

## Reporting principles

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards and Article 964b of the Swiss Code of Obligations. This year, it has also been prepared in compliance with the new Swiss ordinance on climate disclosures, which sets out requirements for the climate disclosures that must be made by companies based on the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). The report covers the period from 1 January 2024 to 31 December 2024, with the exception of indicators relating to FIR, which cover the period from 1 July 2023 to 30 June 2024 (FIR’s reporting year). The GRI content index can be found on pages 146 to 149, and the content index for Article 964b of the Swiss Code of Obligations can be found on pages 142 and 143. A content index for the recommendations of the TCFD can be found on pages 144 and 145.

All financial data in this report align with the data in BCV’s annual report.

For data on greenhouse gas (GHG) emissions associated with its operations, BCV uses the methodologies set out in ISO 14064-1 and in the GHG Protocol Corporate Standard.

For data on GHG emissions associated with lending, proprietary assets, and client investments, BCV uses the calculation methods set out in the Partnership for Carbon Accounting Financials (PCAF) standard “Part A – Financed emissions,” which is based on the GHG Protocol for category 15 of scope 3 emissions (investments).<sup>1</sup>

The methods used by BCV Group companies to calculate GRI and PCAF indicators are described on pages 135 to 140.

This report and the information it contains have been prepared according to the following principles, which are guided by the GRI Standards:

<sup>1</sup> If the PCAF standard does not provide a method for calculating GHG emissions for a particular asset class, either no figure is provided (e.g., for alternative investments), or another approach is used (e.g., for mortgage bonds).

- **Reliability, accuracy, and verifiability:** BCV Group is committed to publishing data that enable consistent measurement and evaluation of performance and to limiting the use of estimates as much as possible. The information we publish is consistent with available evidence, and our internal control system is updated regularly.
- **Balance:** We strive to avoid any bias by presenting a balanced view of our positive and negative impacts as well as ESG risks and opportunities, so that stakeholders may fully understand the Group's contribution to sustainable development.
- **Clarity:** The report uses simple, unambiguous language so that readers, regardless of their expertise, may easily understand our initiatives, results, and objectives related to sustainable development. The sustainability report is available in English and in French.
- **Comparability:** Data is presented in such a way as to allow meaningful comparisons between reporting periods and an analysis of changes over time.
- **Completeness:** In the process of analyzing the Group's material topics (see pages 13 to 15), we have identified and included all information needed to get a full picture of our performance, taking into account significant and relevant economic, social, and environmental issues.
- **Sustainability context:** To provide a clear vision of BCV Group's performance, we have defined our strategy and prepared this report in line with the broader context of sustainability. In particular, we have taken into account external trends, market developments, regulatory changes, and other factors that affect our overall impact on sustainable development.
- **Timeliness:** We publish our sustainability report each year alongside our annual report.

## Data collection

Our process for collecting data is built on a well-defined structure within BCV Group. The Corporate Social Responsibility team, which reports to the CEO, oversees

the entire process. Points of contact specific to each of the Group's business lines and functions are clearly identified. They play an essential role, providing the necessary information and data and documenting how indicators are calculated. Indicators are also reviewed to ensure they are reliable.

## External assurance

The Board of Directors has selected PricewaterhouseCoopers SA to carry out a limited assurance engagement for this report. The limited assurance report from PricewaterhouseCoopers, drawn up in accordance with International Standards on Assurance Engagement ISAE 3000 and ISAE 3410, can be found starting on page 150.

## Internal control and approval

Quantitative indicators in this report that have limited assurance from PricewaterhouseCoopers SA, which for the most part relate to GRI Standards, are subject to a comprehensive internal process of preparation, verification, and approval based on BCV's internal control system.

The report is reviewed and approved by the Executive Board before approval by the Board of Directors.

## Notes on calculation methods for quantitative indicators verified by PricewaterhouseCoopers SA

All the indicators presented in the table below have been verified by PricewaterhouseCoopers SA.

In this report, "BCV" and "the Bank" refer to the parent company, while "BCV Group" refers to the Group as a whole.

GRI disclosure	Indicator(s)	Page	Methodology, assumptions, scope, and exclusions
2-7 Employees	<ul style="list-style-type: none"> <li>• Total</li> <li>• Permanent employees</li> <li>• Temporary employees</li> <li>• Non-guaranteed hours employees</li> <li>• Full-time employees</li> <li>• Part-time employees</li> </ul>	pp. 94, 96, and 106	Unless otherwise specified, employee figures represent the number of people (rather than full-time equivalents) employed at 31 December. Because BCV Group operates mainly in Switzerland, employee figures are not broken down by region. Figures for BCV and Piguët Galland are reported separately.
2-8 Workers who are not employees	Number of contractors	p. 96	Contractors are individuals who work alongside BCV staff day to day under a contract other than an employment contract.
2-21 Annual total compensation ratio	<ul style="list-style-type: none"> <li>• Ratio of the highest-paid individual's annual total compensation to the median annual total compensation</li> <li>• Percentage change in the median annual total compensation</li> <li>• Percentage change in the highest-paid individual's compensation</li> </ul>	p. 102	<p>The reported figures are calculated using the following compensation-related data:</p> <ul style="list-style-type: none"> <li>• base salary</li> <li>• annual performance-based compensation, paid out the following year</li> <li>• long-term performance-based compensation, paid out the following year</li> <li>• taxable incidental expenses</li> <li>• employee share ownership program.</li> </ul> <p>Median annual total compensation is calculated for all permanent BCV employees, excluding trainees.</p>
2-27 Compliance with laws and regulations	Significant instances of non-compliance	p. 147	BCV defines significant instances of non-compliance as cases liable to justify the intervention of a supervisory authority or create a crisis for the Bank's primary stakeholders and that result in a fine or a non-monetary sanction from a judicial, administrative, or self-regulatory authority.
201-1 Direct economic value generated and distributed	<ul style="list-style-type: none"> <li>• Direct economic value generated</li> <li>• Direct economic value distributed</li> <li>• Economic value retained</li> </ul>	p. 32	<p>Method of calculation:</p> <ul style="list-style-type: none"> <li>• Direct economic value generated is the sum of: <ul style="list-style-type: none"> <li>• operating profit</li> <li>• personnel costs</li> <li>• extraordinary income and expenses.</li> </ul> </li> <li>• Direct economic value distributed is the sum of: <ul style="list-style-type: none"> <li>• personnel costs</li> <li>• taxes</li> <li>• dividends paid out to BCV shareholders.</li> </ul> </li> <li>• Economic value retained is the difference between direct economic value generated and direct economic value distributed.</li> </ul> <p>Because its activities take place mostly in Vaud Canton, BCV does not break down direct economic value generated and direct economic value distributed by country, region, or market.</p>
201-3 Defined benefit plan obligations and other retirement plans	<ul style="list-style-type: none"> <li>• Coverage ratio</li> <li>• Contribution rate, as a percent of salary, and the employer's portion</li> <li>• Insured retirement savings capital compared with the statutory minimum</li> </ul>	p. 103	<p>All BCV Group employees are members of the Caisse de Pensions de la Banque Cantonale Vaudoise (the CP BCV). Senior executives who are members of the Fund are also members of the Fondation de Prévoyance Complémentaire de la Banque Cantonale Vaudoise (the Supplementary Fund). Given the small number of individuals enrolled in the Supplementary Fund, the figures published in this report pertain only to the CP BCV.</p> <p>Reported figures are based on the CP BCV's interim financial statements at 30 September. In accordance with Art. 44 of the Federal Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans, actuarial assumptions are defined in the guidelines for managing the Fund's actuarial liabilities.</p>
203-1 Infrastructure investments and services supported	Portion of net profit allocated to sponsorships and donations, and the number of beneficiaries	p. 117	This indicator is based on BCV's commitments and financial support for sponsorships and donations related to the economy, sports, cultural activities, social causes, and the environment, including related costs. It does not include paid advertising or paid media coverage.
203-2 Significant indirect economic impacts	• Total lending to Vaud companies	p. 33	BCV contributes to Vaud Canton's economic development by making loans to companies domiciled in Vaud. The published figures show the total volume of loans granted to companies domiciled in Vaud.



GRI disclosure	Indicator(s)	Page	Methodology, assumptions, scope, and exclusions
	<ul style="list-style-type: none"> <li>Guaranteed loans (excluding Covid-19 bridge loans)</li> </ul>	p. 33	BCV helps finance the activities of its SME clients through loans guaranteed by Cautionnement Romand, western Switzerland's loan-guarantee cooperative. We report the number of loans we grant that are guaranteed by Cautionnement Romand, and the total guarantee amount effectively used.
	<ul style="list-style-type: none"> <li>Funds allocated for supporting innovation</li> </ul>	pp. 33 and 36	To further contribute to Vaud Canton's economic development, we promote innovation in the Canton through the Foundation for Technological Innovation (FIT) and Innovaud. The reported figures represent the annual funding provided to FIT and Innovaud.
204-1 Proportion of spending on local suppliers	Swiss companies as a share of the Bank's procurement spend (supplies and services)	p. 116	Our procurement spend covers funds disbursed for supplies and services relating to investments and operating expenses. Expenses related to ordinary banking activity (interest expense, commissions and fees, trading expenses, other ordinary expenses, provisions, and losses) are not included. Given that BCV's activities take place mostly in the Swiss market, "local suppliers" are considered to be suppliers domiciled in Switzerland. The indicator represents the total spend across the organization.
205-3 Confirmed incidents of corruption and actions taken	Confirmed incidents of corruption	pp. 46 and 147	BCV Group defines confirmed incidents of corruption as incidents that have incurred a fine or non-monetary penalty (including a warning) from a judicial authority or have resulted in the termination of one or more employees' contracts or in other disciplinary measures for corruption. Incidents of corruption include bribery, facilitating payments, fraud, extortion, collusion, and money laundering. Also included is the act of offering or receiving any kind of gift, loan, monetary sum, reward, or other advantage aimed at encouraging an act that is dishonest or illegal. Incidents of corruption furthermore include the misappropriation of funds, influence peddling, abuses of power, unjust enrichment, concealment, and obstruction of justice.
302-1 Energy consumption within the organization	Electricity and heating consumption, and energy consumption by BCV vehicles	p. 113	This indicator includes energy consumption related to heating (natural gas, fuel oil, and district heating) and electricity (hydroelectricity and hybrid electricity) for the buildings occupied by BCV as an owner or tenant, as well as to the three vehicles owned by BCV. Figures for electricity and heating consumption are based on actual data for the year under review where possible. If no actual data is available, estimates are based on the previous year's data. If no data is available for either year, estimates are based on the energy reference area. Figures for energy consumption by BCV vehicles are estimated based on fuel costs, which are converted to liters of fuel based on the average price of fuel, and then to kilowatt-hours (kWh). Conversion factors are provided by Swiss Climate.
302-3 Energy intensity	Energy consumption per full-time equivalent	p. 149	This indicator is based on BCV's energy consumption (302-1) and the number of full-time equivalents at the end of the year.
305-1 Direct (scope 1) GHG emissions	Scope 1 emissions	p. 113	Scope 1 emissions relate to natural-gas and fuel-oil heating, the use of BCV's vehicles, and refrigerants. BCV measures data on natural-gas and fuel-oil use and refrigerant leaks each year. When actual data is not available, we use estimates based on the previous year's data, or on the heat-producing capacity of heating equipment. Swiss Climate converts this data into GHG emissions using specific emission factors.
305-2 Indirect energy (scope 2) GHG emissions	Scope 2 emissions	p. 113	Scope 2 emissions relate to electricity and district heating. They are reported using a market-based approach. BCV measures how much energy it uses for electricity and district heating. If no actual data is available, estimates are based on the previous year's data. If no data is available for either year, estimates are based on the energy reference area. Swiss Climate converts this data into GHG emissions using specific emission factors.

GRI disclosure	Indicator(s)	Page	Methodology, assumptions, scope, and exclusions
305-3 Other indirect (scope 3) GHG emissions	<ul style="list-style-type: none"> <li>• Scope 3 emissions associated with BCV's operations</li> </ul>	p. 113	<ul style="list-style-type: none"> <li>• <b>Category 1 – Purchased goods and services:</b> emissions associated with paper consumption and printing activities BCV tracks how much paper it uses for its operations and in-house printing. Data for any outsourced printing is provided directly by the supplier or determined based on invoices received. Swiss Climate converts this data into GHG emissions using emission factors related to paper manufacturing.</li> <li>• <b>Category 2 – Capital goods:</b> emissions associated with IT equipment (i.e., computers and monitors) BCV keeps an inventory of its IT equipment. Swiss Climate converts this data into GHG emissions using emission factors related to manufacturing and the transportation of equipment to the consumer. Emission factors are based on an estimated six-year lifespan for each device.</li> <li>• <b>Category 3 – Fuel- and energy-related activities not covered by scope 1 and 2</b> For this category, the same raw data is used as for scope 1 and 2. Swiss Climate converts the data into GHG emissions using emission factors related to energy supply. For combustible and motor fuels, these factors relate to fuel extraction, transportation, and spills. For electricity, they relate to network losses and SF6 emissions.</li> <li>• <b>Category 5 – Waste generated in operations</b> BCV calculates how much waste it generates based on weights listed on invoices from waste management services. This does not include waste collected by the government in taxed garbage bags, which only concerns a minority of BCV's sites. Swiss Climate converts this data into GHG emissions using emission factors related to waste disposal.</li> <li>• <b>Category 6 – Business travel</b> BCV estimates the distances traveled by its employees for business purposes by car and public transportation based on business expense reports submitted during the year. These expenses are converted into kilometers based on average mileage rates for the various modes of transportation. This category also includes plane trips booked through BCV's partner for business trips, which provides data on the number of kilometers traveled. Plane trips booked through other platforms are not material and therefore not taken into consideration. Swiss Climate converts this data into GHG emissions using specific emission factors for each mode of transportation.</li> <li>• <b>Category 7 – Employee commuting</b> BCV estimates the distances traveled by its employees between home and work based on an employee survey. In early 2025, BCV conducted a new survey in order to estimate commuting figures for 2024. This latest survey produced more precise estimates, potentially making the data less comparable with figures from previous years. Swiss Climate converts the data into GHG emissions using specific emission factors for each mode of transportation. This category also includes emissions associated with energy consumption by employees working from home, as estimated by Swiss Climate.</li> </ul>
	<ul style="list-style-type: none"> <li>• Scope 3 emissions associated with BCV's mortgage loans (category 15 of the GHG Protocol)</li> </ul>	p. 85	<p>BCV calculates GHG emissions associated with its mortgage loans using the PCAF standard (for each building, total emissions are multiplied by the loan-to-value ratio; this is then summed for the entirety of the mortgage book). Building emissions taken into account include scope 1 emissions (heating and hot water generated by fossil fuels) and scope 2 emissions (electricity for heat pumps, district heating, electricity for household appliances, and lighting). Building emissions are calculated using a model developed by BCV. It is based on:</p> <ul style="list-style-type: none"> <li>• the energy consumption of the building (in kWh), as calculated via the method used by the Federal Office for the Environment for the mortgage component of the Paris Agreement Capital Transition Assessment (PACTA) test. This method models consumption using standards developed by the Swiss Society of Architects and Engineers, which are based on the dimensions of the building, the year it was constructed or renovated, and its use (e.g. residential, industrial, retail, office, restaurant).</li> <li>• emission factors (in tCO<sub>2</sub>e/kWh) specific to the type of energy used (fuel oil, natural gas, district heating, electricity, etc.). These factors are provided by the Swiss Coordination Conference for Public Sector Construction and Property Services (KBOB).</li> </ul> <p>Emissions are reported as absolute values (tCO<sub>2</sub>e) as well as relative to the building's surface (physical intensity in kg CO<sub>2</sub>e/m<sup>2</sup>).</p>

GRI disclosure	Indicator(s)	Page	Methodology, assumptions, scope, and exclusions
	<ul style="list-style-type: none"> <li>• Scope 3 emissions associated with BCV's proprietary assets (category 15 of the GHG Protocol)</li> </ul>	pp. 62 and 63	<p>BCV calculates GHG emissions associated with its proprietary assets using the PCAF standard. Poor-quality GHG emissions data (i.e., with a PCAF score of 5) are excluded from the calculation.</p> <p>Owing to incomplete data, the following asset classes have been excluded from the calculation:</p> <ul style="list-style-type: none"> <li>• shareholdings</li> <li>• bonds issued by multilateral or state-linked institutions.</li> </ul> <p>BCV reports GHG emissions figures for the following asset classes:</p> <ul style="list-style-type: none"> <li>• <b>Corporate bonds:</b> issuers' GHG emissions figures (scope 1, 2, and 3) are provided by MSCI</li> <li>• <b>Mortgage bonds:</b> issuers' GHG emissions figures (scope 1, 2, and 3) are provided by MSCI</li> <li>• <b>Sovereign bonds:</b> issuers' GHG emissions figures are provided by MSCI based on data drawn from the Emissions Database for Global Atmospheric Research (EDGAR), a widely-used reference for calculating the GHG emissions of states. Emissions are reported in absolute values (tCO<sub>2</sub>e), as well as relative to the amount invested (carbon footprint in kg CO<sub>2</sub>e/CHF million).</li> </ul>
	<ul style="list-style-type: none"> <li>• Scope 3 emissions associated with the investments of BCV's clients (category 15 of the GHG Protocol)</li> </ul>	p. 73	<p>BCV calculates GHG emissions associated with client investments using the PCAF standard. The assets included in this calculation consist of our discretionary management solutions, which comprise investment funds (asset allocation funds, BCV Pension funds, and targeted funds), as well as discretionary management agreements for institutional and personal banking clients. Poor-quality GHG emissions data (i.e., with a PCAF score of 5) are excluded from the calculation.</p> <p>The following have also been excluded:</p> <ul style="list-style-type: none"> <li>• double-counted assets (i.e., assets in BCV targeted funds that are invested in multi-asset funds or discretionary management agreements)</li> <li>• cash holdings, which do not generate GHG emissions</li> <li>• alternative investments, for which no method exists for calculating GHG emissions</li> <li>• bonds issued by multilateral or state-linked institutions, due to a lack of GHG emissions data.</li> </ul> <p>BCV reports GHG emissions figures for the following asset classes:</p> <ul style="list-style-type: none"> <li>• <b>Equity and corporate bonds:</b> issuers' GHG emissions figures (scope 1, 2, and 3) are provided by MSCI.</li> <li>• <b>Mortgage bonds:</b> issuers' GHG emissions figures (scope 1, 2, and 3) are provided by MSCI.</li> <li>• <b>Indirect real estate (real-estate funds, foundations, and companies):</b> figures for GHG emissions (scope 1 and 2) are provided by the managers of the underlying investment vehicles.</li> <li>• <b>Third-party funds:</b> GHG emissions figures (scope 1, 2 and 3) at the fund level are provided by MSCI.</li> <li>• <b>Sovereign bonds:</b> issuers' GHG emissions figures are provided by MSCI based on data drawn from the Emissions Database for Global Atmospheric Research (EDGAR), a widely-used reference for calculating the GHG emissions of states. Emissions are reported in absolute values (tCO<sub>2</sub>e), as well as relative to the amount invested (carbon footprint in kg CO<sub>2</sub>e/CHF million).</li> </ul>
	<ul style="list-style-type: none"> <li>• Scope 3 emissions associated with FIR properties (category 15 of the GHG Protocol)</li> </ul>	p. 78	<p>GHG emissions from FIR's investment properties are calculated by Signa-Terre SA based on actual consumption, which is measured for each property using the Real Estate Investment Data Association (REIDA) standard. Reported figures include scope 1 emissions (heating and hot water generated by fossil fuels) and scope 2 emissions (electricity for heat pumps, district heating, and electricity for common areas). They do not include scope 3 emissions (electricity used by tenants and building construction and demolition).</p> <p>Emissions are reported as absolute values (tCO<sub>2</sub>e), as well as relative to the building surface area (physical intensity in kg CO<sub>2</sub>e/m<sup>2</sup>).</p>
305-4 GHG emissions intensity	GHG emissions per full-time equivalent	p. 110	<p>GHG emissions per BCV employee are calculated based on the GHG emissions associated with BCV's operations (scope 1, 2, and 3) and the number of employees (full-time equivalents) at the end of the year.</p>



GRI disclosure	Indicator(s)	Page	Methodology, assumptions, scope, and exclusions
Specific indicator	Coal exposure of BCV's trade finance business	p. 90	This figure presents BCV's exposure to coal in its trade finance business. It includes all thermal and metallurgical coal transactions booked by BCV, whether or not they were financed by the Bank.
401-1 New employee hires and employee turnover	<ul style="list-style-type: none"> <li>New employee hires</li> <li>Employee turnover</li> </ul>	pp. 99 and 106	<p>Figures for BCV and Piguët Galland are reported separately.</p> <p>New employees include:</p> <ul style="list-style-type: none"> <li>all new hires to a BCV Group company on fixed-term or permanent contracts (excluding trainees)</li> <li>all trainees who, at the end of their training period, join a BCV Group company on fixed-term or permanent contracts.</li> </ul> <p>Employees who leave BCV after their fixed-term contract ends (including trainees) and employees taking retirement are not included in the calculation of employee turnover.</p> <p>Because BCV Group operates primarily in Switzerland, employee figures are not broken down by region.</p>
401-3 Parental leave	Number of employees entitled to parental leave	p. 100	<p>This figure comprises BCV employees who have taken parental leave (for mothers, fathers, same-sex spouses, and adoptive parents).</p> <p>If parental leave is taken over two calendar years, it is reported in the figures for both years.</p>
404-1 Average hours of training per year per employee	<ul style="list-style-type: none"> <li>Average for all employees</li> <li>Average by position type and category</li> </ul>	p. 98	<p>Figures are published in number of days and are based on the internal training that BCV provides its staff.</p> <p>BCV classifies employees into six categories depending on the level of responsibility inherent in their position. For the purposes of this indicator, the categories are presented in two groups:</p> <ul style="list-style-type: none"> <li>managers: staff in categories B, C, D, and E</li> <li>other employees: staff in category A and trainees.</li> </ul>
404-2 Average hours of training per year per employee	Number of continuing education programs completed	p. 98	<p>This indicator gives the number of BCV employees who complete the following types of continuing education programs:</p> <ul style="list-style-type: none"> <li>internal job training</li> <li>BCV's Micro MBA program</li> <li>certification from the Swiss Association for Quality (SAQ)</li> <li>post-secondary qualifications from outside institutions.</li> </ul>
404-3 Programs for upgrading employee skills and transition assistance programs	Percentage of employees receiving regular performance and career development reviews	p. 148	This indicator gives the percentage of BCV employees who received a performance review during the reporting period.
405-1 Diversity of governance bodies and employees	<ul style="list-style-type: none"> <li>Gender diversity</li> <li>Diversity by age group</li> </ul>	pp. 95, 96, and 107	<p>Figures for BCV and Piguët Galland are reported separately.</p> <p>The figures are calculated using the actual number of people (not full-time equivalents) employed at 31 December.</p> <p>For the purposes of this indicator, figures are reported for the following employee categories:</p> <ul style="list-style-type: none"> <li>Board of Directors</li> <li>Executive Board</li> <li>managers</li> <li>other employees</li> <li>senior leadership (for BCV only)</li> </ul> <p>BCV classifies employees into six categories depending on the level of responsibility inherent in their position. Managers are employees in categories B, C, D, or E, while other employees are category A staff and trainees.</p> <p>Senior leadership includes the Executive Board, other executives, and heads of larger teams, as well as specialist positions.</p> <p>For Piguët Galland, employees are categorized according to their rank. Managers are employees with the rank of assistant vice president, vice president, first vice president, or senior vice president. Other employees are signing officers, trainees, and employees without ranks.</p>

GRI disclosure	Indicator(s)	Page	Methodology, assumptions, scope, and exclusions
417-2 Incidents of non-compliance concerning product and service information and labeling	Significant instances of non-compliance	p. 147	The Bank defines significant instances of non-compliance as lapses of a magnitude that might justify the intervention of a supervisory authority or create a crisis for the Bank's primary stakeholders. Where applicable, BCV reports the number of significant instances of non-compliance that have resulted in fines or non-monetary sanctions from a judicial, administrative, or self-regulatory authority, as well as instances of non-compliance with non-binding guidelines.
417-3 Incidents of non-compliance concerning marketing communications	Significant instances of non-compliance	p. 147	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	<ul style="list-style-type: none"> <li>Number of substantiated complaints received concerning violations of customer confidentiality</li> </ul>	p. 147	BCV defines substantiated complaints as complaints that involve significant or repeated lapses with regard to internal or external provisions that might justify the intervention of internal entities. For a complaint to be considered substantiated, it must also trigger proceedings before a judicial, administrative, or self-regulatory authority.
	<ul style="list-style-type: none"> <li>Number of identified leaks, thefts, or losses of customer data</li> </ul>	p. 147	Leaks, thefts, and losses of customer data entail serious incidents resulting in a significant leak of client-identifying data within the meaning of FINMA Circular 2008/21, "Operational risks – banks."
G4-FS8 Products and services designed to deliver a specific environmental benefit	<ul style="list-style-type: none"> <li>Mortgage lending under the Green Bonus program</li> </ul>	p. 86	<p>Under the Green Bonus program, BCV offers attractive interest rates on financing for energy-efficient properties and green renovations.</p> <p>Conditions for mortgages granted under the Green Bonus program:</p> <ul style="list-style-type: none"> <li>For real-estate purchases, the building must have an eco-rating of A on at least one of the three CECB certificate criteria and no score below B for the other criteria, or Minergie-A or Minergie-P certification.</li> <li>For renovation work, the value of the loan must be at least CHF 20,000 and at least 25% of the funds must go to energy-saving improvements that qualify for cantonal or federal subsidies.</li> </ul> <p>All types of buildings are eligible, including income-generating and commercial properties.</p>
	<ul style="list-style-type: none"> <li>Energy mix of real-estate portfolio managed by FIR</li> </ul>	p. 78	<p>The published figures are based on an analysis of the energy mix in the real-estate portfolio of Fonds Immobilier Romand (FIR) carried out by the organization commissioned to monitor energy use in those buildings. That analysis is further developed with an internal review that reflects any changes to the portfolio or to energy sources following the initial assessment.</p> <p>The figures correspond to the energy reference area of FIR's real-estate portfolio broken down by energy source used for heating. Energy sources are grouped in the following categories:</p> <ul style="list-style-type: none"> <li>fossil fuels (fuel oil and natural gas)</li> <li>non-fossil-fuel sources (district heating, heat pumps, wood pellets, and electricity)</li> </ul>
	<ul style="list-style-type: none"> <li>ESG capital expenditures on real-estate portfolio assets</li> </ul>	p. 79	ESG capex comprises expenditures made to optimize buildings' energy efficiency, including renovations that also make the property safer and more comfortable for occupants. The published amount is the total of investments made in the heating, elevator, and building categories for FIR's real-estate portfolio. Data are given as absolute values and as percentages of rental income.
G4-FS10 Companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	Number of shareholders' meetings for companies in BCV Group portfolios where voting rights were exercised	pp. 69 and 77	<p>Figures for BCV and Piguet Galland are reported separately.</p> <p>In 2024, BCV developed its shareholder engagement activities and formally set out the principles underpinning its approach in a shareholder engagement policy published in February 2025. An initial report on its indirect engagement activities will be published in 2025, followed by an annual report on all its shareholder engagement activities in 2026. In addition, Piguet Galland has not yet defined an approach to engagement. For these reasons, only the figures concerning the exercise of voting rights have been reported here.</p> <p>BCV tracks how it exercises its voting rights at annual general meetings using ProxyExchange, the electronic voting platform from Institutional Shareholder Services (ISS). Piguet Galland only exercises its voting rights for Swiss companies, by mail, and tracks its voting manually using copies of the voting instructions sent to independent proxies.</p>

GRI disclosure	Indicator(s)	Page	Methodology, assumptions, scope, and exclusions
G4-FS11 Assets integrating environmental or social criteria	<ul style="list-style-type: none"> <li>ESG products used in BCV's discretionary asset management</li> </ul>	p. 71	<p>BCV's total assets under management are broken down into two categories:</p> <ul style="list-style-type: none"> <li><b>investment funds</b> (strategic funds, BCV Pension retirement funds, and targeted funds). The following funds are classified as "ESG": <ul style="list-style-type: none"> <li>Swiss-registered funds whose sub-funds have a FINMA-approved ESG label</li> <li>Luxembourg-registered funds that, although they do not have the ESG label, apply the same management rules as Swiss-registered strategic funds whose ESG approach is described in the fund agreement approved by FINMA</li> <li>Other Luxembourg-registered funds whose sub-funds have an ESG label approved by the Commission de Surveillance du Secteur Financier.</li> </ul> </li> <li><b>discretionary agreements</b> <ul style="list-style-type: none"> <li><b>for institutional clients:</b> Managed institutional portfolios are classified as ESG if at least 70% of component assets incorporate ESG criteria. Cash and derivatives are not taken into account.</li> <li><b>for personal banking clients:</b> All discretionary agreements for personal banking clients apply ESG criteria, unless the client's financial constraints (e.g., for tax reasons) are such that the minimum threshold for categorizing the agreement as ESG cannot be met (70% of component assets must incorporate ESG criteria). Cash and derivatives are not taken into account.</li> </ul> </li> </ul> <p>Figures are presented as percentages of assets in the category concerned.</p>
	<ul style="list-style-type: none"> <li>BCV's ESG Ambition range</li> </ul>	p. 72	<p>In addition to meeting the criteria above, products in the ESG Ambition range allocate part of the assets to investments that will drive positive change in line with one or more of the United Nations Sustainable Development Goals. The figures include investment funds, discretionary agreements, and certificates in the ESG Ambition range. Figures are presented in absolute terms.</p>
	<ul style="list-style-type: none"> <li>Thematic certificates related to sustainability, managed by Piguet Galland</li> </ul>	p. 77	<p>The published figures are based on Piguet Galland's three sustainability-oriented certificates:</p> <ul style="list-style-type: none"> <li>Helv-Ethic</li> <li>Women Empowerment</li> <li>Climate Impact.</li> </ul> <p>Figures are presented in absolute terms.</p>





# Content index for Article 964b of the Swiss Code of Obligations

The table below summarizes how BCV Group meets the reporting requirements of Article 964b of the Swiss Code of Obligations.

Requirements under Article 964b	Section <sup>1</sup>	Reference
General information on environmental matters, social issues, employee-related issues, respect for human rights, and combating corruption	Letter from the Chair and the CEO	pp. 2–3
	Our main contributions to the Sustainable Development Goals in 2024	pp. 7–8
	Stakeholder expectations and material topics	p. 13–15
	Our mission and CSR strategy	pp. 16–17
	Climate strategy	pp. 21–24
	Sustainability governance and organizational structures at BCV	pp. 25–28
Business model	2024 Annual Report (AR24): Overview of BCV	AR24, pp. 10–13
	AR24: BCV in 2024	AR24, pp. 42–49
	AR24: Business sector reports	AR24, pp. 50–57
	The BCV Group	p. 4
	Long-term value creation, solidity, and financial performance	p. 32
	Contributing to Vaud's economic development	p. 33
Environmental matters <sup>2</sup>	Managing our clients' assets	pp. 64–76
	Piguet Galland	p. 77
	Fonds Immobilier Romand	pp. 77–79
	BCV Group's pension fund	p. 79
	Mortgage loans	pp. 83–87
	Lending to local businesses	pp. 87–88
	Trade finance	pp. 89–91
	Reducing the environmental impact of our operations	pp. 110–114, 149
Social issues <sup>3</sup>	Contributing to Vaud's economic development	p. 33
	Promoting innovation and sustainability in Vaud	pp. 36–37
	Data protection	pp. 46–47
	Cybersecurity	pp. 48–49
	Responsible selling	pp. 50–51
	Meeting our customers' needs	pp. 54–59
	Managing our clients' assets	pp. 64–76
	Piguet Galland	p. 77
	BCV Group's pension fund	p. 79
	Lending to local businesses	pp. 87–88
	Responsible, local sourcing	pp. 116
	Playing an active role in the community	pp. 117–121

<sup>1</sup> These sections describe the concepts, how we've applied them to our practices, and our key performance indicators.

<sup>2</sup> The content index on pages 144 and 145 maps the information in this report to the corresponding TCFD recommendations.

<sup>3</sup> "Social issues" should be understood broadly to comprise a wide array of issues related to society.

Requirements under Article 964b	Section	Reference
Employee-related issues	Being a benchmark employer	pp. 94–107, 148
	Our values and code of conduct	p. 40
Respect for human rights	The dimensions of CSR	p. 12
	Managing our clients' assets	pp. 65, 68, 76
	Lending to local businesses	pp. 87–88
	Trade finance	pp. 89–91
	Compliance with social and environmental procurement standards	pp. 114–115
Combating corruption	Anti-corruption measures	pp. 46
Sustainability risks	Stakeholder expectations and material topics	pp. 13–15
	Sustainability governance and organizational structures at BCV	pp. 25–28
	Our main sustainability risks	pp. 18
	Climate-related risk	pp. 19–20
	Appendix: Managing climate-related risk	pp. 122–131
References to national, European Union, and international regulations	About this report	p. 6
	Physical gold (DDTrO <sup>2</sup> )	p. 76
	Compliance with social and environmental procurement standards (DDTrO <sup>1</sup> )	p. 114–115
	Reporting principles	p. 132–133
Subsidiaries	Scope of the report	p. 132

<sup>1</sup> DDTrO: Switzerland's federal Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour



# TCFD content index

The table below summarizes how BCV Group aligns with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in order to meet the requirements set out in the Swiss Federal Ordinance on Climate Disclosures.

Recommended disclosures	Section of this report where the information is disclosed	Reference
<b>Governance</b>		
a) Describe the board's oversight of climate-related risks and opportunities.	Sustainability governance and organizational structures at BCV	pp. 25–28
b) Describe management's role in assessing and managing climate-related risks and opportunities.	Sustainability governance and organizational structures at BCV	pp. 25–28
a) Describe the climate-related risks and opportunities the organization has identified.	Our main sustainability risks \ <b>Climate-related risk</b>	p. 19–20
	Appendix: Managing climate-related risk \ 1. Exposure to climate-related risk \ <b>1.2 The Bank's overall exposure to climate-related risk factors</b>	pp. 123–127
	Appendix: Managing climate-related risk \ 2. Assessing climate-related risk \ <b>2.1 Integrating climate-related risk into the Bank's risk management</b>	p. 127
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Appendix: Managing climate-related risk \ 1. Exposure to climate-related risk \ <b>1.2 The Bank's overall exposure to climate-related risk factors</b>	pp. 123–127
	<b>Climate strategy</b>	pp. 21–24
	Appendix: Managing climate-related risk \ <b>3. Monitoring climate-related risk</b>	pp. 129–131
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios.	Climate strategy \ <b>Adaptability and resilience: external factors that may affect our climate strategy</b>	p. 24
	Appendix: Managing climate-related risk \ 1. Exposure to climate-related risk \ <b>1.2 The Bank's overall exposure to climate-related risk factors</b>	pp. 123–27
	Appendix: Managing climate-related risk \ 2. Assessing climate-related risk \ <b>2.2 Methods for assessing climate-related risk</b>	pp. 128–130
<b>Risk management</b>		
a) Describe the organization's processes for identifying and assessing climate-related risks.	Our main sustainability risks \ <b>Climate-related risk</b>	p. 19–20
	Appendix: Managing climate-related risk \ 1. Exposure to climate-related risk \ <b>1.2 The Bank's overall exposure to climate-related risk factors</b>	pp. 123–127
	Appendix: Managing climate-related risk \ 2. Assessing climate-related risk \ <b>2.2 Methods for assessing climate-related risk</b>	pp. 127–129
	Appendix: Managing climate-related risk \ 3. Monitoring climate-related risk \ <b>3.1 Review of the main climate-related risks</b>	pp. 129–130
b) Describe the organization's processes for managing climate-related risks.	Our main sustainability risks \ <b>Climate-related risk</b>	pp. 19–20
	Appendix: Managing climate-related risk \ <b>3. Monitoring climate-related risk</b>	pp. 129–131
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Our main sustainability risks \ <b>Climate-related risk</b>	p. 19–20
	Appendix: Managing climate-related risk \ 2. Assessing climate-related risk \ <b>2.1 Integrating climate-related risk into the Bank's risk management</b>	p. 127
<b>Metrics and targets</b>		
a) Disclose the metrics used by the organization to identify and assess climate-related risks and opportunities.	Appendix: Managing climate-related risk \ <b>3. Monitoring climate-related risk</b> <ul style="list-style-type: none"> <li>- Physical intensity of residential mortgage loans (owner-occupied and rental properties), and reduction targets</li> <li>- Proportion of residential mortgage loans secured by buildings with an estimated physical intensity above 30 kg CO<sub>2</sub>e/m<sup>2</sup></li> <li>- Proportion of residential mortgage loans with heightened exposure to transition risk</li> <li>- Proportion of residential mortgage loans secured by buildings in areas with high natural-hazard risk</li> <li>- Proportion of corporate loans (excluding trade finance) granted to companies in sectors with heightened exposure to the energy transition</li> <li>- Proportion of trade finance transactions that involve commodities with heightened exposure to the energy transition</li> </ul>	p. 131

Recommended disclosures	Section of this report where the information is disclosed	Reference
b) Disclose scope 1, scope 2, and scope 3 GHG emissions.	Managing our clients' assets \ Figures and comments \ <b>GHG emissions associated with client investments</b>	
	- 305-3 GHG emissions associated with client investments	p. 73
	- Carbon footprint of listed equities and corporate bonds and third-party funds	p. 74
	- Physical intensity of indirect real-estate	p. 74
	<b>Fonds Immobilier Romand</b>	
	- G4-FS8 FIR's energy mix	p. 78
	- 305-3 GHG emissions associated with FIR properties	p. 78
	- G4-FS8 FIR's ESG investments	p. 79
	Mortgage lending \ <b>GHG emissions associated with mortgage loans</b>	
	- Physical intensity of residential mortgage loans (owner-occupied and rental properties), and reduction targets	p. 84
	- Mortgage lending for properties with a physical intensity of less than 10 kg CO2e/m2	p. 84
	- 305-3 GHG emissions associated with mortgage loans, by PCAF asset class and property type	p. 85
	Mortgage lending \ <b>Steps we've taken</b>	p. 86
	- Mortgage lending under the Green Bonus program	
	Trade finance \ <b>Reducing our exposure to coal in line with the Paris Agreement-compatible scenario</b>	p. 90
	- Coal exposure of BCV's trade finance business since 2019	
	Reducing the environmental impact of BCV's operations \ <b>Measuring our direct carbon footprint</b>	p. 110
	- GHG emissions by source	
	Reducing the environmental impact of BCV's operations \ <b>Key indicators for emissions from our operations</b>	p. 113
	- 305-1, 305-2, 305-3 GHG emissions by scope and source	
	- 302-1 Energy consumption within the organization	
c) Describe the targets used by the organization to manage climate-related risks and opportunities and assess performance against targets.	Climate strategy \ <b>GHG emissions</b>	p. 22
	- GHG emissions associated with our operations and lending and investment activities, by scope and emissions category, 2024	
	Proprietary assets \ <b>GHG emissions associated with proprietary assets</b>	
	- 305-3 GHG emissions associated with proprietary assets	p. 62–63
	Managing our clients' assets \ Figures and comments \ <b>GHG emissions associated with client investments</b>	
	- 305-3 GHG emissions associated with client investments	p. 73
	- Carbon footprint of listed equities and corporate bonds and third-party funds	p. 74
	- Physical intensity of indirect real estate	p. 74
	<b>Fonds Immobilier Romand</b>	
	- 305-3 GHG emissions associated with FIR properties	p. 78
	Mortgage loans \ <b>GHG emissions associated with mortgage loans</b>	
	- Physical intensity of residential mortgage loans (owner-occupied and rental properties), and reduction targets	p. 84
	- Mortgage lending for properties with a physical intensity of less than 10 kg CO2e/m2	p. 84
	- 305-3 GHG emissions associated with mortgage loans, by PCAF category and property type	p. 85
	Reducing the environmental impact of BCV's operations \ <b>Measuring our direct carbon footprint</b>	p. 110
	- GHG emissions by source	
	Reducing the environmental impact of BCV's operations \ <b>Key indicators for emissions from our operations</b>	p. 113
	- 305-1, 305-2, 305-3 GHG emissions by scope and source	
	Climate strategy \ <b>Climate targets</b>	pp. 22–24
	Managing our clients' assets \ <b>Climate targets for client investments</b>	pp. 65–66
	<b>Fonds Immobilier Romand</b>	pp. 77–79
	Mortgage loans \ <b>Climate targets for mortgage lending</b>	p. 83
	Trade finance \ <b>Reducing our exposure to coal in line with the Paris Agreement-compatible scenario</b>	pp. 89–90
	Reducing the environmental impact of BCV's operations \ <b>Climate target for our operations</b>	p. 110

# GRI content index

**Statement of use:** BCV Group has reported in accordance with the GRI Standards for the period 1 January 2024 to 31 December 2024

**GRI 1 used:** GRI 1: Foundation 2021

**Sector-specific disclosure guidelines:** G4 Financial services (G4-FS)

GRI Standard		Location, commentary, and explanation for omissions
<b>General disclosures (GRI 2)</b>		
<b>The organization and its reporting practices</b>		
2-1	Organizational details	SR24, p. 4 AR24, pp. 10–12
2-2	Entities included in the organization's sustainability reporting	SR24, pp. 4, 6, and 132 The AR24 contains financial statements for both the parent company and the Group. The approach used for preparing the consolidated financial statements is set out in the AR24, pp. 124–130.
2-3	Reporting period, frequency, and contact point	SR24, p. 6 The annual report and sustainability report cover the same reporting period.
2-4	Restatements of information	No previously reported information had to be restated.
2-5	External assurance	SR24, pp. 150–157
<b>Activities and employees</b>		
2-6	Activities, value chain, and other business relationships	SR24, pp. 4 and 32–33 AR24, pp. 1, 10–12, 50–57, and 77–78
2-7	Employees	SR24, pp. 94 and 106
2-8	Workers who are not employees	SR24, p. 96
<b>Governance</b>		
2-9	Governance structure and composition	SR24, pp. 25–28 and 41 AR24, pp. 80–92
2-10	Nomination and selection of the highest governance body	AR24, pp. 80 and 86
2-11	Chair of the highest governance body	SR24, p. 41
2-12	Role of the highest governance body in overseeing the management of impacts	SR24, pp. 25–28 Cantonal Act Governing BCV (LBCV), Articles 4 and 13 Sustainability Policy
2-13	Delegation of responsibility for managing impacts	SR24, pp. 25–28 and 14–15
2-14	Role of the highest governance body in sustainability reporting	SR24, p. 6
2-15	Conflicts of interest	SR24, pp. 41–43 and 45–46 AR24, pp. 80–99 Code of Professional Conduct, p. 6
2-16	Communication of critical concerns	SR24, pp. 25–28
2-17	Collective knowledge of the highest governance body	SR24, p. 26
2-18	Evaluation of the performance of the highest governance body	SR24, pp. 25–28
2-19	Remuneration policies	SR24, pp. 26–27 and 102 AR24, pp. 99–107
2-20	Process to determine remuneration	AR24, pp. 89–90 and 99–107 The results of votes taken at the Annual Shareholders' Meeting are published at: <a href="http://www.bcv.ch/en/home/la-bcv/investor-relations/for-shareholders.html">www.bcv.ch/en/home/la-bcv/investor-relations/for-shareholders.html</a> .
2-21	Annual total compensation ratio	SR24, p. 102

GRI Standard		Location, commentary, and explanation for omissions
<b>Strategy, policies, and practices</b>		
2-22	Statement on sustainable development strategy	SR24, pp. 2–3
2-23	Policy commitments	Sustainability Policy
2-24	Embedding policy commitments	SR24, pp. 25–28
2-25	Processes to remediate negative impacts	SR24, pp. 50 and 58–59
2-26	Mechanisms for seeking advice and raising concerns	SR24, p. 43
2-27	Compliance with laws and regulations	No significant cases of non-compliance were identified in 2024.
2-28	Membership associations	SR24, pp. 42–43
<b>Stakeholder engagement</b>		
2-29	Approach to stakeholder engagement	SR24, pp. 13–15
2-30	Collective bargaining agreements	SR24, p. 101
<b>Material topics (GRI 3)</b>		
3-1	Process to determine material topics	SR24, pp. 13–15
3-2	List of material topics	SR24, p. 15
<b>Dialogue with stakeholders and transparency</b>		
3-3	Management of material topics	SR24, pp. 13, 58–59, and 101
<b>Long-term value creation, solidity, and financial performance</b>		
3-3	Management of material topics	SR24, p. 32
201-1	Direct economic value generated and distributed (parent company)	AR24, parent company income statement, p. 176 SR24, p. 32
201-3	Defined benefit plan obligations and other retirement plans	SR24, p. 103
201-4	Financial assistance received from government	AR24, p. 10 BCV does not receive financial assistance from the government. (The Canton of Vaud holds 66.95% of BCV's share capital.)
<b>Contributing to Vaud's economic development</b>		
3-3	Management of material topics	SR24, pp. 33–35, 56–57, and 87–88
203-2	Significant indirect economic impacts	SR24, pp. 33 and 36
<b>Ethics and corporate governance</b>		
3-3	Management of material topics	SR24, pp. 40–43
205-2	Communication and training about anti-corruption policies and procedures	SR24, p. 46
205-3	Confirmed incidents of corruption and actions taken	SR24, p. 46 No confirmed incidents of corruption involving employees or governing bodies were identified in 2024.
415-1	Political contributions	SR24, p. 41
<b>Responsible selling</b>		
3-3	Management of material topics	SR24, pp. 50–51
417-2	Incidents of non-compliance concerning product and service information and labeling	No significant cases of non-compliance were identified in 2024.
417-3	Incidents of non-compliance concerning marketing communications	No significant cases of non-compliance were identified in 2024.
<b>Climate-related risks</b>		
3-3	Management of material topics	SR24, pp. 19–20, 27–28, and 122–131
201-2	Financial implications and other risks and opportunities due to climate change	SR24, pp. 19–24, 27–28, and 122–131
<b>Reliability: Combating cybercrime, ensuring transaction security, and protecting data</b>		
3-3	Management of material topics	SR24, pp. 48–49
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No substantiated complaints or incidents of customer data leaks, theft, or loss were identified in 2024.



GRI Standard		Location, commentary, and explanation for omissions
<b>Close ties and accessible services</b>		
3-3	Management of material topics	SR24, p. 54
G4-FS13	Access points in low-populated or economically disadvantaged areas by type	AR24 p. 206 SR24 p. 54 Our customers have access to a dense network of branches and ATMs, as well as remote and self-service solutions.
<b>Products and services suited to customers' needs and expectations</b>		
3-3	Management of material topics	SR24, pp. 56–57
Individual indicator	Set of indicators	SR24, pp. 56–57
<b>High service quality</b>		
3-3	Management of material topics	SR24, pp. 58–59
Individual indicator	Customer satisfaction, Net Promoter Score (NPS)	SR24, p. 59
<b>Socially responsible investing (SRI)</b>		
3-3	Management of material topics	SR24, pp. 21–24 and 61–79
G4-FS8	Investments with an environmental benefit	SR24, pp. 78 and 79
G4-FS10	Companies in BCV's portfolio with which it has interacted on environmental and social issues	SR24, pp. 69 and 77
G4-FS11	Assets integrating environmental and social criteria	SR24, pp. 71, 72, and 77
305-3	Scope 3 emissions associated with BCV's proprietary assets, BCV's client investments, and with FIR's properties	SR24, pp. 63, 73, and 78
<b>Environmental and social criteria in lending decisions</b>		
3-3	Management of material topics	SR24, pp. 96–97
G4-FS8	Loans with an environmental benefit	SR24, p. 98
305-3	Scope 3 emissions associated with mortgage loans	SR24, p. 85
Individual indicator	Coal exposure of BCV's trade finance business	SR24, p. 90
<b>Focus on training</b>		
3-3	Management of material topics	SR24, pp. 96–97
404-1	Average number of hours of training per year per employee	SR24, p. 98
404-2	Programs for upgrading employee skills and transition assistance programs	SR24, p. 98
404-3	Percentage of employees receiving regular performance and career development reviews	100%, excluding cases such as employees who join or leave the Bank during the year
<b>Diversity and equal opportunity</b>		
3-3	Management of material topics	SR24, pp. 94–96, 105, and 107
401-1	New employee hires and employee turnover	SR24, pp. 99 and 106
405-1	Diversity of governance bodies and employees	SR24, pp. 95, 96, and 107
405-2	Equal pay	SR24, pp. 103 and 107
<b>Retirement, compensation, and other employee benefits</b>		
3-3	Management of material topics	SR24, pp. 102–104
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	SR24, p. 101 Employees on a permanent contract (working at least half time) receive all standard employee benefits. Employees outside this scope receive benefits according to their status. Employees who work at an employment rate of under 60% cannot work from home.
<b>Working conditions</b>		
3-3	Management of material topics	SR24, pp. 101–105
401-3	Parental leave	SR24, p. 100
403-1	Occupational health and safety management system	SR24, pp. 104–105 BCV's occupational health and safety management system is in keeping with Switzerland's current legal requirements. In some areas, the system goes above and beyond the legal requirements.
403-2	Hazard identification, risk assessment and incident investigation	SR24, pp. 104–105

GRI Standard		Location, commentary, and explanation for omissions
<b>Playing an active role in the community and supporting local projects and organizations</b>		
3-3	Management of material topics	SR24, pp. 117–121
203-1	Infrastructure investments and services supported	SR24, pp. 36–37 and 117
413-1	Operations with local community engagement, impact assessments, and development programs	SR24, pp. 36–37 and 117–121
<b>Environmental impact of our operations</b>		
3-3	Management of material topics	SR24, pp. 110–114
305-1	Direct (scope 1) GHG emissions	SR24, p. 113
305-2	Energy indirect (scope 2) GHG emissions	SR24, p. 113
305-3	Other indirect (scope 3) GHG emissions	SR24, p. 113
305-4	GHG emissions intensity per employee	SR24, p. 110
305-6	Emissions of ozone-depleting substances (ODS)	N/A: BCV does not have any factories or manufacturing facilities.
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	N/A: BCV does not have any factories or manufacturing facilities.
302-1	Energy consumption within the organization: electricity (including how it was generated) and heating	SR24, p. 113
302-3	Energy intensity	7,961 kWh per employee (FTE) in 2024 (7,552 kWh per FTE in 2023)
<b>Responsible, local sourcing</b>		
3-3	Management of material topics	SR24, p. 116
204-1	Proportion of spending on local suppliers	SR24, p. 116

#### List of abbreviations

AR24: 2024 Annual Report

SR24: 2024 Sustainability Report

CO<sub>2</sub>e: CO<sub>2</sub> equivalent

# Independent practitioner's limited assurance report

on selected indicators and non-financial disclosures in Banque Cantonale Vaudoise's Sustainability Report 2024 to the Board of Directors of Banque Cantonale Vaudoise, Lausanne

We have been engaged by the Board of Directors of Banque Cantonale Vaudoise (together with its consolidated subsidiaries the "BCV Group") to perform assurance procedures to provide limited assurance for the period between 1 January 2024 and 31 December 2024 on:

- selected indicators included in the Sustainability Report 2024 of the BCV Group (the "Sustainability Report 2024") and presented in the table in the section "Basis of Preparation" (the "Basis of Preparation") of the Sustainability Report 2024 (the "selected indicators 2024", including the GHG emissions); and
- selected non-financial disclosures required by Art. 964b, par. 3 of the Swiss Code of Obligations ("CO") or by article 3 of the Ordinance on climate-related disclosures ("ClimO"), referenced in the Content index for Article 964b of the Swiss Code of Obligations on pages 142 to 143 of the Sustainability Report 2024 or in the Content index for the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD") on pages 144 to 145 of the Sustainability Report 2024 and summarized in the table in Appendix (the "selected non-financial disclosures 2024").

(the "sustainability information").

The sustainability information was prepared by the Board of Directors of Banque Cantonale Vaudoise (the "Board of Directors") based on the following criteria (the "reporting Criteria"):

- the Global Reporting Initiative (GRI) Standards, version 2021;
- the Greenhouse Gas Protocol Corporate Standard, version 2004, as well as the standard of the Partnership for Carbon Accounting Financials (PCAF) Part A - Financing Emissions 2nd Edition 2022, for the calculation of financed emissions;
- the requirements of Article 964b CO, applying Article 964b para. 3 CO;
- the requirements of Article 3 of the Ordinance for climate-related disclosures;
- Banque Cantonale Vaudoise internally developed criteria, for specific internally developed indicators presented in the Basis of Preparation of the Sustainability Report 2024 on page 132 to 133.

The reporting Criteria together with assumptions and estimates are presented in the Basis of Preparation.

Our assurance engagement does not extend to any information relating to periods prior to January 1, 2024 ("comparative information") or to any forward-looking information. It does not extend to the information linked from the Sustainability Report 2024, except for information designated as incorporated by reference in the Basis of Preparation. We have not performed assurance procedures on other information than the sustainability information indicated above for the 2024 financial year.

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PricewaterhouseCoopers SA is a member of the global PricewaterhouseCoopers network of firms, each of which is a separate and independent legal entity.

### Inherent limitations

The accuracy and completeness of the sustainability information are subject to inherent limitations, resulting from the availability and quality of the data used. In addition, the quantification of the sustainability information (including the GHG emissions) involves inherent uncertainty, as the consolidation of greenhouse gas emissions results from methodologies that take into account the materiality of emission sources and may be subject to estimates or approximations (by Banque Cantonale Vaudoise or by data providers). Our assurance report has therefore to be read in connection with the reporting Criteria, as well as the definitions and procedures disclosed therein.

### Board of Directors' responsibility

The Board of Directors of Banque Cantonale Vaudoise is responsible for the preparation of the sustainability information based on the reporting Criteria. This responsibility includes selecting and applying appropriate non-financial reporting methods and making assumptions and estimates about individual items of information that are reasonable in the circumstances. In addition, the Board of Directors is responsible for organizing, establishing and maintaining adequate internal controls relating to the establishment and presentation of the sustainability information so that the sustainability information is free from material misstatement whether due to fraud or error. Furthermore, the Board of Directors of Banque Cantonale Vaudoise is responsible for the selection and application of the reporting Criteria, including making assumptions and estimates, and adequate record keeping.

### Independence and quality management

We are independent of the BCV Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). These requirements define fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

PricewaterhouseCoopers SA applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Practitioner's responsibility

Our responsibility is to express a conclusion with limited assurance on the sustainability information. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance engagements other than audits or reviews of historical financial information" and with ISAE 3410, "Assurance Engagements on Greenhouse Gas Statements", issued by the International Auditing and Assurance Standards Board. These standards require that we plan and perform our procedures to obtain limited assurance about whether anything has come to our attention that causes us to believe that sustainability information is not prepared, in all material respects, in accordance with the reporting Criteria.

Based on risk and materiality considerations, we performed our procedures to obtain sufficient and appropriate assurance evidence. The procedures selected depend on our professional judgement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are limited relative to a reasonable assurance engagement. Therefore less assurance is obtained with a limited assurance engagement than for a reasonable assurance engagement.

We performed the following procedures:

- Gain an understanding of the structure of the Group's sustainability organisation and stakeholder engagement;
- Assessing the suitability in the circumstances of the use of the reporting Criteria, applied as explained in the Basis of Preparation used for the preparation of the sustainability information;
- Identification of the main risks of material misstatement in the selected indicators 2024;





- Inspecting selected internal and external documents to determine whether quantitative and qualitative information integrated in the sustainability information is supported by sufficient evidence and presented in an accurate and balanced manner;
- Interviewing representatives of the Group responsible for the data collection and reporting as well as other relevant stakeholders;
- Performing tests on a sample basis of evidence supporting the completeness, accuracy, adequacy and consistency of the sustainability information;
- Reperformance of relevant calculations;
- Assessment based on analytical procedures of the quantitative data included in the scope of the limited assurance mission;
- Reconciliation of data sources with underlying records;
- Assessment of the process in place and activities undertaken by the Group in the preparation of the non-financial disclosures as included in the Content index for Article 964b of the Swiss Code of Obligations on pages 142 to 143 and of the information required by Article 3 of the Ordinance for climate-related disclosures, in particular the TCFD recommendations referenced in the corresponding Index on pages 144 to 145 of the Sustainability Report 2024;
- Verification that the Sustainability Report 2024 contains the information required by article 964b para.3 of the Swiss Code of Obligations and the information required by Article 3 of the Ordinance for climate-related disclosures;
- Assessment of the consistency of sustainability information with other key information and figures and of the overall presentation of the information through a critical reading of the Sustainability Report 2024.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

#### Conclusion

Based on the procedures we performed, and evidence obtained, nothing has come to our attention that causes us to believe that the selected indicators 2024 and the selected non-financial disclosures referenced in the Content index for Article 964b of the Swiss Code of Obligations on pages 142 to 143 or in the Content index for the recommendations of the Task Force on Climate-related Financial Disclosures on pages 144 to 145 of the Sustainability Report 2024 of the BCV Group, and also referenced in the Table in Appendix are not prepared, in all material respects, in accordance with the reporting Criteria.

#### Other Information

The other information comprises all information in the Sustainability Report 2024 other than the sustainability information. The Board of Directors of Banque Cantonale Vaudoise is responsible for the other information. As explained above, our assurance conclusions do not extend to the other information and, accordingly, we do not express any form of assurance thereon.

#### Intended users and purpose of the report

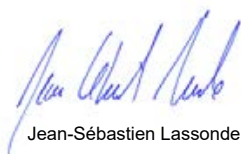
This report is prepared for, and only for, the Board of Directors of the Banque Cantonale Vaudoise, and solely for the purpose that they report on the selected indicators 2024 and the selected non-financial disclosures 2024 (including the GHG emissions) and no other purpose. We do not, in giving our conclusion, accept or assume responsibility (legal or otherwise) or accept liability for, or in connection with, any other purpose for which our report including the conclusion may be used, or to any other person to whom our report is shown or into whose hands it may come, and no other persons shall be entitled to rely on our conclusion.



We permit the disclosure of our report, in full only and in combination with the reporting Criteria, to enable the Board of Directors to demonstrate that they have discharged their governance responsibilities by commissioning an independent assurance report on the selected indicators 2024 and the selected non-financial disclosures 2024, without assuming or accepting any responsibility or liability to any third parties on our part. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors of Banque Cantonale Vaudoise for our work or this report.

This assurance report and the Sustainability Report 2024 are English translations of the original French texts. Only the French texts are authoritative.

PricewaterhouseCoopers SA



Jean-Sébastien Lassonde



Erol Baruh

Lausanne, 4 April 2025

*The maintenance and integrity of Banque Cantonale Vaudoise's website and its content are the responsibility of Banque Cantonale Vaudoise; the work carried out by the assurance provider does not involve consideration of the maintenance and integrity of Banque Cantonale Vaudoise's website, accordingly, the assurance providers accept no responsibility for any changes that may have occurred to the reported selected indicators 2024, the selected non-financial disclosures 2024 or the reporting Criteria since they were initially presented on the website, at the time of publication of the report.*

## Selected non-financial disclosures 2024

Reference to GRI information elements according to the Sustainability Report	Object	Pages
<b>General aspects</b>		
<b>General sustainability information</b>		
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GRI 2-12	Role of the highest governance body in overseeing the management of impacts <ul style="list-style-type: none"> <li>Sustainability governance and organizational structures at BCV</li> </ul>	p.25-28 p.146
GRI 2-13	Delegation of responsibility for managing impacts <ul style="list-style-type: none"> <li>Sustainability governance and organizational structures at BCV</li> <li>Stakeholder expectations and material topics</li> </ul>	p.25-28 p.14-15
GRI 2-22	Statement on sustainable development strategy	p.2-3
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<b>Description of the business model (art. 964b, al. 2, ch.1 CO)</b>		
GRI 2-1	Organizational details	p.4
GRI 2-6	Activities, value chain, and other business relationship	p.4, 32, 33
<b>Environmental matters, including CO2 targets</b>		
<b>Policies adopted, including the due diligence applied (art. 964b, al. 2, ch. 2 CO)</b>		
GRI 3-3 (c)	Management of material topics <ul style="list-style-type: none"> <li>Our main sustainability risks</li> <li>Climate-related risk</li> <li>Climate strategy</li> <li>Managing our clients 'assets (Climate targets for client investments)</li> <li>Mortgage loans (Climate targets for mortgage lending)</li> <li>Trade Finance</li> <li>Reducing the environmental impact of BCV's operations (Climate target for our operations)</li> </ul>	p.18 p.19-20 p.21-24  p.65-66  p.83 p.90 p.110-111
<b>Measures taken to implement these policies (art. 964b, al. 2, ch. 3 CO)</b>		
GRI 3-3 (d); (e) (i)	Management of material topics <ul style="list-style-type: none"> <li>Our main sustainability risks</li> <li>Managing our clients 'assets (Our SRI approaches and measures)</li> <li>Mortgage loans (Steps we've taken)</li> <li>Trade Finance</li> <li>Climate target for our operations (Measures taken to reduce GHG emissions)</li> </ul>	p.18 p.67-69  p.85-87 p.89-91 p.114
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GRI 302-3 Energy intensity	Energy intensity per full-time equivalent	p.149
GRI 305-1 Direct GHG emissions (scope 1)	Scope 1 emissions	p.113
GRI 305-2 Indirect energy GHG emissions (scope 2)	Scope 2 emissions	p.113

Reference to GRI information elements according to the Sustainability Report	Object	Pages
GRI 305-3 Other indirect GHG emissions (scope 3)	Scope 3 emissions associated with BCV's operations	p.113
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G4-FS8 Products and services designed to provide a specific environmental benefit	Mortgage lending under the Green Bonus program	p.86
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	ESG capital expenditures on real-estate portfolio assets	p.79
GRI G4-FS10 Companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	Number of shareholders' meetings for companies in BCV Group portfolios where voting rights were exercised	p.69 and 77
G4-FS11 Assets integrating environmental or social criteria	ESG products used in BCV's discretionary asset management	p.71
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	Thematic certificates related to sustainability, managed by Piguet Galland	p.77
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<b>Policies adopted, including the due diligence applied (art. 964b, al. 2, ch. 2 CO)</b>		
GRI 3-3 (c)	Management of material topics <ul style="list-style-type: none"> <li>• Our main sustainability risks</li> <li>• Focus on training</li> <li>• Diversity and equal opportunity</li> <li>• Pension funds</li> <li>• Working conditions</li> </ul>	p.18 p.96-97 p.94-96, 105, 107 p.102-104 p.101-105
<b>Measures taken to implement these policies (art. 964b, al. 2, ch. 3 CO)</b>		
GRI 3-3 (d) ; (e) ; (i)	Management of material topics <ul style="list-style-type: none"> <li>• Our main sustainability risks</li> <li>• Focus on training</li> <li>• Diversity and equal opportunity</li> <li>• Pension funds</li> <li>• Working conditions</li> </ul>	p.18 p.96-97 p.94-96, 105, 107 p.102-104 p.101-105
<b>Key performance indicators (art. 964b, al.2, ch. 5 CO)</b>		
GRI 2-7	Employees <ul style="list-style-type: none"> <li>• Total</li> <li>• Permanent employees</li> <li>• Temporary employees</li> <li>• Non-guaranteed hours employees</li> <li>• Full-time employees</li> <li>• Part-time employees</li> </ul>	pp.94 and 106
GRI 2-8	Number of contractors	p.96



Reference to GRI information elements according to the Sustainability Report	Object	Pages
GRI 2-21	Annual total compensation ratio <ul style="list-style-type: none"> <li>Ratio of the highest-paid individual's annual total compensation to the median annual total compensation</li> <li>Percentage change in the median annual total compensation</li> <li>Percentage change in the highestpaid individual's compensation</li> </ul>	p.102
GRI 201-3	Defined benefit plan obligations and other retirement plans <ul style="list-style-type: none"> <li>Coverage ratio</li> <li>Contribution rate, as a percent of salary, and the employer's portion</li> <li>Insured retirement savings capital compared with the statutory minimum</li> </ul>	p.103
GRI 401-1	New employee hires and employee turnover <ul style="list-style-type: none"> <li>New employee hires</li> <li>Employee turnover</li> </ul>	p.99, 106
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees <ul style="list-style-type: none"> <li>Working conditions</li> </ul>	p.101
GRI 401-3	Number of employees entitled to parental leave	p.100
GRI 404-1	Average hours of training per year per employee <ul style="list-style-type: none"> <li>Average for all employees</li> <li>Average by position type and category</li> </ul>	p.98
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GRI 404-3	Percentage of employees receiving regular performance and career development reviews	p.148
GRI 405-1	Diversity of governance bodies and employees <ul style="list-style-type: none"> <li>Gender diversity</li> <li>Diversity by age group</li> <li>Proportion of women in senior leadership</li> </ul>	p.95, 96, 107
GRI 405-2	Equal pay	p.103, 107
<b>Social matters</b>		
<b>Policies adopted, including the due diligence applied (art. 964b, al. 2, ch. 2 CO)</b>		
GRI 3-3 (c)	Management of materials topics <ul style="list-style-type: none"> <li>Our main sustainability risks</li> </ul>	p.18
<b>Measures taken to implement these policies (art. 964b, al. 2, ch. 3 CO)</b>		
GRI 3-3 (d); (e) (i)	Management of materials topics <ul style="list-style-type: none"> <li>Our main sustainability risks</li> </ul>	p.18
<b>Key performance indicators (art. 964b, al.2, ch. 5 CO)</b>		
GRI 201-1	Direct economic value generated and distributed (parent company) <ul style="list-style-type: none"> <li>Direct economic value generated</li> <li>Direct economic value distributed</li> <li>Economic value retained</li> </ul>	p.32
GRI 203-1	Portion of net profit allocated to sponsorships and donations, and the number of beneficiaries	p.117
GRI 203-2 Significant indirect economic impacts	Total lending to Vaud companies	p.33
	Guaranteed loans (excluding Covid-19 bridge loans)	p.33
	Funds allocated for supporting innovation	p.33 and 36
GRI 204-1 Proportion of spending on local suppliers	Swiss companies as a share of the Bank's procurement spend (supplies and services)	p.116
G4-FS11 Assets integrating environmental or social criteria	ESG products used in BCV's discretionary asset management	p.71
	BCV's ESG Ambition range	p.72
	Thematic certificates related to sustainability, managed by Piguet Galland	p.77

Reference to GRI information elements according to the Sustainability Report	Object	Pages
<b>Business conduct / Combating corruption</b>		
<b>Policies adopted, including the due diligence applied (art. 964b, al. 2, ch. 2 CO)</b>		
GRI 3-3 (c)	Management of materials topics <ul style="list-style-type: none"> <li>• Our main sustainability risks</li> <li>• Ethics and corporate governance (Anti-corruption measures and management of conflicts of interest)</li> </ul>	p.18 p.45-46
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GRI 205-2	Communication and training on anti-corruption	p.46
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GRI 417-2 Incidents of non-compliance concerning product and service information and labelling	Significant instances of non-compliance	p.147
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