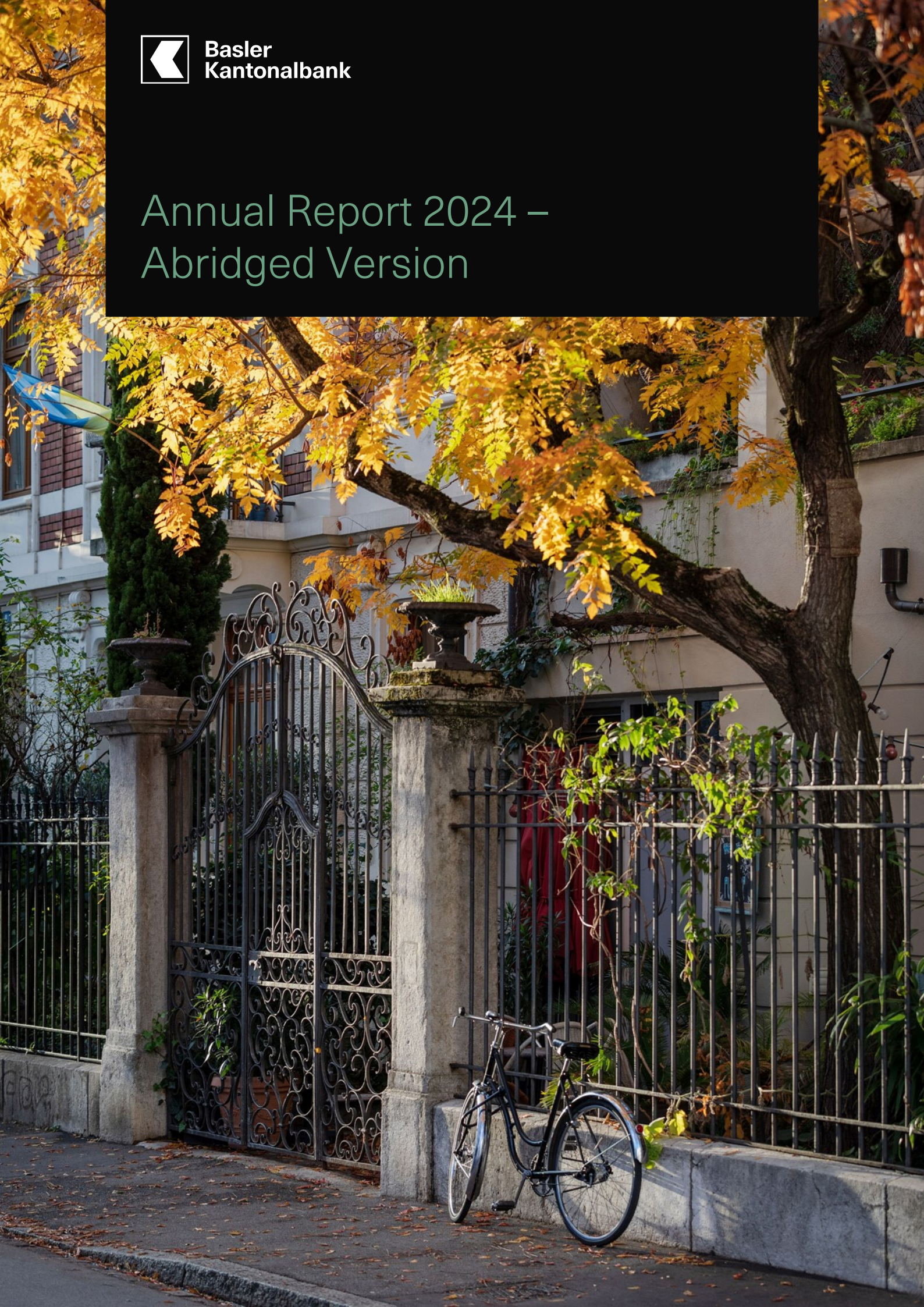




**Basler
Kantonalbank**

Annual Report 2024 – Abridged Version



About us

Group BKB consists of two group banks: the parent company BKB and Bank Cler. Following the acquisition of Bank Cler (formerly Bank Coop) in 2000, Group BKB employs around 1,440 people and is present in all major cities throughout Switzerland. It has a high level of investment expertise in its asset management service, which benefits private banking clients and institutional clients in particular. Client assets under management amount to around CHF 54 billion and Group BKB, when measured by its total assets of CHF 55.9 billion, is one of the ten largest banking groups in Switzerland.

The Parent Company BKB has been deeply rooted in the Basel region since it was founded in 1899. It positions itself for its private clients as the bank of Basel for Basel and has a total of 13 branches in the territory of the canton (including Private Banking and the SME Center). As a universal bank for its corporate and institutional clients, it is also active throughout Northwestern Switzerland. The parent company is majority owned by the Canton of Basel-Stadt and has a state guarantee, for which compensation is paid to the Canton. 14 % of the company's capital is listed as participation certificates on the SIX Swiss Exchange. The owner strategy sets the strategic guidelines for the bank and requires, among other things, an above-average level of capitalisation and liquidity. Thanks to its high capitalisation and business model geared towards long-term success, the parent company BKB is one of the safest banks in the country with an AAA rating from Fitch and an AA+ rating from S&P Global Ratings.

Bank Cler is a retail and real estate bank operating throughout Switzerland with a high level of advisory expertise and the 'Zak' neobanking facility. Zak users have access to all the bank's offerings and services, including personal advice from Bank Cler. In total, Bank Cler manages 23 branches, divided into three market areas 'Central' (seven branches), 'South-East' (nine branches) and 'French-speaking Switzerland' (seven branches). It is oriented towards the needs of private clients, private banking clients and real estate clients. Bank Cler advises its clients according to their needs and stages of life. It offers them everything they need in money matters: from accounts, cards, E-Banking and mobile banking to investment advice, mortgages, pension and inheritance advice and long-term financial planning.

Group BKB



Sales Private Clients

Sales Commercial Clients

Presidential

Finance & Risk

Legal & Compliance

Services












Sales Department

Finance & Risk

Market Management

Our results for 2024

<div></div> <div>CHF 186.3 million</div> <div>Group net profit</div> <div>(previous year: CHF 169.4 million)</div>	<div></div> <div>CHF 275.2 million</div> <div>Business performance</div> <div>(previous year: CHF 275.9 million)</div>	<div></div> <div>54.8 %</div> <div>Cost Income Ratio</div> <div>(previous year: 52.5 %)</div>
<div></div> <div>5.9 %</div> <div>Return on equity</div> <div>(previous year: 6.1 %)</div>	<div></div> <div>18.5 %</div> <div>Total capital ratio</div> <div>(previous year: 18.7 %)</div>	<div></div> <div>AAA</div> <div>Top rating from Fitch</div> <div>S&P Global Ratings: AA+ Morningstar Sustainalytics: 'Low Risk', MSCI ESG: A</div>
<div></div> <div>CHF 2.1 billion</div> <div>Sustainable investments</div> <div>(61 % of total volume of investments)</div>	<div></div> <div>CHF 4.50</div> <div>Dividend per participation certificate</div> <div>incl. one-time special dividend of CHF 1.25</div> <div>(previous year: CHF 3.25)</div>	<div></div> <div>CHF 660</div> <div>per Basel resident as profit transfer to the Canton of Basel-Stadt</div> <div>(previous year: CHF 450)</div>

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Management Report

Group key figures at a glance

Balance sheet		31.12.2024	31.12.2023
Total assets	in CHF 1000	55,892,230	52,676,596
– Change	in %	6.1	–4.6
Customer loans	in CHF 1000	36,956,701	36,302,767
– of which Mortgages	in CHF 1000	33,768,352	33,167,973
Customer deposits	in CHF 1000	30,132,482	28,082,391
General public funds ¹	in CHF 1000	30,400,413	28,267,183
Reported own funds (incl. Group net profit)	in CHF 1000	4,543,591	4,380,893
Reported own funds (incl. Group net profit)	in CHF 1000	4,357,264	4,211,473

Income statement		2024	2023
Net income from interest activities	in CHF 1000	450,892	460,446
Income from commission and service activities	in CHF 1000	140,495	134,101
Income from trading activities and exercising the fair-value option	in CHF 1000	62,119	71,492
Other ordinary income	in CHF 1000	9,199	8,887
Gross Income ²	in CHF 1000	664,459	673,935
– Change	in %	–1.4	12.6
Operating income	in CHF 1000	662,705	674,926
– Change	in %	–1.8	12.6
Operating expenses	in CHF 1000	364,084	353,609
– Change	in %	3.0	5.0
Amortisation, depreciation, write-downs and provisions	in CHF 1000	23,384	45,433
Business performance	in CHF 1000	275,237	275,884
– Change	in %	–0.2	19.2
Group net profit	in CHF 1000	186,327	169,420
– Change	in %	10.0	21.3

Profitability key figures		2024	2023
Return on equity (Group net profit before reserves/average equity)	in %	5.9	6.1

Balance sheet ratios		31.12.2024	31.12.2023
Customer loans as % of total assets	in %	66.1	68.9
Mortgage loans as % of customer loans	in %	91.4	91.4
Customer deposits as % of total assets	in %	53.9	53.3
Degree of funding I (customer funds/customer loans) ¹	in %	82.3	77.9
Degree of funding II (general public funds/customer loans) ³	in %	112.6	107.9
Equity ratio	in %	8.1	8.3
Hard core capital ratio (CET1 ratio)	in %	17.6	17.8
Core capital ratio (T1 ratio)	in %	18.2	18.3
Total capital ratio	in %	18.5	18.7
Capital adequacy target ⁴	in %	13.0	13.0
Leverage Ratio	in %	7.1	7.2
Average liquidity coverage ratio (LCR) Q4	in %	132.4	140.0
Net stable funding ratio (NSFR)	in %	126.6	123.1
RWA efficiency ⁵	in %	1.20	1.32

Income statement ratios		2024	2023
Cost to income ratio (operating expenses/gross income) ²	in %	54.8	52.5
Net interest income as % of operating income	in %	68.0	68.2
Income from commission and service activities as % of operating income	in %	21.2	19.9
Net trading income as % of operating income	in %	9.4	10.6
Other ordinary income as % of operating income	in %	1.4	1.3
Personnel expenses as % of operating expenses	in %	58.4	58.7
Non-personnel expenses as % of operating expenses ⁶	in %	41.6	41.3

Employees		31.12.2024	31.12.2023
Number of employees (Headcount)		1,440	1,434
Number of apprentices and trainees		68	64
Full-time equivalents (FTEs) ⁷		1,271	1,270

¹ Client funds (client deposits, medium-term notes).

² Gross income (operating income without any changes in write-downs relating to the risk of default and losses from interest activities).

³ General public funds (client deposits, medium-term notes, bonds and mortgage-backed bonds).

⁴ The own funds target is made up of the minimum own funds of 8 % and a capital adequacy buffer of 4 % for category 3 banks in accordance with Annex 8 CAO, plus the countercyclical capital buffer.

⁵ Gross profit / total risk-weighted assets (RWA).

⁶ The compensation for the state guarantee is allocated to non-personnel expenses for the calculation of this key figure.

⁷ Apprentices and trainees are weighted at 50 %.

Letter from the Chair of the Bank Council and the CEO



Chair of the Bank Council, Adrian Bult (left) and CEO, Basil Heeb (right)

Dear Investors,
Dear Clients,
Dear Citizens of Basel

We look back on 2024 with pride and gratitude. It was a special year, with us celebrating the 125th anniversary of the parent company BKB. An anniversary that we celebrated together with many of you with the theme 'Time to say thank you'.

Anniversary year 2024: A city in a celebratory mood

We surprised the people in the city with various anniversary-related activities throughout the year. The highlights included the three-day summer party on Barfüsserplatz and the four Basel Zoo mornings during which the many visitors who attended were able to watch the animals waking up at dawn. With 32 afternoon concerts in care and nursing homes, we brought joy and entertainment to the older, less mobile people of Basel.

Overall, more than 50,000 people took part in the various celebrations for our 125th anniversary – demonstrating BKB's deep roots in the city. The shared experiences show what makes BKB so special: its proximity to people, its commitment to a high quality of life and its ability to create unforgettable shared moments. Our video captures the most wonderful emotions that we were able to experience in 2024.

For the 2024 financial year, we are distributing a special dividend of 125 centimes per participation certificate, i.e. a total of CHF 4.50 instead of CHF 3.25 per participation certificate. BKB's participation certificate thus achieved a very attractive overall performance of 15.0 % last year.

Financial year 2024: Stability and sustainable growth

2024 was also a successful year for Group BKB from an economic viewpoint. We were able to achieve what we set out to do: we improved our digital offering, optimised the client experience, boosted the security and efficiency of our IT infrastructure, and strengthened the balance sheet and therefore the stability of the Group. As a result, in a challenging interest rate environment, we were able to once again achieve a Group net profit which, at CHF 186.3 million, is above that of the previous year (+10.0 %). We have a welcome growth on the client side to thank for this increase. This was possible due to the high degree of confidence in our products and services as well as the good sales performance of both Group banks.

We were not only successful financially. As an internal survey in autumn 2024 showed, the satisfaction and motivation of the 1,500 employees in the Group also saw a significant boost. We have also pushed ahead with our commitment to a sustainable future with responsible actions and made progress in three key spheres of activity: reducing the Group's carbon footprint, developing sustainable banking solutions to promote the decarbonisation of the economy, and our social commitment to the region. You will find detailed information about this in the Sustainability report.

Distribution of profits 2024: Sharing success

Investors' confidence in the strengths of BKB is also reflected in the performance of the participation certificate (PC): it increased by 9.5 % in 2024. As we are confident of being able to continue this success in the future, we are taking our anniversary as an opportunity to thank our owners for their loyalty. BKB will therefore be providing a special profit transfer of CHF 25 million to the Canton of Basel-Stadt for the 2024 financial year in addition to the ordinary profit transfer (CHF 100 million). This increases the total distribution to CHF 137.2 million, i.e. to around CHF 660 per Basel resident. In addition, for the 2024 financial year we are distributing a special dividend of 125 centimes per participation certificate, i.e. a total of CHF 4.50 instead of CHF 3.25 per participation certificate. BKB's participation certificate thus achieved a very attractive overall performance of 15.0 % last year.

Changeover 2025: Regula Berger takes over

The development of Group BKB also continues in 2025. On the one hand, we are entering the final year of our current 2022+ strategy period full of vigour and with a good momentum. During this period we have been able to expand our strengths in a targeted manner, boost our efficiency, increase our market share and grow profitably. And, last but not least, the two Group banks have grown together. Although our strategic objectives are ambitious, we are on track to achieve them by the end of 2025.

On the other hand, this year marks the beginning of a new era: Basil Heeb announced at the end of September 2024 that he will be leaving the Group at the end of March 2025 after six years. Regula Berger, currently Deputy CEO, will be taking over the management of the Group on 1 March 2025. With her strategic expertise, her pronounced client orientation, her infectious enthusiasm and her commitment to the values of BKB, she will ensure continuity while also providing fresh ideas. The handover to Regula Berger is thus the best possible change of management we could wish for the Group.

ESC 2025: Basel on display

A world-class event will be coming to Basel in May in the form of the Eurovision Song Contest (ESC). As the host city, our city is being given the opportunity to show what it is: a pocket-sized cultural, cosmopolitan, friendly and vibrant metropolis.

We are proud that BKB can be part of this major event as a national sponsor. Together with the host city Basel and the other sponsors, we will endeavour to make the ESC a public festival with a varied supporting programme. We want to transform the city into a huge festival site and present the best side of Basel. If we succeed in that, the city will benefit in the long term – we are convinced of that.

We sincerely thank you for your trust in Basler Kantonalbank. We assure you: together with our around 1,500 colleagues, we will do our best every day to earn your trust and loyalty time and time again.

Warm regards

Basler Kantonalbank



Adrian Bult
Chair of the Bank Council



Basil Heeb
CEO

Values, vision and strategic direction

Values

Cooperation within the Group is guided by the values of 'courage, sustainability, passion, respect and integrity'.

Courageous
Sustainable
With integrity
Respectful
Passionate

Vision

Our vision is the future-oriented component of the brand and sets the long-term direction for development. The strategy, objectives and specific implementation measures are aligned to this vision. The vision provides motivation and guidance for the

employees of the Group with regard to their work behaviour. It manifests itself in the value proposition in daily contact with clients. The two brands Basler Kantonalbank (BKB) and Bank Cler are embedded in it.



Our vision	'From Basel. For Basel. Safe, close. committed.'	'Every day we make dealing with money easier. So that we all have more from life. Today and in the future.'
Our service promise to you	<ul style="list-style-type: none">• Simplicity• Security• Sustainability	<ul style="list-style-type: none">• Simple banking• Dedicated advisory services• Social responsibility
Our brand values	<ul style="list-style-type: none">• Strong• From Basel• Empathic	<ul style="list-style-type: none">• Smart• Fresh• Swiss
Group strategy for 2022–2025	'Building on strengths – grow sustainably and profitably'	
The Law on Basler Kantonalbank and the Canton of Basel-Stadt's owner strategy for 2021–2025		

The owner's requirements

The environment is constantly changing: The market, social developments and megatrends, such as digitalisation, sustainability or a fast pace of change influence client behaviour and the operating conditions. Group BKB must, therefore, continuously refine its Business model and strategic direction and adapt them to the new realities. The Bank's medium-term direction is set by the Canton of Basel-Stadt in its owner strategy and by the Basel Cantonal Bank Act, and implemented in the four-year Group strategy.

Owner strategy 2021–2025

The Canton of Basel-Stadt aims to ensure an efficient and structurally balanced economy by providing suitable framework conditions. The Governing Council of the canton is oriented towards the needs and the well-being of the population and, thereby, promotes sustainable development. The parent company BKB makes an important contribution to achieving these goals with its banking services. In addition, it serves the canton with its social and societal commitment.

In the Owner strategy, the Governing Council defines the strategic goals for the next four-year period that the Canton of Basel-Stadt wishes to achieve as the owner of BKB. The guidelines contained in the owner strategy are binding for the parent company BKB, as well as for its management and supervisory bodies in the management and supervision of the bank. In the 2021–2025 strategy period, even more emphasis will be placed on sustainability. The strategy includes, among other things, goals for operational sustainability, BKB's role in the sustainable development of the region and its social responsibility as an employer. Specifically, ESG criteria have been integrated into the core business and the topics of climate protection and management of climate risks have taken on a particular importance. In addition, the guidelines regarding remuneration were specified in the area of human resources policy. As part of the financial objective, the owner expects the profit transfer to average at least CHF 55 million per year over four years.

Law on Basler Kantonalbank

The Law on Basler Kantonalbank specifies the purpose of the company. The parent company BKB acts as a universal bank with the aim of primarily satisfying the needs of the population and the economy of the Canton of Basel-Stadt. The law prescribes a certain location-specificity, which limits diversification in the lending business and, at most, increases region-specific risks. Furthermore, the law prohibits 'particularly risky' transactions and restricts proprietary trading primarily to transactions that are necessary to satisfy client needs.

Group strategy for 2022+

Group BKB pursues a strategy and ethical business policy geared towards long-term success. The Group Strategy 2022+ was developed based on the Owner Strategy 2021–2025 and the Law on Basler Kantonalbank. In this way, Group BKB intends to further expand its strengths and place emphasis on the area of sustainability until 2025. Environmental and climate protection measures have a direct influence on the business model of the BKB Group and only with progressive working conditions can qualified and experienced staff be recruited and retained in the business over the long term. In addition, the general public, clients and employees today place higher expectations on an enterprise's sustainability and critically question its actions.

The sustainable orientation of all corporate activities is, therefore, a fundamental prerequisite for the long-term business performance of Group BKB. The Group Strategy 2022+ deals in depth with the central ecological challenges and societal developments. The strategy focuses on promoting and integrating sustainability in the banking business and operations, on partnerships and on profitable growth in core markets, as well as in attractive niches. Growth is supported by high productivity. Products and processes will be noticeably simplified for clients. To promote innovation, the Group relies on solutions that have already proven themselves in the financial industry or related sectors. Bank Cler has withdrawn from business segments with a low strategic fit (SMEs, external asset managers, institutional investors, corporate and major clients). With their increased focus, both banks wish to sharpen their profiles.

Basil Heeb, the CEO of BKB, is convinced:

‘With its Strategy 2022+, Group BKB has created a stable basis for long-term success. With our business model focused on our strengths, our proximity to our clients and our strong roots in our home canton, we are very well prepared for the future’

Quantitative targets in the Group Strategy 2022+

The company's success is measured at Group level in the three dimensions of profitability, stability and balance sheet quality. At least one key performance indicator (KPI) was defined for each of these dimensions. Target values are set for the individual KPIs to be achieved by the end of the strategy period (end of 2025):

Profitability:

- Cost Income Ratio (CIR): max. 55 %
- Return on Equity (ROE): min. 6 %

Stability:

- Total Capital Ratio (TCR): min. 16 %
- Net Stable Funding Ratio (NSFR): min. 110 %

Balance sheet quality (risk management):

- Risk-weighted asset efficiency: min. 1.0 %

Qualitative objectives

In addition to the five quantitative KPIs, various qualitative objectives were formulated. They can be assigned to four strategic thematic areas according to the following figure.

Strategic thematic areas



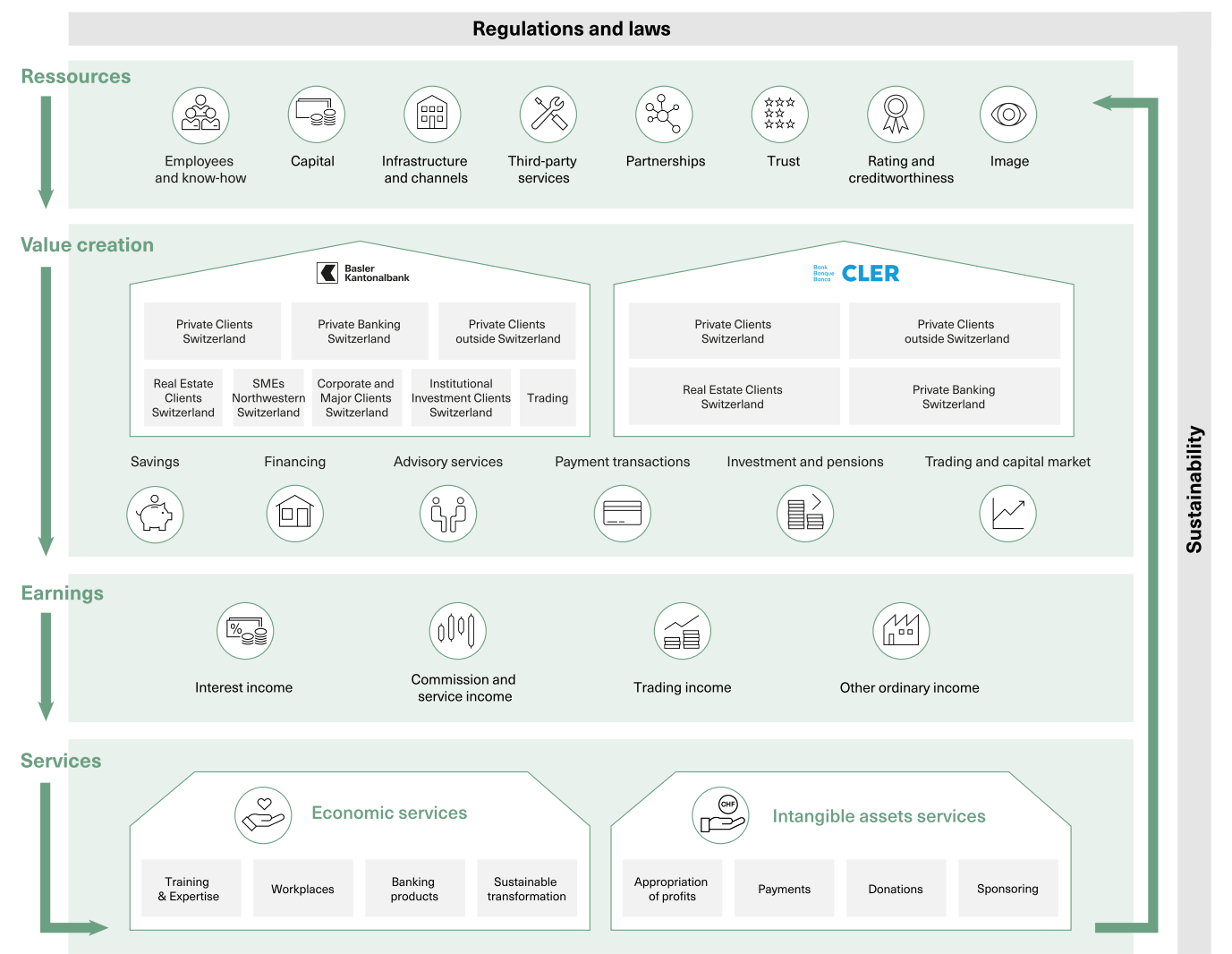
More information about the strategic subject areas can be found [here](#).

Group business model

The business model of Group BKB is generally oriented towards stability and security and focuses on the business areas in which both of the Group banks – the parent company BKB and Bank Cler – have their strengths. Business decisions are made while taking into account risk considerations with the aim of achieving stable and sustainable earnings.

The Figure below illustrates the value creation process of Group BKB: tangible and intangible resources are used to offer banking products and generate earnings in the relevant business areas of the two Group banks. These, in turn, have an impact in the form of tangible and intangible services.

Business model of Group BKB (simplified presentation)



The regulatory and statutory constraints are taken into account throughout the value creation process. At the same time, according to the Sustainability strategy, the three areas of climate protection, equal opportunities and the promotion of the local economy permeate all four levels of the business model – resources, value creation, earnings and services. The aim is to ensure that BKB is not only profitable but, as a risk-conscious and responsible company, also makes a noticeable contribution to a robust economy and a high quality of life in Basel and throughout the region.

According to the sustainability strategy, the three areas of climate protection, equal opportunities and the promotion of the local economy permeate all four levels of the business model: resources, value creation, earnings and services.

Resources

As a financial service provider, the Group primarily relies on the know-how of its approximately 1,500 employees whose expertise and commitment safeguard the quality of its advice, products and services.

The Group's capital is not only the foundation of its financial strength and security but also an economic prerequisite for the provision of banking services. The equity consists of the share capital of the parent company BKB (endowment capital and participation certificate capital) and the share capital of Bank Cler (paid-up registered shares which are 100 % owned by the parent company), the accumulated capital and profit reserves and AT1 bonds. In addition, the two banks have at their disposal external funds in the form of the deposits of their private and corporate clients as well as mortgage-backed bonds and loans from other commercial banks.

The Group infrastructure is the central resource for the provision of products or the rendering of services to the client base. The Group units, such as banking services, IT or HR, are important elements. This also includes the office premises as well as the branches of the two Group banks (11 branches of the parent company BKB and 23 branches of Bank Cler). The infrastructure additionally includes the cash machines, the Group's Advisory Center and digital channels (Mobile and E-Banking and 'Zak').

Client trust is the most important, intangible resource and forms the basis of a successful client relationship.

The Group obtains third-party services from various providers. These are bound by clear requirements, including respect of sustainability.

The Group expands or improves its offering and opens up new client segments through targeted partnerships. Important partnerships exist, for example, with Max Havelaar, FHNW, BirdLife Switzerland, Telebasel and also IAZI (Informations- und Ausbildungszentrum für Immobilien AG).

Client trust is the most important, intangible resource and forms the basis of a successful client relationship. It is based to a large extent on the image of the two Group banks as safe, stable banks, as well as on good credit and ESG ratings. The focus lies above all on the two international ratings of the parent company BKB by Fitch (AAA) and S&P Global Ratings (AA+).

Value creation

Parent Company BKB

The parent company BKB is primarily active in Northwestern Switzerland. At the same time, it also operates in specific, profitable niche markets throughout Switzerland. According to BKB's performance mandate, private clients, private banking, small and medium-sized enterprises (SMEs), real estate clients and institutional investors are the most important business areas. A high degree of security and its state guarantee, client, awareness, investment expertise and roots in the home canton are key USPs that benefit the parent company in its eight business areas.

According to BKB's performance mandate, private clients, private banking, small and medium-sized enterprises (SMEs), real estate clients and institutional investors are its most important business areas.

1. Private Clients in Switzerland: BKB offers them a full range of products and services in the areas of payments, savings, financing, investing and pensions. The advice is all-embracing according to the goal-based approach. The solutions are simple, accessible quickly, available reliably and of good quality.

2. Private Banking: High-net worth clients domiciled in Switzerland benefit from comprehensive advice and holistic solutions, including asset management, financial planning, pension, succession and inheritance advice, and philanthropy.

3. Private Clients outside Switzerland: 'Private Client Business for Cross-Border Commuters' and 'Private Banking outside Switzerland' are brought together in this business area. Only products and services that meet the needs in the areas of payments, savings and investments are offered. The focus is on cross-border commuters from Germany and France, as well as high net worth individuals from Germany.

4. Real Estate Clients: Tailor-made solutions are offered to them for the financing of investment properties. The focus in the home market is on housing cooperatives and real estate companies. Other client segments, such as real estate funds and listed real estate companies, are addressed throughout Switzerland.

5. SMEs: The parent company offers smaller companies products and services to meet their payment, financing and savings needs. Business is an important element of its reputation in the home market.

6. Corporate and Major Clients: The parent company offers solutions for companies in Switzerland in the areas of financing (loans and capital market), hedging, foreign exchange and payment transactions. BKB focuses on selected industries and restricts its unsecured exposures in order to limit risk and optimise capital deployment. International credit transactions are not carried out.

7. Institutional Investment Clients: This business segment includes institutional investors (foundations and pension funds), asset management and external asset managers. The parent company offers institutional investors tailor-made advisory and asset management services in line with their individual investment needs. Asset management includes research and portfolio management, provides the Group's delegation solutions (investment funds, asset management mandates) and thus plays a key role in the growth of other business areas as a supplier.

8. Trading: This business area looks after client trading (equities, bonds, foreign exchange, derivatives, precious metals), the issuing business (bonds, structured products), the money market business and securities financing (securities lending). The volatility of the valuation of the trading books is limited by restricting their size or by the systematic use of hedging instruments.

It is important to note that in the parent company BKB, all business decisions are assessed in accordance with value-based bank management not only from the point of view of income, but also from the point of view of risk and taking into account the cost of capital. Risk-oriented and thus sustainable growth is ensured by using 'economic profit' as the key control variable.

Bank Cler

Bank Cler operates in the urban centres of Switzerland. Its offering differs in some respects from BKB in terms of breadth and pricing in order to take account of the specific needs of its target segments. A fresh and youthful market presence and uncomplicated banking solutions are important USPs. Bank Cler is also the only Swiss bank to combine a neobanking app (Zak) with traditional branches.

Bank Cler limits itself to four business areas.

1. Private Client Business Switzerland: Clients domiciled in Switzerland are offered basically the same products and services as BKB clients in the areas of payments, savings, financing, investments and pensions. In addition, they can easily carry out everyday banking transactions with the mobile banking app Zak.

Bank Cler is the only Swiss bank to combine a neobanking app (Zak) with traditional branches.

2. Private Banking Switzerland: High-net-worth private clients domiciled in Switzerland receive comprehensive advice with regard to individualised solutions, including wealth management, pension provision and financial planning.

3. Private Clients outside Switzerland: This business area comprises 'Private Client Business for Cross-Border Commuters' and 'Private Banking outside Switzerland'. It focuses on cross-border commuters from Germany, France and Italy who work in Switzerland, as well as on high-net-worth private clients from Germany. These clients are exclusively offered products and services for their needs in the areas of payments, savings and investments.

4. Real Estate Clients: Solutions are offered to housing cooperatives and real estate companies for the financing of investment properties.

Earnings

Thanks to a diversified business model focusing on stability, the Group generates its income to a substantial extent from commission and service activities as well as trading activities, in addition to traditional interest activities. Other ordinary income accounts for a rather small share of the total financial output of Group BKB.

Further information on earnings trends in the last financial year can be found in the chapter Business development or the Financial section of the annual report.

Services

Tangible assets services

With its constantly growing economic performance and its distribution to various stakeholders, Group BKB contributes to economic stability and prosperity in the Basel region and beyond: as a capital provider of BKB, the Canton of Basel-Stadt receives compensation for the state guarantee, interest on the endowment capital and a profit distribution, as well as tax revenue from Bank Cler. The borrowed capital of private and corporate customers, as well as third-party banks, bears market interest. The employees of the Group benefit from stable jobs and market-oriented salaries, attractive working conditions, development opportunities and an appreciative corporate culture. The suppliers have stable partnerships with the two Group banks. With their sponsorship commitments and grants, the two Group banks contribute to a high quality of life and sustainable development in the Basel region and in the urban centres of Switzerland.

The two Group banks contribute to economic prosperity and stability with various material services. They are committed to a future with a high quality of life, the protection of biodiversity and the cultural diversity of the region by means of the intangible assets services they offer.

Intangible assets services

With their business activities and various commitments, the two Group banks also provide intangible services for sustainable development in their market regions. According to the guidelines of the Owner strategy, the parent company BKB enables, for example, the population and economy of the Canton of Basel-Stadt to meet various banking needs. Group BKB is committed to a future with a high quality of life and the transformation of the economy towards sustainability with a steadily growing offering of sustainable products and services. The two Group banks create added value with 1,440 jobs, 68 apprenticeships and training programmes on financial and sustainability topics for employees, as well as the transfer of knowledge to interested parties. The two banks also make an active contribution to protecting biodiversity and boosting the quality of life with their sponsorship commitments and also promote cultural diversity with their grants.

Macroeconomic environment

Economy

In the 2024 reporting year, the global economy developed at a below average rate, yet positively. A key stress factor for the global economy was China's growth. The increase in Chinese GDP was significantly below the average of the last 24 years, in part due to structural factors, such as the ageing population. However, the influence of the US economy had a positive effect, where GDP in 2024 rose much more strongly than expected and the feared recession failed to materialise due to an expansionist fiscal policy. The economy in the United States was thus able to partly compensate for China's weak growth the last year. The economy in Europe trailed far behind the global economy. The momentum in the eurozone was curbed, among other things, by the German economy. And the Swiss economy, too, grew somewhat more weakly than in the long-term average.

The strong growth of the economy in the United States was able to partly compensate for China's weak growth in the reporting year.

On the other hand, the fact that inflation rates on both sides of the Atlantic have fallen significantly is positive. In the eurozone, growth even fell below the 2 % mark in the short term. The reduced inflationary pressure enabled central banks to end their restrictive financial policy and lower key interest rates again. In Switzerland, the inflation rate at the end of 2024 was below 1 %, putting it comfortably within the target range of the Swiss National Bank (SNB). Accordingly, the SNB reduced the key interest rate in four increments from 1.75 % to 0.5 % in the last year. The SNB itself is not ruling out introducing negative interest rates again in 2025.

Financial markets

Despite the persistently difficult geopolitical environment, the wars in Ukraine and in the Middle East, and the elections in Europe and the USA, 2024 was a good year for the financial markets. In the first half of the year, the prices on almost all equity markets rose significantly. In the second half of the year, a certain amount of consolidation took place in Europe and Switzerland, while the indices in the USA continued to rise following the election of Donald Trump as US president at the end of 2024. The US equity markets were thus also the clear winners last year. S&P rose in Swiss francs by 35 %, Nasdaq 100 increased by 36 %. The defensive Swiss equity market (SPI), however, increased by around 6 %, taking into account the dividend payments.

2024 was a good year for the financial markets. The gold price increased even more strongly than US equities, achieving a new high.

The fact that 2024 was not easy, despite the positive trends on the financial markets, is evident by looking at the gold price. This increased (in Swiss francs) even more strongly than US equities and achieved a new high of over CHF 2,400 per troy ounce of gold in the fourth quarter of 2024. The Swiss franc was able to maintain its gains of recent years, particularly against the Euro. It continued to trade below parity as of 31 December 2024 at CHF 0.94 per EUR. Gains were also recorded in bonds. The Swiss Bond Index shows a positive yield of over 5 % for the past year.

Real estate market

2024 was also pleasing for investors in listed Swiss real estate investments. Both real estate funds and equities have developed positively. Overall, the Swiss Real Estate Fund Index (SWIT) grew by almost 18 % in 2024, while the Real Estate Equity Index (REAL) rose by just over 14 %. Real estate equities were thus significantly outperformed the more volatile overall stock market (SPI). While the funds predominantly contain residential properties, the shares of the real estate companies have a higher proportion of commercial properties in their portfolios.

Real estate continues to be considered a stable and attractive component of a portfolio.

Despite the increased prices, the funds – historically – are not overpriced on average. Fundamental factors, such as high inflation and a weakening economy, could easily have restricted the supply or demand for residential and office space. However, the inflation situation eased in 2024 and interest rates fell considerably. This also made the financing of real estate more affordable again. In addition, in some cases the distribution yields of the funds are once again much higher than bond yields. Ultimately, the market for real estate investments turned out to be more robust than expected. Demand for housing remains high, with funds reporting rising asset values, stable rental income and falling vacancies. Real estate thus continues to be considered a stable and attractive component of a portfolio.

Legal and regulatory constraints and regulations

Various regulations that had an influence on BKB's business were also published or came into force in 2024.

FINMA Circular 2023/1 'Operational Risks and Resilience – Banks'

Circular 2023/1 'Operational Risks and Resilience – Banks' has been in force since 1 January 2024 but with transitional periods allowed in the area of 'Resilience'. The requirements for the management of operational risks and the principles for dealing with operational risks, the new principles on operational resilience of the Basel Committee on Banking Supervision and the recommendations in the area of business continuity management (BCM) of the Swiss Bankers Association were implemented within the organisation of Basler Kantonalbank within the period required. FINMA's more detailed supervisory practice in connection with information and communication technology and the handling of critical data and cyber risks was also introduced. The final implementation of the FINMA requirements for resilience will take place at Basler Kantonalbank in accordance with the transitional periods by the end of 2025.

Law on Basler Kantonalbank

The partially revised Law on Basler Kantonalbank, which forms the legal basis for BKB, came into force on 11 July 2024. With the partial revision of the Law on Basler Kantonalbank, the formation and management of the Group was expressly regulated by law. The revision took place against the backdrop of the complete takeover of Bank Cler in 2019 and thus the question of the liability risk for Basler Kantonalbank and ultimately for the canton as the owner. Basler Kantonalbank is coordinating the implementation of the new requirements in close cooperation with the Canton of Basel-Stadt as the owner.

With the partial revision of the Law on Basler Kantonalbank, the formation and management of the Group was expressly regulated by law.

Sustainability in the finance sector

Sustainability, ESG (Environmental, Social, Governance) and 'Sustainable Finance' are key topics for the Swiss financial centre. The federal government, the FINMA supervisory authority, the Swiss Bankers Association (SBA) and the Asset Management Association Switzerland (AMAS) were once again very active in 2024.

In 2024, the 'Sustainability' business context board established within Group BKB coordinated, prioritised and managed the operational and project-based work on the topic of 'sustainable finance'.

After the self-regulation of AMAS on 'Transparency and the Disclosure of Collective Assets Related to Sustainability 1.0' came into force on 30 September 2023, the self-regulation 'Transparency and the Disclosure of Collective Assets Related to Sustainability 2.0' promptly followed on 1 September 2024. The 'AMAS Self-Regulation 1.0' defines binding, principles-based minimum standards for the organisation and information obligations of financial institutions that create and manage collective assets related to sustainability. The 'AMAS Self-Regulation 2.0' now also includes requirements to prevent greenwashing. This is intended to ensure that products may only be referred to as 'sustainable' if clearly defined and measurable sustainability objectives are pursued. Compliance with the 'AMAS Self-Regulation 2.0' is also now to be assessed by an auditor. As an AMAS member, Basler Kantonalbank is obliged to implement and comply with the AMAS self-regulation.

The requirements concerning greenwashing aim to ensure that products may only be referred to as 'sustainable' if clearly defined and measurable sustainability objectives are pursued.

Similar to the AMAS self-regulation, the SBA's self-regulation 'Guidelines for Financial Service Providers on the Integration of ESG Preferences and ESG Risks and the Prevention of Greenwashing in Investment Advice and Portfolio Management' was supplemented with requirements to prevent greenwashing and came into effect on 1 September 2024, including corresponding transition periods. As an SBA member, Basler Kantonalbank is also obliged to implement the SBA self-regulation. Group BKB is aware of the problem of greenwashing and has therefore launched a specific knowledge platform on the intranet which is accompanied by corresponding online training courses to raise awareness among the relevant parties.

With the entry into force of the Ordinance on Climate Reporting for Large Swiss Companies on 1 January 2024, banks and insurance companies are obliged to publish climate reporting based on the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) (or equivalent). Group BKB published a climate report on the 2024 financial year for the first time as part of the 2024 sustainability report. The climate reporting obligation in Switzerland is partly also based on the EU requirements which are rapidly evolving. Developments in Switzerland are also progressing accordingly and the next revision of the Ordinance on Climate Reporting was already initiated at the beginning of December 2024.

Financial Services Act FinSA

The new FINMA Circular 2025/2 'Rules of Conduct under FinSA/FinSO', which came into force on 1 January 2025, describes the requirements of FINMA on the implementation of the rules of conduct under FinSA and FinSO when providing financial services. Essentially, FINMA specifies some of the requirements set out in the Law and Ordinance, particularly the duty to inform clients about the type of financial service as well as the financial instruments used and the associated risks. The duty to provide information with regard to risk disclosure in securities lending, on handling conflicts of interest and on compensation by third parties is also specified. Basler Kantonalbank implements the requirements of the new circular while taking into account the transition periods that apply to some subject areas.

Basel III – Update

The new requirements for Basel III came into effect on 1 January 2025. The 'final Basel III standards' are aimed at restoring credibility to the calculation of risk-weighted assets (RWA) and improving the comparability of banks' capital ratios. The Federal Council adopted the Capital Adequacy Ordinance for Banks back in November 2023 as the basis for the 'final Basel III standards'. These are amended provisions for the own funds requirements for credit and operational risks, market risks and credit valuation adjustment risks. The 'final Basel III standards' brought no significant change in the total own funds required for the banking sector.

Important influences and positioning of the Group

Five main trends are shaping business development and the course of business in the current strategy period. How Group BKB is responding to the challenges associated with this is shown below.

Neobanks

Neobanks are digital financial institutions that exclusively offer mobile and online-based banking services. They are characterised by user-friendly apps, low fees and innovative financial products. Thanks to modern technologies and specialisation, they can offer services more efficiently and often more affordably than traditional banks. Their emergence has intensified competition in the banking sector and increased pressure on established banking institutions to improve their digital offerings. Although the monetisation of their client base still poses a challenge, neobanks are driving forward improvements in the client experience and increasing pressure on margins.



With the neobanking offer from 'Zak', clients can easily handle their basic transactions free of charge via the smartphone app. If necessary, they also have access to the branches of Bank Cler where they can obtain individual advisory services and access the entire product portfolio. At the same time, traditional clients of Bank Cler also have the opportunity to use 'Zak'. This makes Bank Cler the only Swiss bank to combine a neobanking app with traditional branches.

→ [More about Zak](#)

New Work

The term 'new work' describes modern working concepts based on flexibility, individual responsibility and agility. This includes flexible working models, flat hierarchies and self-organised teams who make decisions and shape processes independently. In addition, 'new work' includes innovative methods such as 'design thinking' which promotes creative problem-solving, and 'lean startup' which enables fast and iterative developments. These approaches are crucial in order to quickly cater to the changing needs of clients in a targeted manner. At the same time, they boost innovation within the Group and increase its attractiveness as an employer by offering employees greater creative freedom and opportunities for development.



The Group addresses the challenges associated with new forms of working through mobile working, co-working spaces and agile, interdisciplinary teams within the scope of 'impact-oriented working' (IOW). These measures encourage creativity and individual responsibility and enable a better work-life balance.

Partnerships

In an increasingly networked and digitalised world, partnerships with FinTechs, technology companies and other relevant actors are becoming ever more important. This type of cooperation enables us to develop innovative products and services faster, tap into new client segments and access external expertise. For example, thanks to the partnership with Max Havelaar, clients can purchase Fairtrade-certified gold bars or shares in the world's first Gold fund with a Fairtrade label. [Fairtrade-zertifizierte Goldbarren](#) [Goldfonds mit Fairtrade-Label](#)

The targeted bundling of resources and expertise allows synergies to emerge that boost competitiveness and create sustainable market advantages. To enable such partnerships to be successful in the long term, however, the right partners must be selected carefully and the collaboration must be managed effectively in a way that promotes clear objectives, transparent processes and an open culture of innovation.



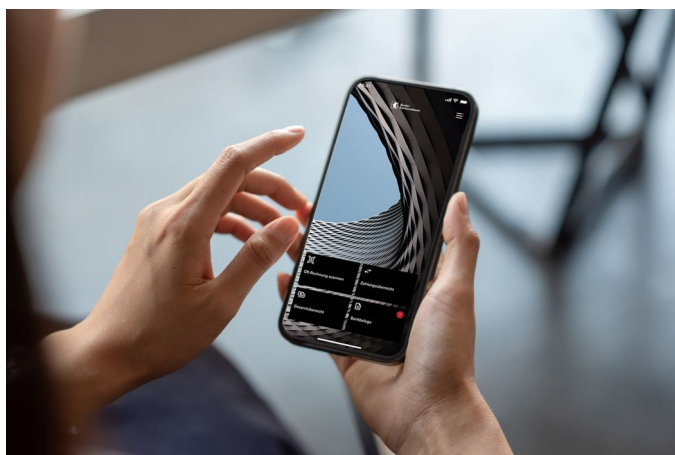
Through strategic partnerships, such as with Max Havelaar, Telebasel, IAZI and BirdLife, Group BKB strengthens its market position, taps into new client segments and can offer its clients innovative products and services.

→ [More about partnerships and engagement](#)

Omni-Channel

Clients expect a seamless and consistent banking experience across all channels – online, mobile and in branches. A successful omni-channel strategy connects these touchpoints intelligently to ensure that information is available in real time and interactions run smoothly.

Targeted investments in technology and data management are required to securely synchronise client data and offer personalised services. At the same time, IT security plays a key role in protecting sensitive information and boosting the confidence of clients.

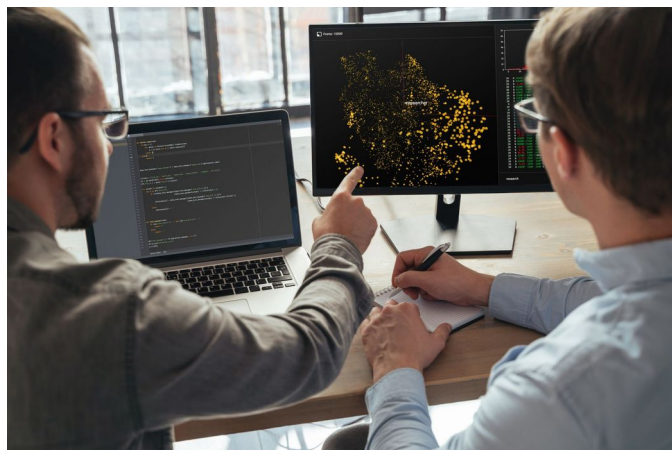


The Group's digital banking platform, introduced in 2023, offers an efficient infrastructure. Thanks to its modular architecture, it can be expanded flexibly and enables additional self-service functions to be added to cater better than ever to the changing needs of clients.

→ **More about BKB's Digital Banking**

Artificial intelligence

Artificial intelligence (AI) is transforming the banking sector. It not only boosts efficiency and personalisation but also opens up new possibilities in risk assessment and fraud prevention. AI systems are already being used in many areas of banking: chat-bots respond to simple client enquiries, algorithms analyse financial data, automated processes optimise the back office. This development holds great potential for the finance sector. AI offers the opportunity to increase productivity, reduce costs sustainably and make use of innovative business models.



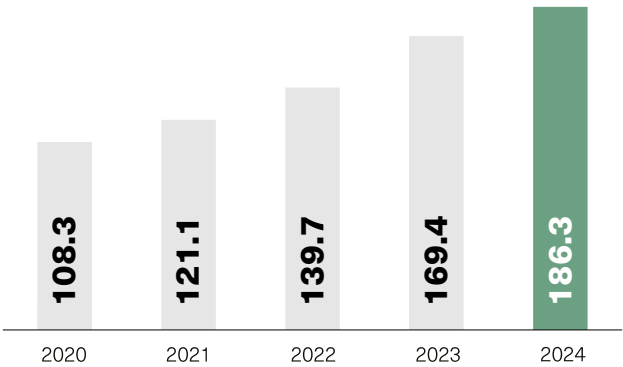
On the one hand, the use of new technologies such as artificial intelligence or machine learning presents the Group with new challenges. On the other hand, the possibilities associated with these technologies also open up opportunities – particularly with regard to efficiency and productivity. An interdisciplinary team is working on this topic within the Group and is investigating possible areas of application such as so-called 'knowledge bots' or the introduction of an internal ChatGPT. At the same time, the team is also developing a governance framework to ensure that AI is used responsibly.

Group business development

Quantitative development: Robust annual result thanks to broad-based growth

In a challenging environment, Group BKB has succeeded in building on its results from the previous year: business performance was at the same level as 2023 at CHF 275.2 million and the Group net profit increased by +10.0 % to CHF 186.3 million. This pleasing business development is based on profitable and sustainable growth of the client base – both in terms of client loans and client deposits.

Group net profit
(in CHF million)



The 2024 financial year has shown that the focus on strengths, the simplification of processes and the increased satisfaction of clients are bearing fruit.

Despite rapidly falling interest rates, Group BKB was able to repeat the good operating result of the previous year and once again increase the Group net profit. Four out of the five strategic targets defined for the end of 2025 were thus achieved (see chart below).

2024, in which the parent company celebrated its 125th anniversary, was therefore gratifying in every respect. CEO Basil Heeb commented on the annual financial statements with the words:

‘With this annual result, Group BKB has shown that it is in a very good position with its focus on its strengths and its stability. The basis for success is robust and is growing sustainably. In this way, we have demonstrated that we can achieve an excellent result, even without the temporary tailwind of the interest rate reversal in 2023.’

Holders of participation certificates share in this success. For the anniversary year 2024, they receive a Withholding Tax-free special dividend from capital contribution reserves of CHF 1.25 in addition to the ordinary dividend of CHF 3.25 (gross). This increases the dividend to CHF 4.50. Taking into account the price increase of 9.5 %, the overall performance (incl. dividends) of the BKB participation certificate was an impressive 15.0 % in 2024. In addition to the ordinary profit transfer of CHF 100 million, the Canton of Basel-Stadt will also receive a special profit transfer of CHF 25 million as part of the anniversary, whereby the total transfer (incl. compensation for the state guarantee) to the canton comes to CHF 137.2 million. This corresponds to around CHF 660 per Basel resident.

Strategic objectives

		Target 2025	2024
Profitability	Efficiency	≤ 55 % Cost income ratio	54.8 %
	Profitability	≥ 6 % Return on equity	5.9 %
Stability	Liquidity	≥ 110 % Net stable funding ratio	126.6 %
	Financial stability	≥ 16 % Total capital ratio	18.5 %
Balance sheet quality	Capital efficiency	≥ 1.0 % Risk-weighted assets efficiency	1.2 %

Group BKB's income in 2024 is based on four factors

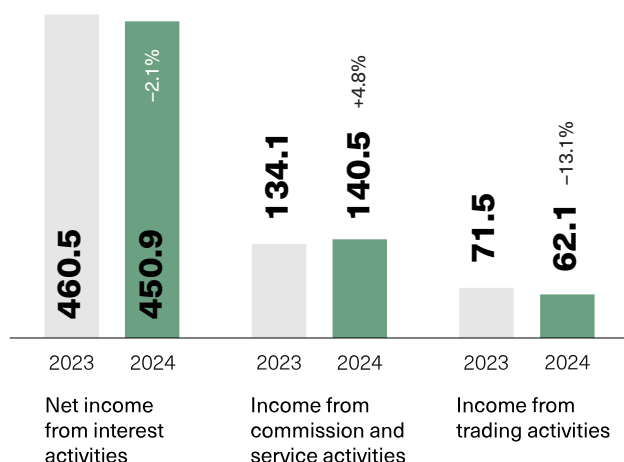
#1: Focusing on strengths

The fall in interest rates associated with the significant interest rate cuts by the Swiss National Bank (SNB) narrowed interest margins. As the risk- and margin-conscious growth within the client business did not completely compensate for this effect, interest income (gross) fell slightly compared to the previous year (–1.5 %). At the same time, there were fewer opportunities in the money and foreign exchange markets than in the previous year, causing trading income to decrease as expected (–13.1 %).

Thanks to a consistent client orientation and a focus on asset management, it was possible to increase the custody account volume (+8.5 %), leading to a +4.8 % increase in income from commission and service activities. The continuous growth of investment assets in delegation solutions by a further 19 % to CHF 8.4 billion is due, among other things, to the consistently good investment performance of Asset Management. It was thus possible to achieve a good operating income of CHF 662.7 million (–1.8 %) in a challenging environment.

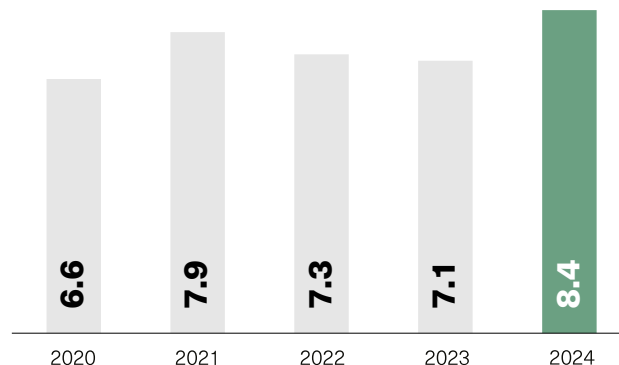
Income fields

in CHF billion



Client assets delegation solutions

in CHF billion



#2: Simplicity and resilience

In the year just ended, the focus lay on improving and simplifying banking products and -services as well as boosting efficiency within core processes. In this way important milestones were achieved in an array of strategic projects: convenience was significantly increased with the newly created option of opening client relationships in branches or digitally on the website bkb.ch. Clients also have more and more self-service opportunities available within digital banking in addition to opening accounts. The procedure within the mortgage business was simplified and the IT architecture was made more efficient and secure through the gradual introduction of cloud technology. Among other things, investments in these strategic projects increased non-personnel expenses by +4.0 % to CHF 141.2 million.

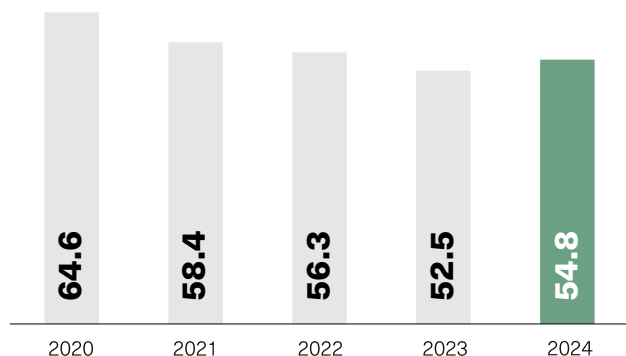
#3: Solidarity

BKB used the anniversary year to thank its clients, employees and the entire population. This took the form of various activities, such as tours of Basel Zoo at dawn, a summer party on Barfüsserplatz and concerts at care and nursing homes. These anniversary activities led to a one-time increase in costs within the parent company of around CHF +3 million. This corresponds to approx. 30 % of the increase in operating expenses (CHF +10.5 million). At the same time, personnel expenses increased by +2.4 % with the introduction of the new remuneration system at the beginning of 2024 and the filling of various vacancies.

As a result, the cost-income ratio rose slightly compared to the previous year. As of 31.12.2024, it continued to be within the strategic target (<55 %) at 54.8 %. With business performance of CHF 275.2 million, it proved possible to build on the good result of the previous year (−0.2 %).

Cost-income ratio

in %

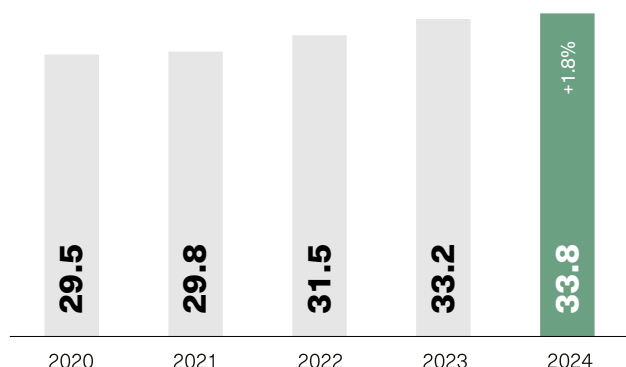


#4: Stability

The Group continues to align its balance sheet towards stability. Against this backdrop, the growth in 2024 was not only risk-oriented but also took into account stable refinancing. Both client loans and mortgages increased by +1.8 % and client funds rose by +7.5 %.

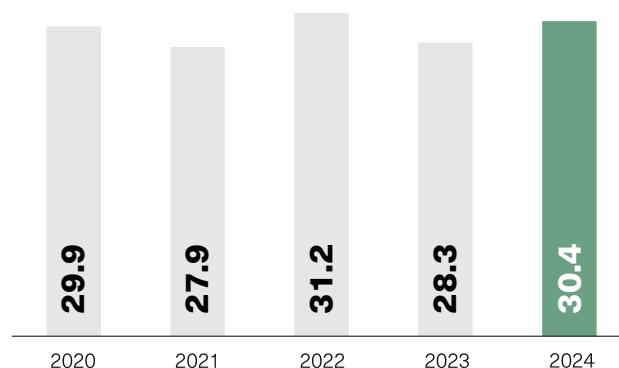
Mortgages

in Mrd. CHF



Client funds

in Mrd. CHF



Total assets increased by +6.1 % to CHF 55.9 billion. Thanks to the Group's earning power, CHF 75.4 million were once again allocated to the reserves for general banking risks. They therefore increase to CHF 3.0 billion; reported own funds (excluding Group net profit) increase to CHF 4.5 billion.

At 18.5 %, the total capital ratio is once again considerably above the strategic target (>16 %) and the regulatory own funds target value of 13.0 % (incl. the countercyclical capital buffer).

Qualitative development: Successful implementation of the long-term strategy

Group BKB can look back on an eventful and successful anniversary year 2024 which was characterised by significant milestones and strategic successes.

125th anniversary with the theme 'Time to say thank you'

In 2024, the parent company BKB held a three-day summer party on Barfüsserplatz from 30 August to 1 September as part of its 125th anniversary celebrations. A varied programme attracted around 30,000 visitors. Alongside concerts by Bligg and 77 Bombay Street, there were also performances by many regional artists. The Friday was all about Basel acts, the Saturday offered an entertaining programme with dance, circus events and concerts, and the Sunday was accompanied by an orchestra, big band and choir. All of the concerts were free of charge. The catering was provided by Basel associations, whose proceeds totalling CHF 125,000 benefited the foundation Pro UKBB.

As a further surprise, there were 20,000 scoops of free ice cream from the BKB ice cream bike and four Basel Zoo mornings during which 9,000 visitors were able to experience the animals at dawn. 32 afternoon concerts were also held in Basel nursing homes. Overall, 50,000 people profited in some way from the various anniversary activities. BKB thus successfully created many special moments together with the population of Basel in the anniversary year 2024.



CHF 125,000 from the catering proceeds at the summer party were donated to the foundation Pro UKBB.

→ To the press release

Attractive employer

Group BKB introduced a new remuneration system on 1 April 2024. As part of this, ranks were abolished, pensions were improved and the incentive structure optimised. At the same time, specialist careers are now possible, opening up interesting development opportunities for many specialist officers. The equal pay has been practiced as a reality within the Group since 2017 and is audited by an independent body. This was once again confirmed in 2024 with the certificate *'Fair-ON Pay+'*.

Career opportunities, working environment, wage fairness, preventative health measures, competitive remuneration and flexible working hours are factors that have a positive effect on the attractiveness of both Group banks on the employment market. A factor that is of great strategic importance, particularly when there is a shortage of skilled staff. The survey conducted among employees of BKB in autumn 2024 confirmed that job satisfaction and motivation at BKB have once again been improved at a high level. Motivation has increased by five index points to 78 points compared to 2022. Satisfaction in relation to salaries, the feedback culture and development prospects, among other things, have improved.



With a modern remuneration system, attractive development opportunities, an appreciative working environment and flexible working conditions, both Group banks are reinforcing their position as attractive employers on the employment market.

→ More about the topic

Commitment to a sustainable future

An important strategic focus was also placed on sustainability in 2024. In particular, the expansion of sustainability in the core business was driven forward and the range of sustainable products was expanded. By the end of 2024, CHF 2.1 billion had already been invested in sustainable investment solutions, corresponding to a share of 61 %. The volume of the gold fund certified by Max Havelaar has increased by 50 % to CHF 150 million. In addition, a climate plan specifying the path to net zero by 2050 for operations and the core business was adopted.

BKB is also committed to the environmental, economic, social and cultural further development of Basel. As a result, the parent company BKB and Bank Cler are promoting a sustainable future and cultural diversity through various initiatives. Together with BirdLife Switzerland and the Christoph Merian Foundation, the first 'Basel Biodiversity Days' were organised in May 2024 with the aim of making the population more aware of the importance of biodiversity.



The population was made aware of the important subject of biodiversity with the first 'Basel Biodiversity Days'.

→ [Find out more](#)

BKB as a national sponsor of the ESC 2025 in Basel

In autumn BKB announced that, as a national sponsor of the European Song Contest (ESC) 2025, it will be helping to transform the international music competition into a celebration for the whole city. The ESC is also intended to serve as a platform for cultural diversity and a sense of community.

BKB is convinced that the ESC offers a unique opportunity to create sustainable, positive effects for the region, as the city can showcase itself as a cosmopolitan, friendly and vibrant cultural metropolis.



BKB would like the Eurovision Song Contest (ESC) in May 2025 to become a major public festival for the whole city. To this end, it entered into a corresponding sponsorship commitment in 2024.

→ [Find out more](#)

External awards

In 2024, the two Group banks were once again audited by various independent bodies and received multiple awards for the quality of their advisory services and their financial stability.

'Top Bank' in ten categories

The international market research institute Statista once again conducted the 'Top Banks' survey. From the end of July to the beginning of September 2024, it asked Swiss people about their experiences with their financial service providers so that it could identify the country's best banks. The result: BKB and Bank Cler won awards in a total of ten categories.

BKB receives 'AUSGEZEICHNET' seal in private banking

In 2024, private banking at Basler Kantonalbank (parent company) once again received the 'AUSGEZEICHNET' (Excellent) seal from BILANZ which assessed the private banking services of 100 Swiss banks through mystery shoppers. With this award, the parent company BKB is one of the best investment banks in the country. The assessment is based on criteria such as the quality of advisory services, transparency, costs, and risk disclosure. BKB impressed in particular with its values of trust, security and client focus which are consistently implemented within private banking.

BKB confirms its financial stability with the top ratings 'AAA' und 'AA+'

The two ratings 'AAA' from Fitch and 'AA+' from S&P Global Ratings were also confirmed. The two top ratings underscore the high level of financial stability of the parent company BKB and its position as one of the safest Swiss banks. According to Fitch, its strength-oriented business model, its high capitalisation and its risk-oriented lending policy are significant factors. The state guarantee of the Canton of Basel-Stadt additionally boosts confidence in BKB. Values that are of great importance, particularly in view of the various geopolitical developments – for the clients, the employees and also for the owners.



Basler Kantonalbank is one of the best investment banks in the country.

→ Find out more

Personnel changes and succession planning at BKB

Several important personnel changes took place within the Group in 2024. These changes ensure Group BKB is well equipped to sustainably shape its future and further strengthen its position in the Basel region.

Markus Hipp becomes a member of the Executive Board

As of 1 March 2024, Markus Hipp became a member of the Executive Board and the Group Committee of BKB and took over as Head of the 'Sales Private Clients' department. During the last 16 years at BKB he has impressively demonstrated his sales expertise and leadership and implementation skills. With him, the parent company aims to further expand its position in retail and private banking.

Change at the top

Another important change concerns the CEO succession: at the end of September 2024, Basil Heeb announced his plan to step down from his role as CEO of BKB on 1 March 2025 after six years. The Bank Council has found an ideal internal successor in Regula Berger, previously Deputy CEO and Head of the 'Sales Commercial Clients' department. Regula Berger, who has worked on the Executive Board of BKB since 2018, will lead the bank into a new strategic phase.

Changes within the Bank Council

In addition, two resignations from the Bank Council were announced in 2024 with effect from 1 April 2025. Karoline Sutter and Urs Berger are stepping down after three terms of office. Their successors have already been arranged: Sonja Stirnimann and Prof. Dr. Felix Uhlmann were elected to the Bank Council from 1 April 2025.



Change of management at BKB: with effect from 1 March 2025, Regula Berger has taken over from Basil Heeb as CEO of BKB and Chair of the Group Committee.

→ Find out more

Progress in the strategic areas

Two strategic major projects were successfully implemented in 2024 with the go-live of the digital onboarding process for private clients and preparation of the comprehensive agile transformation.

In 2024, the first preparatory work for the upcoming strategy period 2026+ also began. This will be continued and intensified in 2025. The progress made in relation to the various strategic topics in the reporting year 2024 is shown below.

#1: Clients and sustainability at the heart of it all

Measure	Progress in 2024
Expanding holistic client care	<ul style="list-style-type: none"> Start of a Group project to merge the survey tools to continue to guarantee the NPS system. In this context, a client panel will also be introduced to make hypothesis-based work easier and more efficient. Implementation is planned for 2025.
Promoting sustainability	<ul style="list-style-type: none"> Revised share class concept of BKB Sustainable Funds Introduction of two index funds for BKB Sustainable → Swiss Equities SPI ESG and Swiss Bonds SBI ESG AAA-BBB Adoption of climate plans in operations and core business Further development of non-financial reporting (financed emissions according to PCAF)
Strengthening brand positioning/ differentiation	<ul style="list-style-type: none"> Successful anniversary campaign and measures are leading to positive image development, particularly in the strategically important areas of Social Responsibility and Anchoring in the Region. The expertise strategy in Marketing is proving its value. BKB has been able to further expand its good position in all business areas. The focus on customer orientation is proving effective. Both the core business and the banking instruments are perceived as better and increasingly simpler.

#2: Simple products, processes and an end-to-end client experience

Measure	Progress in 2024
Simplify products and processes	<ul style="list-style-type: none"> Introduction of additional savings accounts Introduction of an improved, digital onboarding process for private clients Digital mortgage advice for clients & client advisors improved and entire credit process further automated
Increase self-service	<ul style="list-style-type: none"> Introduction of further self-services in digital banking, such as opening accounts

#3: Learning as an organisation and growing through partnerships

Measure	Progress in 2024
Empowering employees and the organisation	<ul style="list-style-type: none"> Successful completion of the pilot phase of the agile transformation with four interdisciplinary, agile teams Preparation of overall rollout of the agile transformation with 17 agile teams as of 1.1.2025 Continuation of CAS Sustainable Finance to further embed ESG expertise and sustainability within the organisation Training conducted among client advisors on financing, investments and greenwashing Roll-out of hypothesis-based work embedded as an innovation measure within the Group
Develop partnerships	<ul style="list-style-type: none"> Partnership for Active Ownership established with ISS Continuation of BirdLife Switzerland partnership as part of the commitment to biodiversity

Outlook for 2025

As already communicated in September 2024, Basil Heeb stepped down as CEO of BKB and Chair of the Group Committee at his own request with effect from the end of February 2025. His previous deputy, Regula Berger, has been managing the parent company and the Group since 1 March 2025. As a result, an ideal successor for the Group has been found.

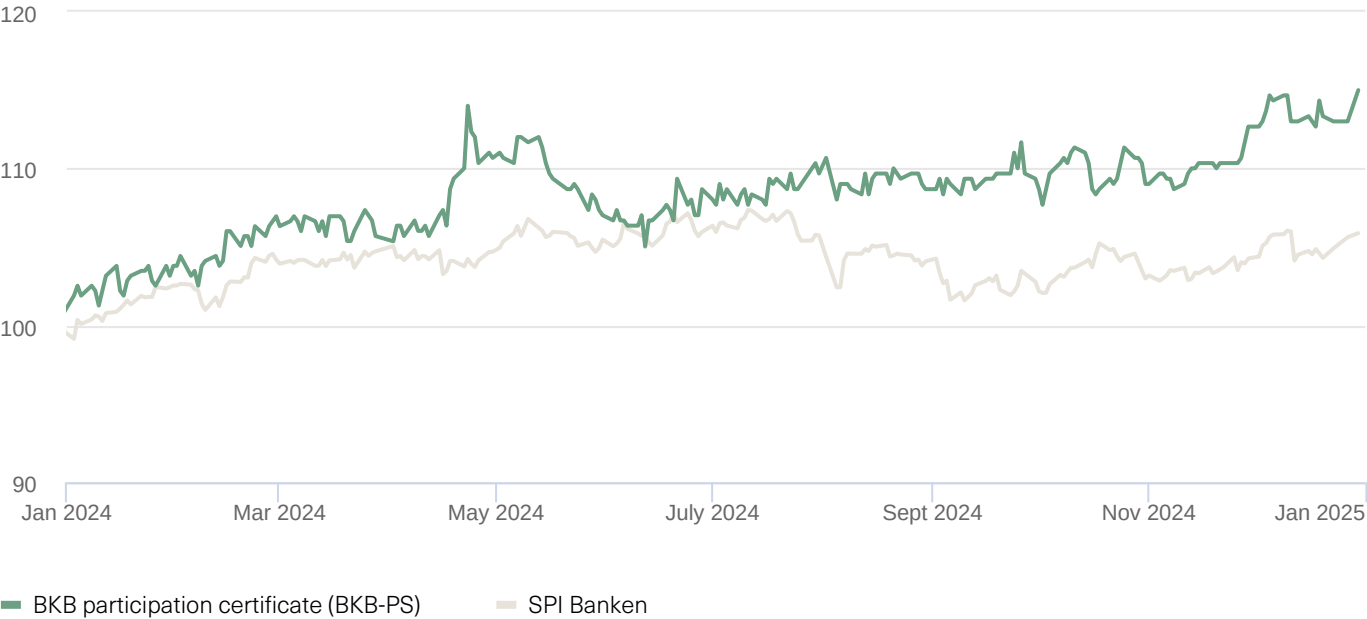


Regula Berger is looking to the future with optimism:

‘Group BKB stands on a solid foundation. Our business model is directed towards stability, client orientation and efficiency, and demonstrates high earning power. At the same time, we will set new priorities with the development of Strategy 2026+ with the purpose of particularly strengthening our client focus. In 2025, the financial markets and the economy will face geopolitical tensions, growing national debts and economic uncertainties. Despite these challenges, I am convinced that Group BKB can build on the gratifying result of 2024. I sincerely thank Basil Heeb for creating such a good, stable basis for success for the Group over the last six years, on which we can now continue to build.’

Information for investors

Price performance in per cent (total return)



Price statistics

		2024	2023
Highest price	in CHF	69.60	68.20
Lowest price	in CHF	62.00	60.80

Yield

		2024	2023
Dividend	in CHF	4.50	3.25
Dividend yield	in %	6.5	5.1
Performance incl. div.	in %	15.0	7.8

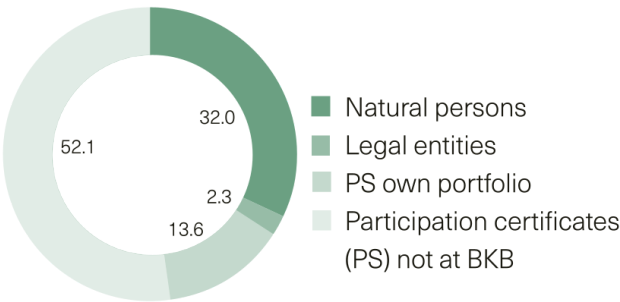
Key figures per participation certificate

		31.12.2024	31.12.2023
Nominal value	in CHF	8.50	8.50
Book value ¹	in CHF	104.58	101.08
Price-to-earnings ratios ²		11.0	10.1
Price-to-book ratio		0.7	0.6

¹ PC capital and endowment capital.

² Group net profit before reserves.

Structure of the participation capital
in %



CHF 69.20

Closing price for the year

31.12.2023: CHF 63.20

CHF 4.50

Dividend per participation certificate

2023: CHF 3.25

6.5 %

Dividend yield

2023: 5.1 %

3.0 %

Average performance

for the last 5 years (p.a.)

Participation capital

The participation capital was created in 1986 and is divided into 5.9 million participation certificates with par value of CHF 8.50 each. These are traded on the SIX Swiss Exchange (ISIN: CH0009236461). Holders of participation certificates participate directly in the performance of the business and have no voting rights.

Stock exchange listing

SIX Swiss Exchange
Securities number: 923646
Ticker Symbol: BSKP

Company profile

Rooted in Basel for 125 years, Basler Kantonalbank (BKB) is active throughout Switzerland as a niche player in selected business areas in addition to its home market. With its dense branch network in the city of Basel and its digital services, BKB is always close and available. The subsidiary Bank Cler AG makes banking simple and convenient throughout Switzerland. The entire Group employs around 1,400 people and is one of the ten largest banks in Switzerland in terms of total assets.

Key figures for Group BKB

		31.12.2024	31.12.2023
Total assets	in CHF billion	55.9	52.7
Customer loans	in CHF billion	37.0	36.3
Client assets ¹	in CHF billion	54.1	49.3
Total capital ratio	in %	18.5	18.7

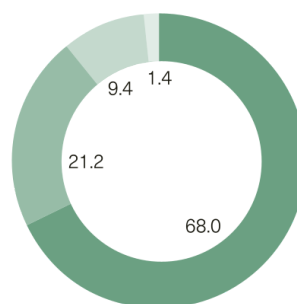
		2024	2023
Business performance	in CHF million	275.2	275.9
Group net profit	in CHF million	186.3	169.4
Return on equity	in %	5.9	6.1
Cost Income Ratio	in %	54.8	52.5

		31.12.2024	31.12.2023
Sustainability-related delegation solutions	in CHF billion	2.6	2.2
Sustainability-related loans	in CHF billion	2.0	1.9
Number of employees	Headcount	1,440	1,434

¹ Client deposits, custody accounts, fiduciary investments, global custody.

Diversified business model

in %



- Net income from interest activities
- Income from commission and service activities
- Income from trading activities
- Other ordinary income

Ratings

AAA

Fitch

AA+

S&P Global Ratings

Strategic objectives

		Target 2025	2024
Profitability	Efficiency	≤ 55 % Cost income ratio	54.8 %
	Profitability	≥ 6 % Return on equity	5.9 %
Stability	Liquidity	≥ 110 % Net stable funding ratio	126.6 %
	Financial stability	≥ 16 % Total capital ratio	18.5 %
Balance sheet quality	Capital efficiency	≥ 1.0 % Risk-weighted assets efficiency	1.2 %

Company calendar:

Publication of Annual Report: 27 March 2025

Dividend payment: 1 April 2025

Publication of half-yearly result: 14 August 2025

Contact:

Basler Kantonalbank, Aeschenvorstadt 41, 4002 Basel

Phone: 061 266 33 33

E-mail: investorrelations@bkb.ch

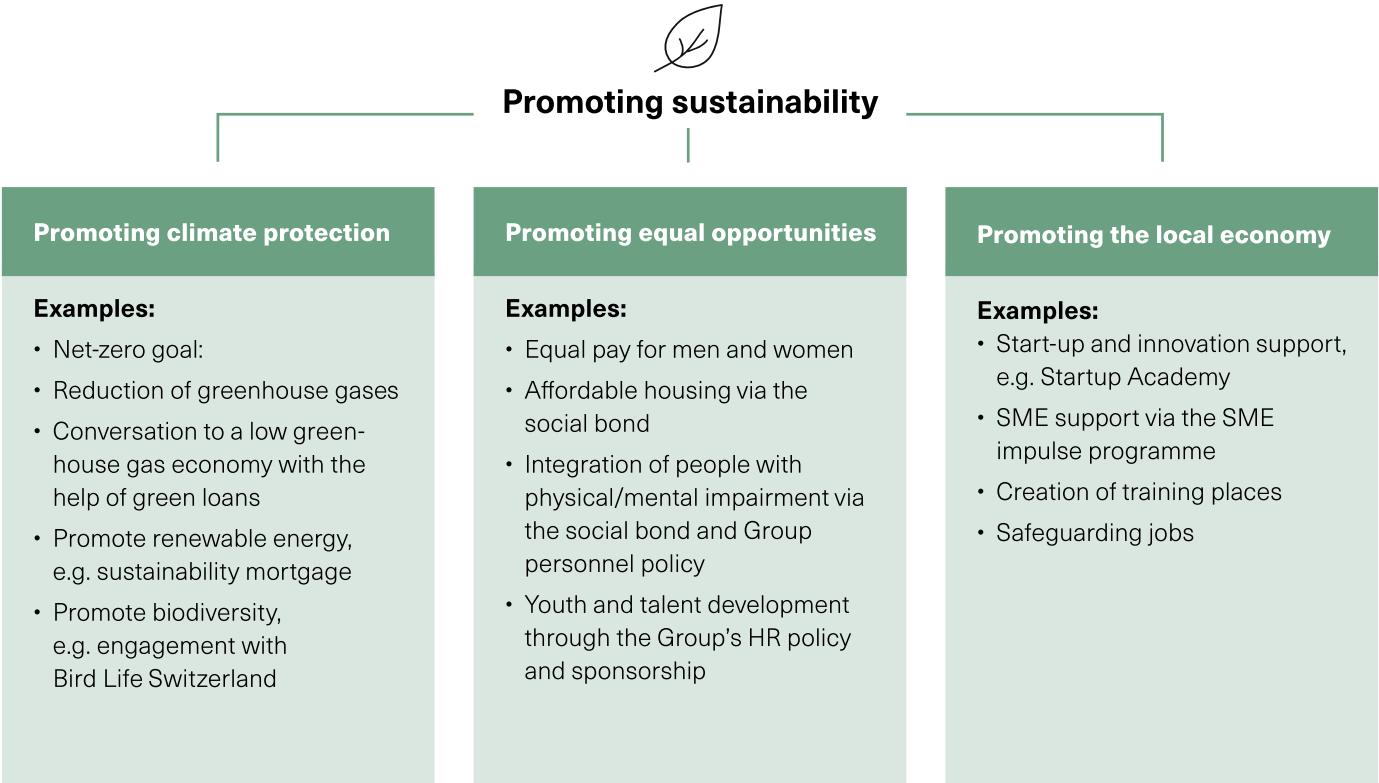
Sustainability

Our claim and approach to sustainability at a glance

Understanding of sustainability

Group BKB's understanding of sustainability is based on the requirements of the Cantonal Bank Act and the owner strategy; it also reflects the three classic sustainability dimensions of ecology, social affairs and the economy. In line with this, Group BKB aims to ensure that its sustainability strategy and all measures in the areas of sustainability each make a positive contribution to

at least one of the following three sustainability goals: the promotion of climate protection (ecology), equal opportunities (social affairs) or the promotion of the local economy (economy). In addition, none of the sustainability measures taken may have a negative impact on any of the three goals.



Sustainability strategy

'Supporting sustainability' – a central aim of the Group Strategy 2022+

(GRI 2-23)

'Supporting sustainability' is one of the eight strategic goals of Group BKB. The operational implementation of this strategic focus continued in the reporting year 2024 based on the defined responsibilities.

In keeping with its vision 'From Basel. For Basel. Secure, Close and Committed.', the parent company Basler Kantonalbank (BKB) regards its commitment to a sustainable society as a central element of its business strategy, which must be continuously and integrally developed throughout the entire organisation.

BKB thus used the anniversary year to celebrate together with the city and the region and to thank its various stakeholder groups with special activities. The increased relevance of sustainability is also clearly reflected in the owner strategy (2021–2025) for the parent company BKB. It contains comprehensive and specific targets.

Similarly, sustainability is relevant for Bank Cler, which is part of Group BKB. The long-term, forward-looking and collaborative nature of sustainability is embedded in their vision: 'Every day we make dealing with money easier. So that we all have more from life. Today and in the future.'

This report describes the effects, approaches and achievements in relation to non-financial matters for Group BKB in 2024 that have arisen in the course of its business activities and its efforts to achieve the strategic goal of 'further promoting sustainability'. Where necessary and possible, the report separately takes into account the specific sustainability performance of the two Group banks, the parent company BKB and Bank Cler.

Operational focal points for implementation in the reporting year

The so-called business context 'Sustainability in Supply and Operations' was created as an implementation tool for this purpose. The implementation of suitable individual measures is co-ordinated and monitored, the responsibilities are defined and the chronological sequence determined within this business context under the leadership of Regula Berger as the member of the Group Committee responsible for these matters. Thematic focal points are formed with a view to medium-term planning over the entire Group strategy 2022+, while concrete measures are defined from year to year.

The guiding principle of the Group Strategy 2022+ is that sustainability is integrally embedded and driven forward in all business activities.

In 2024, the focus was on the following points:

- Development of a climate plan for operations and the core business which contains the quantitative targets and transition paths (Group BKB)
- Disclosure of financed emissions according to the PCAF Standard (Group BKB)
- Further development of the sustainable investment approach with the aid of Active Ownership (Group BKB)

- Creation of comprehensive knowledge platform for the prevention of greenwashing and implementation of training for employees in potentially exposed working areas such as marketing communication or product management (Group BKB)
- Training and empowerment of employees with regard to sustainability/ESG, e.g. with the help of the CAS 'Sustainable Finance' in partnership with the FHNW (Group BKB)
- Launch of 'Focus Health' HR programme for all employees in which free health checkups, workshops, presentations and coaching on topics such as diet or work-life balance can be provided (Group BKB)
- Environmentally friendly refurbishment of branches (Group BKB)
- Further development of non-financial reporting in accordance with legal requirements (Group BKB)
- Promotion of lending to corporate clients through green loans and sustainability-linked loans (Parent Company BKB)
- Development of sponsorship commitment on biodiversity in partnership with BirdLife Switzerland (Parent Company BKB)

Among other things, current market developments and public and political demands, as well as regulatory initiatives, were taken into account when determining these operational priorities. The operational priorities then reflect the importance of the topics according to the materiality analysis.

Outlook

In 2025 the focus will mainly lie on the continuation of the climate plan adopted at the end of 2024 for operations and the core business.

Work is also being carried out on the further development of the Group's own sustainability approach on the basis of a benchmarking study on sustainable investments in Switzerland commissioned in 2024. In addition, a focus lies on a project aiming to implement the self-regulations of the Swiss Bankers Association and the Asset Management Association Switzerland in the field of Sustainable Finance which were further developed in 2024.

Governance

Introduction Corporate Governance

Based on the 'Directive on Information Relating to Corporate Governance' (DCG) of 29 June 2022, which has been in force since 1 January 2023, of the SIX Swiss Exchange, information on management and control at the highest corporate level of Basler Kantonalbank is published below. Some of the information required to be disclosed under the Directive is also included in other parts of this annual report. Where this is the case, a reference is made to the relevant passage. In particular, the remuneration-relevant information is presented in detail in the Remuneration Report and with regard to sustainability, including transparency on non-financial matters, in the Sustainability Report. The numbering of the following information follows, as far as possible, that of the Annex to the SIX Directive DCG.

Preliminary remarks

The governance structure of Basler Kantonalbank is essentially anchored in the Law on Basler Kantonalbank. The current version of the Law on Basler Kantonalbank of 6 June 2016 entered into force on 11 July 2024. As part of the ongoing implementation work of the revised Law on Basler Kantonalbank, various regulations are being revised and the organisational structure within Group BKB is being assessed. The current Group Committee thus consists of the Executive Board of Basler Kantonalbank and the CEO of Bank Cler (co-chair with no voting rights).

With the amendment of the law, the CEO of Bank Cler is appointed as a full member of the Group Committee and it will also be possible to open this up to external persons.

The Group Committee will also become a committee of Basler Kantonalbank. The revised regulations are expected to come into force in 2025.

Group BKB consists of Basler Kantonalbank as a universal bank and Bank Cler. As a bank that operates throughout Switzerland with 23 branches in all language regions and the neobanking offering 'Zak', Bank Cler plays a central role for Basler Kantonalbank in achieving the strategic goals of Group strategy 2022+. Economies of scale in operations, investment and innovation can be realised consistently, thus strengthening the competitiveness of Basler Kantonalbank. In addition, Bank Cler contributes to risk mitigation with its focused business model by providing a geographical diversification effect.

This report basically describes the regulations and composition of the corporate bodies in force on 31 December 2024 with an indication of the most significant changes and the point in time when these changes became effective during the reporting year. Regarding the detailed listing of the regulation applicable until these adjustments become effective, we refer in each case with a specific reference and link to the relevant information in the Corporate Governance Report for the Financial Year 2023.

Group structure and shareholders

Group structure

Group BKB consists of the parent company Basler Kantonalbank and Bank Cler Ltd. Furthermore, Basler Kantonalbank holds a strategic stake of 33.3 % in RSN (Risk Solution Network AG), Zurich, and 33.3 % in Pick-e-Bike AG, Oberwil. The scope of consolidation of Group BKB consists of the parent company BKB and its subsidiary Bank Cler Ltd. The governance structure of the Group finance companies is largely the same as that set out in the business and organisational regulations, the regulations governing the Remuneration & Nomination Committee and the regulations governing the Group Committee.

The Bank Council of Basler Kantonalbank performs the tasks associated with the Group's top management from a regulatory perspective at Group level.

in particular the overall management of the Group and the issuing of the necessary directives. The Group's top management is also responsible for the determination of the organisation, the structuring of the accounting system, financial planning, the approval of the consolidated financial statements, the annual budget and medium-term plan, the overall supervision of the persons entrusted with the Group's management, specifically with regard to compliance with the law, the articles of association, regulations and directives, as well as ensuring the appropriate structuring of an effective internal control system.

At the executive level, Basler Kantonalbank and Bank Cler jointly appoint a Group Committee (cf. section 3.6). The Group Committee corresponds to the Executive Board of Basler Kantonalbank with more extensive competencies and is augmented with the Chair of the Executive Board (CEO) of Bank Cler as a co-chair. The Group Committee works within the scope of its powers to ensure that the strategies and operational activities of the two banks are coordinated sensibly and that existing synergy potentials are exploited (cf. section 3.5). As part of the revised Law on Basler Kantonalbank, the Group Committee will be adjusted to the new requirements (cf. preliminary remarks).

The Audit Committee and the Risk Committee of BKB perform their functions at the level of the Group and the individual institution (parent company Basler Kantonalbank). Bank Cler has an Audit Committee and a Risk Committee. From 1 January 2025, the committees at Bank Cler will be combined in a mixed Audit and Risk Committee. The Audit Committee and the Risk Committee of Basler Kantonalbank each consist of three and four members respectively, all of whom are members of the Bank Council. The Chair of the Bank Council is not a member of either committee. For further information, please refer to the presentation in section 3.5.

The Remuneration & Nomination Committee of BKB exercises its function at the level of the Group and the individual institutions (parent company Basler Kantonalbank and Bank Cler). For example, it prepares the business of Bank Cler and makes recommendations to the Board of Directors of Bank Cler. The Remuneration & Nomination Committee of Basler Kantonalbank consists of four members, all of whom are members of the Bank Council. For further information, please refer to the presentation in section 3.5.

The role of Group-wide internal audit is performed by the Inspectorate Group BKB of Basler Kantonalbank. As an internal auditing body, the Inspectorate Group BKB verifies compliance with the legal and regulatory provisions as well as the directives and guidelines in the individual Group finance companies (cf. section 3.6).

The Legal & Compliance Department of Basler Kantonalbank performs the legal and compliance function for Group BKB. Since 1 January 2020, Bank Cler has outsourced the compliance function to the Legal & Compliance department of Basler Kantonalbank in accordance with FINMA Circular 2017/1 'Corporate Governance – Banks' (see also compliance function).

A single joint external audit firm was designated for both banks. The latter is both the statutory auditor and the supervisory auditor. Each year, it prepares a comprehensive report on the audit of the overhead management body within the meaning of Article 728b par. 1 Swiss Code of Obligations and a report on the supervisory audits for each supervised Group financial company.

There is also a framework agreement between Basler Kantonalbank and Bank Cler which provides for closer cooperation in joint infrastructure and business departments.

The aim is to deepen cooperation within the Group and realise synergy effects and cost savings. These are generally managed administratively by Basler Kantonalbank and are based on service level agreements (SLAs) for each infrastructure and business department. Insofar as services are obtained from third-party providers, this is done via Basler Kantonalbank. These services are provided in compliance with framework agreements and the associated SLAs by Basler Kantonalbank or the relevant subcontractors.

Significant owners

The share capital of Basler Kantonalbank consists of the endowment capital and the participation capital. The Canton of Basel-Stadt holds the entire endowment capital of Basler Kantonalbank and has all voting rights (see Capital structure). The non-voting participation certificates are traded on the SIX Swiss Exchange AG.

The provision applicable under the Swiss Financial Market Infrastructure Act (Art. 120 FMIA) for the communication of changes in the investment structure does not apply to participations in Basler Kantonalbank, since neither the endowment capital nor the participation certificates are considered shares within the meaning of the act.

Cross-shareholdings

There are no cross-shareholdings within Group BKB within the meaning of section 1.3 of the Annex DCG.

Owner strategy

On 20 April 2021, the Governing Council of the Canton of Basel-Stadt adopted the owner strategy for the years 2021 to 2025, which is primarily directed at the Bank Council as the highest supervisory body and provides it with the benchmarks for the strategic direction of Basler Kantonalbank. The owner strategy is based on the guidelines on public corporate governance issued by the Governing Council and on Section 19 of the Law on Basler Kantonalbank.

The Grand Council receives the owner strategy for information purposes. The Finance Department is responsible for representing the owners of Basler Kantonalbank and acts as an intermediary between the Governing Council and the Bank Council. It reviews the owner strategy every four years at the latest and submits a proposal to the Governing Council. This is subject to adjustments on the part of the owner, which require a decision by the Governing Council of the Canton of Basel-Stadt.

In accordance with Section 29 of the Cantonal Constitution, the Canton of Basel-Stadt provides favourable framework conditions for the development of an efficient and structurally balanced economy.

According to Section 15 of the Cantonal Constitution, the Canton of Basel-Stadt is guided by the needs and well-being of the population.

Basler Kantonalbank helps to achieve these goals by providing banking services to the population and the local economy. This includes payment transactions, investment and financing transactions, as well as the promotion of home ownership. In addition, Basler Kantonalbank serves the Canton of Basel-Stadt through its social, societal and economic commitment, for example to SMEs and start-ups.

The owner strategy supplements the overarching goals with political guidelines and guidelines for the management and control of Basler Kantonalbank. On the one hand, Basler Kantonalbank should make its decisions according to business principles and only take on risks that are acceptable for a bank of its size and orientation. On the other hand, Basler Kantonalbank has to pursue a long-term business policy.

The expectation of a solid capital adequacy of Basler Kantonalbank is reinforced by the requirement to maintain the actual capital adequacy at three to seven percentage points above the legally required level.

The owner also expects Basler Kantonalbank to ensure that the banks it controls also have a solid capital base and pursue a white money strategy. In financial terms, the Canton of Basel-Stadt expects a profit transfer of at least CHF 55 million per year on average over the four years.

Basler Kantonalbank is committed to pursuing a progressive and socially responsible human resources policy. In order to promote gender equality, the Bank Council strives to ensure that women and men are represented at least one third each in the management and in the Executive Board. Equal pay between men and women must be reviewed regularly. The owner strategy also stipulates that Basler Kantonalbank is committed to vocational training and promotes the employment of people with disabilities.

The owner strategy increasingly formulates clear requirements for Basler Kantonalbank to promote sustainability and slow down climate change. The Bank Council is addressing this important issue in Group BKB. The owner expects Basler Kantonalbank to contribute to the balanced and ecologically, economically and socially sustainable development of the Canton of Basel-Stadt, so that future generations can also meet their needs. This includes the operational sustainability of Basler Kantonalbank, the bank's role in the sustainable development of the region, the provision of sustainable banking products and the assumption of social responsibility as an employer. For example, Basler Kantonalbank is committed to the transformation to a low greenhouse gas economy, not least through specific banking products and services.

Capital structure

Capital

The share capital of Basler Kantonalbank amounts to CHF 354.2 million as at 31 December 2024. It consists of the endowment capital of CHF 304 million provided by the Canton of Basel-Stadt and the participation certificate capital of CHF 50.2 million traded on the stock exchange.

In accordance with Section 7 of the Law on Basler Kantonalbank, the endowment capital is provided by the canton for an unlimited period and compensation is paid to the canton from the annual profit, where possible. The participation certificate capital may not exceed the amount of the outstanding endowment capital.

Capital volume and conditional capital in particular

By resolution of 29 June 2000, the Grand Council of the Canton of Basel-Stadt authorised the Governing Council to increase the endowment capital up to CHF 350 million at the request of Basler Kantonalbank. This decision has effect for an unlimited period. There is no conditional capital.

Changes to capital

The proof of equity capital is shown in the consolidated financial statements and in the annual financial statements of the parent company Basler Kantonalbank.

Shares and participation certificates

In addition to the endowment capital, Basler Kantonalbank has additional participation certificate capital. As at 31 December 2024, the nominal value of the participation certificate capital amounts to CHF 50.2 million. The participation certificate capital is divided into 5,900,000 participation certificates with a par value of CHF 8.50 each. It is fully paid up (security number 923646, ISIN CH0009236461). Basler Kantonalbank has not issued any shares.

The participation certificates of Basler Kantonalbank represent a co-ownership in Basler Kantonalbank with an entitlement to a share in the annual profit in the form of a dividend in accordance with the course of business. No participation rights are associated with the ownership of participation certificates. In particular there are no voting rights and no related rights. In the event of an increase of the participation certificate capital, the participants shall be entitled to subscribe for new participation certificates in proportion to the par value of their existing participation certificates. The Bank Council may exclude the subscription rights of the participants in whole or in part.

In the reporting year, no participation certificates were placed on the market and Basler Kantonalbank did not sell any participation certificates on the stock exchange. As at 31 December 2024, Basler Kantonalbank held its own participation certificates in the trading portfolio and in the financial investments totalling 13.6 % (previous year: 13.6 %) of the participation certificate capital.

Profit participation certificates

Basler Kantonalbank has not issued any profit participation certificates.

Limitation of transferability and nominee registrations

The BKB participation certificates are bearer securities, which is why there are also no restrictions on transferability and no restrictions on nominee registrations.

Convertible bonds and options

Basler Kantonalbank has issued neither convertible bonds nor options on its own participation certificates

State guarantee

Capital

In accordance with the Law on Basler Kantonalbank, the Canton of Basel-Stadt grants a state guarantee to Basler Kantonalbank and is thus subsidiarily liable for the liabilities of Basler Kantonalbank. No state guarantee exists for the participation capital, for subordinated liabilities of Basler Kantonalbank, for liabilities of Basler Kantonalbank to subsidiaries and controlled companies and their creditors or shareholders, or for liabilities of the subsidiaries and controlled companies themselves.

In order to avoid distortions of competition, Basler Kantonalbank has to pay compensation to the canton for the state guarantee. The so-called cost benefit model is used to determine the amount of compensation. Basler Kantonalbank can finance itself more favourably on the capital market due to the state guarantee. On 9 September 2020 the Governing Council determined the compensation for the state guarantee payable by Basler Kantonalbank for the years 2021 to 2024. It amounts to CHF 10.2 million annually.

The compensation for the state guarantee payable by Basler Kantonalbank for the years 2025 to 2028 was defined by the decision of 16 October 2024 of the Governing Council. It now amounts to CHF 15.2 million annually.

Bank Council

Preliminary remarks

The composition of the Bank Council is governed by Section 11 of the Law on Basler Kantonalbank. The Bank Council consists of the Chair, the Vice-Chair and a further seven members, the majority of whom must be resident in the Canton of Basel-Stadt. The supreme governing body of Basler Kantonalbank should also be composed in a balanced manner so that all competencies that are essential for Basler Kantonalbank are covered. The

members of the Bank Council must be able to assess the activities of Basler Kantonalbank independently and have a sufficiently high level of understanding of the performance mandate and the public mission of Basler Kantonalbank. The basis for this is an adequate academic qualification, preferably in economics, law or auditing, as well as sound industry knowledge of the financial sector or experience in corporate management.

Executive committees

Bank Council		
Adrian Bult (Chair) Dr Christine Hehli Hidber (Vice-Chair) Urs Berger, Mathis Büttiker, Dr Jacqueline Henn, Priscilla M. Leimgruber, Domenico Scala, Karoline Sutter, Prof. Dr Kristyna Ters		
Risk Committee Domenico Scala (Chair) Dr Jacqueline Henn Priscilla M. Leimgruber Prof. Dr Kristyna Ters	Audit Committee Karoline Sutter (Chair) Dr Christine Hehli Hidber Domenico Scala	Remuneration & Nomination Committee Urs Berger (Chair) Adrian Bult Mathis Büttiker Dr Christine Hehli Hidber

Members of the Grand Council, the Governing Council, other magistrates, employees of the cantonal administration and members of the boards of directors of other public-law institutions of the canton are not eligible for election to the Bank Council. No member of the Bank Council belonged to the Executive Board or worked for Basler Kantonalbank in any other capacity (in particular assignments, mandates, employment). Persons who are married to each other, live in a registered partnership or in a stable cohabitation, are related by blood or marriage to the first or second degree, or are in-laws, may not be members of the bank bodies at the same time. The Governing Council concludes mandate agreements with the members of the Bank Council. The mandate includes the commitment to the owner strategy of the Canton of Basel-Stadt as well as the rules for reporting to the canton.

On 17 June 2024, Basler Kantonalbank announced that Karoline Sutter and Urs Berger would no longer be standing for re-election for the next four-year term of office from 1 April 2025 (See press release).

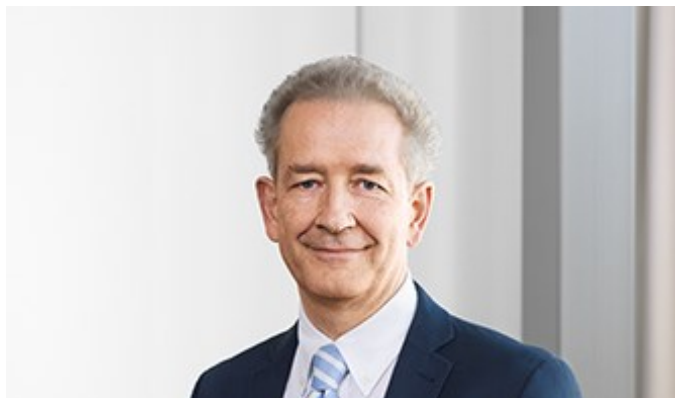
On 11 December 2024, the Governing Council confirmed the Executive Board and the current members of the Bank Council of Basler Kantonalbank for a four-year term of office from 1 April 2025 to 31 March 2029. Sonja Stirnimann and Dr. Felix Uhlmann are joining the Board in place of the Bank Council members who are no longer standing, Karoline Sutter and Urs Berger.

The Bank Council constituted itself in mid-March 2021 for the term of office until 2025. At the same time the committees of the Board were also appointed, the composition of which came into effect on 1 April 2021 (see the figure under 'Preliminary remarks' in section 3.5).

All members meet the independence requirements set out in FINMA Circular 2017/1 'Corporate Governance – Banks'.

Members of the Bank Council

The members of the Bank Council in office as at 31 December 2024 are listed below.



Adrian Bult

Chair (since 1 April 2017),
Member of the Bank Council (since 1 April 2017)

Lic. oec. HSG; Economist, professional member of the
Board of Directors



Urs Berger*

Member of the Bank Council
(from 8 January 2014 to 31 March 2025)

Matura; University of St. Gallen, eight semesters of studies in
economics with specialisation in insurance and risk
management

* Urs Berger will no longer be standing for the next term of office once the current term of
office ends on 31 March 2025.



Dr. Christine Hehli Hidber

Vice-Chair (since 1. April 2017),
Member of the Bank Council (since 1 April 2017)

Dr iur., Licensed Attorney



Mathis Büttiker

Member of the Bank Council (since 1 April 2021)

Lic.iur. Licensed Attorney, Executive MBA



Dr. Jacqueline Henn

Member of the Bank Council (since 1 April 2017)

Dr oec.; Lecturer at the Faculty of Economics, University of Basel



Domenico Scala

Member of the Bank Council (since 1 April 2017)

Economist, professional member of the Board of Directors



Priscilla M. Leimgruber

Member of the Bank Council (since 1 April 2017)

Executive MBA; Advocate



Karoline Sutter*

Member of the Bank Council
(from 1 April 2013 to 31 March 2025)

Lic. phil. I: Management Consultant Public Administration NPO

* Karoline Sutter will no longer be standing for the next term of office once the current term of office ends on 31 March 2025.



Prof. Dr. Kristyna Ters

Member of the Bank Council (since 1 April 2021)

Professor, University of Applied Sciences and Arts
Northwestern Switzerland FHNW, School of Business,
Basel-Stadt

Executive Board

Members of the Executive Board

The Executive Board consists of the CEO and five other members as of 31 December 2024. These each manage one department. The members of the Executive Board are listed below, stating their nationality, education and professional background and any previous work for Basler Kantonalbank or a Group finance company.



Dr. Basil Heeb*

CEO and Chair of the Group Committee,
Member of the Executive Board,
Head of Presidential Department (since 1 April 2019)

Dr sc. techn. ETH

* Basil Heeb stepped down from the role of CEO and Chair of the Group Committee with effect from 28 February 2025.



Christoph Auchli*

CFO, Member of the Executive Board and Group Committee,
Head of Finance & Risk (since 22 October 2018)

Swiss Federal Diploma Expert in accounting and controlling,
business economist HF

* Christoph Auchli took over the role of Deputy CEO and Deputy Chair of the Group Committee with effect from 1 March 2025.



Regula Berger*

Deputy CEO and Deputy Chair of the Group Committee
(since 5 December 2023),
Member of the Executive Board,
Head of Sales Commercial Clients (since 1 February 2021)

MLaw, LL.M., Master of Advanced Studies in Banking,
University of Bern

* Regula Berger assumed the role of CEO of Basler Kantonalbank and Chair of the Group Committee with effect from 1 March 2025. Michael Frei took over the management of the 'Sales Commercial Clients' department from her on 1 March 2025.



Özlem Civelek

Member of the Executive Board and Group Committee,
Head of Service Center (since 17 October 2022)

Master in Economics, Business Administration & Political
Science, University of Stuttgart (D)



Raphael Helbling

Member of the Executive Board and Group Committee,
Head of Legal & Compliance Department (since 1 January 2022)

Licensed Attorney



Markus Hipp

Member of the Executive Board and Group Committee,
Head of Sales Private Clients (since 1 March 2024)

Executive MBA HSG in General Management
from the University of St. Gallen

Group BKB Annual financial statements

Group key figures at a glance

Balance sheet		31.12.2024	31.12.2023
Total assets	in CHF 1000	55,892,230	52,676,596
– Change	in %	6.1	–4.6
Customer loans	in CHF 1000	36,956,701	36,302,767
– of which Mortgages	in CHF 1000	33,768,352	33,167,973
Customer deposits	in CHF 1000	30,132,482	28,082,391
General public funds ¹	in CHF 1000	30,400,413	28,267,183
Reported own funds (incl. Group net profit)	in CHF 1000	4,543,591	4,380,893
Reported own funds (incl. Group net profit)	in CHF 1000	4,357,264	4,211,473

Income statement		2024	2023
Net income from interest activities	in CHF 1000	450,892	460,446
Income from commission and service activities	in CHF 1000	140,495	134,101
Income from trading activities and exercising the fair-value option	in CHF 1000	62,119	71,492
Other ordinary income	in CHF 1000	9,199	8,887
Gross Income ²	in CHF 1000	664,459	673,935
– Change	in %	–1.4	12.6
Operating income	in CHF 1000	662,705	674,926
– Change	in %	–1.8	12.6
Operating expenses	in CHF 1000	364,084	353,609
– Change	in %	3.0	5.0
Amortisation, depreciation, write-downs and provisions	in CHF 1000	23,384	45,433
Business performance	in CHF 1000	275,237	275,884
– Change	in %	–0.2	19.2
Group net profit	in CHF 1000	186,327	169,420
– Change	in %	10.0	21.3

Profitability key figures		2024	2023
Return on equity (Group net profit before reserves/average equity)	in %	5.9	6.1

Balance sheet ratios		31.12.2024	31.12.2023
Customer loans as % of total assets	in %	66.1	68.9
Mortgage loans as % of customer loans	in %	91.4	91.4
Customer deposits as % of total assets	in %	53.9	53.3
Degree of funding I (customer funds/customer loans) ¹	in %	82.3	77.9
Degree of funding II (general public funds/customer loans) ³	in %	112.6	107.9
Equity ratio	in %	8.1	8.3
Hard core capital ratio (CET1 ratio)	in %	17.6	17.8
Core capital ratio (T1 ratio)	in %	18.2	18.3
Total capital ratio	in %	18.5	18.7
Capital adequacy target ⁴	in %	13.0	13.0
Leverage Ratio	in %	7.1	7.2
Average liquidity coverage ratio (LCR) Q4	in %	132.4	140.0
Net stable funding ratio (NSFR)	in %	126.6	123.1
RWA efficiency ⁵	in %	1.20	1.32

Income statement ratios		2024	2023
Cost to income ratio (operating expenses/gross income) ²	in %	54.8	52.5
Net interest income as % of operating income	in %	68.0	68.2
Income from commission and service activities as % of operating income	in %	21.2	19.9
Net trading income as % of operating income	in %	9.4	10.6
Other ordinary income as % of operating income	in %	1.4	1.3
Personnel expenses as % of operating expenses	in %	58.4	58.7
Non-personnel expenses as % of operating expenses ⁶	in %	41.6	41.3

Employees		31.12.2024	31.12.2023
Number of employees (Headcount)		1,440	1,434
Number of apprentices and trainees		68	64
Full-time equivalents (FTEs) ⁷		1,271	1,270

¹ Client funds (client deposits, medium-term notes).

² Gross income (operating income without any changes in write-downs relating to the risk of default and losses from interest activities).

³ General public funds (client deposits, medium-term notes, bonds and mortgage-backed bonds).

⁴ The own funds target is made up of the minimum own funds of 8 % and a capital adequacy buffer of 4 % for category 3 banks in accordance with Annex 8 CAO, plus the countercyclical capital buffer.

⁵ Gross profit / total risk-weighted assets (RWA).

⁶ The compensation for the state guarantee is allocated to non-personnel expenses for the calculation of this key figure.

⁷ Apprentices and trainees are weighted at 50 %.

Consolidated balance sheet

Assets	31.12.2024 in CHF 1000	31.12.2023 in CHF 1000	Change in absolute terms	Change in %
Liquid funds	7,252,155	6,952,314	299,841	4.3
Receivables from banks	1,025,995	305,672	720,323	-
Receivables from securities financing transactions	5,967,092	3,741,400	2,225,692	59.5
Receivables from customers	3,188,349	3,134,794	53,555	1.7
Mortgages	33,768,352	33,167,973	600,379	1.8
Trading activities	945,336	1,146,136	-200,800	-17.5
Positive replacement values of derivative financial instruments	263,444	160,341	103,103	64.3
Financial assets	3,035,194	3,414,734	-379,540	-11.1
Prepaid expenses	145,488	136,515	8,973	6.6
Non-consolidated investments	78,331	72,455	5,876	8.1
Property, plant and equipment	156,288	165,526	-9,238	-5.6
Other assets	66,206	278,736	-212,530	-76.2
Total assets	55,892,230	52,676,596	3,215,634	6.1
Total subordinated receivables	3,695	6,612	-2,917	-44.1
– of which with conversion obligation and/or debt waiver	-	-	-	-
Equity and liabilities				
Liabilities to banks	6,162,723	5,667,544	495,179	8.7
Liabilities from securities financing transactions	2,896,586	2,608,810	287,776	11.0
Liabilities from customer deposits	30,132,482	28,082,391	2,050,091	7.3
Liabilities from trading activities	3,681	9,679	-5,998	-62.0
Negative replacement values of derivative financial instruments	75,896	203,916	-128,020	-62.8
Liabilities from other financial instruments measured at fair value	300,763	295,178	5,585	1.9
Medium-term notes	267,931	184,792	83,139	45.0
Bonds and mortgage-backed bonds	11,194,627	10,902,766	291,861	2.7
Deferred income	196,051	204,241	-8,190	-4.0
Other liabilities	85,737	110,991	-25,254	-22.8
Provisions	32,162	25,395	6,767	26.6
Reserves for general banking risks	3,000,108	2,924,748	75,360	2.6
Share capital	354,150	354,150	-	-
Capital reserve	132,638	132,486	152	0.1
Retained earnings	950,965	880,700	70,265	8.0
Treasury shares (short position)	-80,597	-80,611	14	-
Group net profit	186,327	169,420	16,907	10.0
Total equity and liabilities	55,892,230	52,676,596	3,215,634	6.1
Total subordinated liabilities	188,502	188,502	-	-
– of which with conversion obligation and/or debt waiver	188,502	188,502	-	-
Off-balance sheet transactions				
Contingent liabilities	238,215	256,182	-17,967	-7.0
Irrevocable commitments	3,412,369	3,638,069	-225,700	-6.2
Liabilities for calls on shares and other equity	121,434	119,002	2,432	2.0

Consolidated income statement

Income from interest activities	2024 in CHF 1000	2023 in CHF 1000	Change in absolute terms	Change in %
Interest and discount income	1,307,238	1,212,530	94,708	7.8
Interest and dividend income from financial assets	30,564	18,623	11,941	64.1
Interest expenses	-885,156	-771,698	-113,458	14.7
Gross income from interest activities	452,646	459,455	-6,809	-1.5
Changes in write-downs relating to the risk of default and losses from interest activities	-1,754	991	-2,745	-
Net income from interest activities	450,892	460,446	-9,554	-2.1
Income from commission and service activities				
Commission income from securities and investment activities	114,992	104,604	10,388	9.9
Commission income from lending activities	9,593	11,540	-1,947	-16.9
Commission income from other service activities	35,775	36,407	-632	-1.7
Commission expenses	-19,865	-18,450	-1,415	7.7
Income from commission and service activities	140,495	134,101	6,394	4.8
Income from trading activities and exercising the fair-value option	62,119	71,492	-9,373	-13.1
Other ordinary income				
Income from the disposal of financial assets	921	236	685	-
Income from investments	5,143	5,052	91	1.8
– of which from investments accounted for using the equity method	332	353	-21	-5.9
– of which from other non-consolidated investments	4,811	4,699	112	2.4
Real estate income	1,642	2,057	-415	-20.2
Other ordinary income	1,590	1,573	17	1.1
Other ordinary expenses	-97	-31	-66	-
Other ordinary income	9,199	8,887	312	3.5
Operating income	662,705	674,926	-12,221	-1.8
Operating expenses				
Payroll costs	-212,655	-207,592	-5,063	2.4
General and administrative expenses	-141,229	-135,817	-5,412	4.0
Compensation for the state guarantee	-10,200	-10,200	-	-
Operating expenses	-364,084	-353,609	-10,475	3.0
Write-downs on investments and depreciation of property, plant and equipment, and amortisation of intangible assets	-22,573	-28,096	5,523	-19.7
Changes to provisions and other value adjustments, and losses	-811	-17,337	16,526	-95.3
Business performance	275,237	275,884	-647	-0.2
Extraordinary income	116	71	45	63.4
Change in reserves for general banking risks	-75,360	-90,850	15,490	-17.1
Taxes	-13,666	-15,685	2,019	-12.9
Group net profit	186,327	169,420	16,907	10.0

Consolidated cash flow statement

	2024 cash inflow in CHF 1000	2024 cash outflow in CHF 1000	2023 cash inflow in CHF 1000	2023 cash outflow in CHF 1000
Cash flow from operations and capital	155,819		215,094	
Cash flow from operating result (internal financing)	174,822		224,286	
Income for the period	186,327		169,420	-
Change in reserves for general banking risks	75,360		90,850	-
Write-downs on property, plant and equipment	22,573		27,939	-
Write-downs of properties held for sale	-	1,414	-	101
Revaluation of financial assets	3,960	4,933	4,642	-
Revaluation of investments	-	42	94	-
Changes in write-downs relating to risk of default and losses	10,099	7,563	-	2,522
Other provisions	9,549	2,782	-	1,578
Prepaid expenses		8,970	-	16,956
Deferred income		8,187	43,381	-
Dividend for previous year		99,155	-	90,883
Cash flow from equity transactions	166		145	
Capital reserve	152		145	-
Change in own equity instruments	14		-	-
Cash flow from operations in property, plant and equipment		19,169		9,337
Investments	-	5,834	-	1,400
Bank buildings	691	2,103	-	1,548
Other properties	-	128	-	34
Other property, plant and equipment	-	7,490	-	4,636
Software	-	4,305	-	1,719
Cash flow from banking business: Medium and long-term business (> 1 year)		352,468		831,436
Cash flow from interbank business		14,680		12,822
- Receivables from banks	320		30,178	-
- Liabilities to banks		15,000	-	43,000
Cash flow from client business		739,659		1,609,373
- Receivables from clients		105,402	-	19,595
- Mortgages		601,682	-	1,629,082
- Liabilities from client deposits		115,714	-	142,337
- Medium-term notes	83,139		181,641	-
Cash flow from financial investments		77,266		45,277
- Bonds		80,982	44,270	-
- Equity instruments/precious metals		794	-	-
- Properties	4,510		1,007	-
Cash flow from capital market business	291,861		429,760	
- Bonds	277,861		436,260	-
- Mortgage-backed bonds		27,000	-	6,500
- Money market securities (certificates of deposit)	41,000		-	-
Cash flow from other balance sheet items	187,276		315,722	
- Other assets	212,530		260,037	-
- Other liabilities		25,254	55,685	-
Cash flow from banking business: Short-term business (< 1 year)	496,490			517,420
Cash flow from interbank business		210,144	3,076,709	
- Receivables from banks		720,323	485,362	-
- Liabilities to banks	510,179		2,591,347	-
Cash flow from client business	278,486			3,251,517
- Receivables from clients	50,598		123,828	-
- Receivables from securities financing transactions		2,225,693	2,238,008	-
- Liabilities from securities financing transactions	287,776		-	2,633,044
- Liabilities from client deposits	2,165,805		-	2,980,309
Cash flow from trading activities	194,801			66,437
- Trade receivables	200,799		-	71,249
- Liabilities from trading activities		5,998	4,812	-
Cash flow from other financial instruments measured at fair value	5,585			133,273
- Liabilities from other financial instruments measured at fair value	5,585		-	133,273
Cash flow from financial investments	458,885			1,771
- Certificates of Deposit and Money Market Book Claims	458,885		-	1,771
Cash flow from replacement values of derivative financial instruments		231,123		141,131
- Positive replacement values		103,103	-	44,994
- Negative replacement values		128,020	-	96,137
Change in fund liquidity	299,841			1,133,762

Consolidated statement of changes in equity

	Share capital	Capital reserve	Retained earnings	Reserves for general banking risks	Treasury shares (short position)	Group net profit	Total equity
	in CHF 1000	in CHF 1000	in CHF 1000	in CHF 1000	in CHF 1000	in CHF 1000	in CHF 1000
Equity at the beginning of the reporting period	354,150	132,486	880,700	2,924,748	-80,611	169,420	4,380,893
Disposal of own capital shares	-	-	-	-	14	-	14
Appropriation of profit from 2023							
- Allocation to retained earnings	-	-	70,265	-	-	-70,265	-
- Dividend	-	152	-	-	-	-16,726	-16,574
- Distribution to canton	-	-	-	-	-	-82,429	-82,429
Allocations to reserves for general banking risks	-	-	-	75,360	-	-	75,360
Group net profit	-	-	-	-	-	186,327	186,327
Equity at the end of the reporting period	354,150	132,638	950,965	3,000,108	-80,597	186,327	4,543,591

Parent company BKB Annual financial statements

Parent company Basler Kantonalbank – at a glance

Balance sheet		31.12.2024	31.12.2023
Total assets	in CHF 1000	37,315,511	34,411,101
– Change	in %	8.4	–8.8
Client loans	in CHF 1000	19,793,385	19,357,542
– of which Mortgages	in CHF 1000	16,660,010	16,307,088
Client deposits	in CHF 1000	18,221,217	16,307,234
Client funds ¹	in CHF 1000	18,329,804	16,370,034
Reported own funds (including Net profit)	in CHF 1000	3,838,425	3,711,531
Reported own funds (after appropriation of profit)	in CHF 1000	3,688,229	3,612,376

Income statement		2024	2023
Net income from interest activities	in CHF 1000	261,664	265,784
Income from commission and service activities	in CHF 1000	95,689	86,525
Income from trading activities and exercising the fair-value option	in CHF 1000	53,826	62,444
Other ordinary income	in CHF 1000	81,088	82,676
Gross Income ²	in CHF 1000	494,731	496,736
– Change	in %	–0.4	15.6
Operating income	in CHF 1000	492,267	497,429
– Change	in %	–1.0	16.1
Operating expenses	in CHF 1000	254,115	248,662
– Change	in %	2.2	7.1
Amortisation, depreciation, write-downs and provisions	in CHF 1000	–12,269	–34,664
Business performance	in CHF 1000	225,883	214,103
– Change	in %	5.5	21.8
Net profit for the year	in CHF 1000	172,883	157,413
– Change	in %	9.8	22.5

Profitability key figures		2024	2023
Return on equity (net profit for the year before reserves/average equity)	in %	6.1	5.9

Balance sheet ratios		31.12.2024	31.12.2023
Client loans as % of total assets	in %	53.0	56.3
Mortgage loans as % of client loans	in %	84.2	84.2
Client deposits as % of total assets	in %	48.8	47.4
Degree of funding I (client funds/client loans) ¹	in %	92.6	84.6
Degree of funding II (general public funds/client loans) ³	in %	124.5	116.1
Equity ratio	in %	10.3	10.8
Tier 1 capital ratio (CET1 ratio)	in %	19.6	20.0
Core capital ratio (T1 ratio)	in %	19.9	20.4
Total capital ratio	in %	20.3	20.7
Own funds target ⁴	in %	12.6	12.6
Leverage ratio	in %	8.3	8.7
Average liquidity coverage ratio (LCR) – Q4	in %	135.8	139.0
Net stable funding ratio (NSFR)	in %	123.1	118.7
Risk-weighted asset efficiency ⁵	in %	1.27	1.36

Income statement ratios		2024	2023
Cost income ratio (operating expenses/gross income) ²	in %	51.4	50.1
Net interest income as % of operating income	in %	53.2	53.4
Income from commission and service activities as % of operating income	in %	19.4	17.4
Net trading income as % of operating income	in %	10.9	12.6
Other ordinary income as % of operating income	in %	16.5	16.6
Personnel expenses as % of operating expenses	in %	62.5	61.8
Non-personnel expenses as % of operating expenses ⁶	in %	37.5	38.2

Employees		31.12.2024	31.12.2023
Number of employees (Headcount)		1,051	1,041
Number of apprentices and trainees		40	35
Full-time equivalents (FTEs) ⁷		927	922

¹ Client funds (Client deposits, medium-term notes).

² Gross income (operating income without any changes in write-downs relating to the risk of default and losses from interest activities).

³ General public funds (client deposits, medium-term notes, bonds and mortgage-backed bonds).

⁴ The own funds target is made up of the minimum own funds of 8 % and a capital adequacy buffer of 4 % for category 3 banks in accordance with Annex 8 CAO, plus the countercyclical capital buffer.

⁵ Gross profit / total risk-weighted assets (RWA).

⁶ The compensation for the state guarantee is allocated to non-personnel expenses for the calculation of this key figure.

⁷ Apprentices and trainees are weighted at 50 %.

Balance sheet – before appropriation of profit

Assets	31.12.2024 in CHF 1000	31.12.2023 in CHF 1000	Change in absolute terms	Change in %
Liquid funds	5,110,329	4,836,213	274,116	5.7
Receivables from banks	1,425,633	829,592	596,041	71.8
Receivables from securities financing transactions	5,967,092	3,741,400	2,225,692	59.5
Receivables from clients	3,133,375	3,050,454	82,921	2.7
Mortgages	16,660,010	16,307,088	352,922	2.2
Trading activities	949,590	1,150,349	-200,759	-17.5
Positive replacement values of derivative financial instruments	263,441	166,891	96,550	57.9
Financial assets	2,817,071	3,163,488	-346,417	-11.0
Prepaid expenses	80,033	78,223	1,810	2.3
Investments	745,959	745,959	-	-
Property, plant and equipment	69,347	73,986	-4,639	-6.3
Other assets	93,631	267,458	-173,827	-65.0
Total assets	37,315,511	34,411,101	2,904,410	8.4
Total subordinated receivables	6,955	9,380	-2,425	-25.9
– of which with conversion obligation and/or debt waiver	-	-	-	-
Equity and liabilities				
Liabilities to banks	5,370,887	4,870,613	500,274	10.3
Liabilities from securities financing transactions	2,896,586	2,608,810	287,776	11.0
Liabilities from client deposits	18,221,217	16,307,234	1,913,983	11.7
Liabilities from trading activities	3,681	9,679	-5,998	-62.0
Negative replacement values of derivative financial instruments	75,896	203,916	-128,020	-62.8
Liabilities from other financial instruments measured at fair value	300,763	295,178	5,585	1.9
Medium-term notes	108,587	62,800	45,787	72.9
Bonds and mortgage-backed bonds	6,306,480	6,095,825	210,655	3.5
Deferred income	113,629	122,401	-8,772	-7.2
Other liabilities	55,112	104,720	-49,608	-47.4
Provisions	24,248	18,394	5,854	31.8
Reserves for general banking risks	2,712,996	2,659,996	53,000	2.0
Share capital	354,150	354,150	-	-
Statutory capital reserve	147,750	147,750	-	-
– of which reserves from capital contributions	90,152	90,152	-	-
– of which other reserves	57,598	57,598	-	-
Statutory retained earnings	325,899	324,347	1,552	0.5
Voluntary retained earnings	203,100	146,100	57,000	39.0
Treasury shares (short position)	-80,597	-80,611	14	-
– against reserves from capital contributions	-67,839	-67,839	-	-
– other	-12,758	-12,772	14	-0.1
Profit carried forward	2,244	2,386	-142	-6.0
Net profit for the year	172,883	157,413	15,470	9.8
Total equity and liabilities	37,315,511	34,411,101	2,904,410	8.4
Total subordinated liabilities	101,474	101,474	-	-
– of which with conversion obligation and/or debt waiver	101,474	101,474	-	-
Off-balance sheet transactions				
Contingent liabilities	219,887	237,069	-17,182	-7.2
Irrevocable commitments	3,053,491	3,139,303	-85,812	-2.7
Liabilities for calls on shares and other equity	92,251	92,251	-	-

Income statement

Income from interest activities	2024 in CHF 1000	2023 in CHF 1000	Change in absolute terms	Change in %
Interest and discount income	982,593	920,159	62,434	6.8
Interest and dividend income from financial assets	28,363	16,728	11,635	69.6
Interest expenses	-746,828	-671,796	-75,032	11.2
Gross income from interest activities	264,128	265,091	-963	-0.4
Changes in write-downs relating to the risk of default and losses from interest activities	-2,464	693	-3,157	-
Net income from interest activities	261,664	265,784	-4,120	-1.6
Income from commission and service activities				
Commission income from securities and investment activities	78,829	67,383	11,446	17.0
Commission income from lending activities	8,293	9,885	-1,592	-16.1
Commission income from other service activities	22,921	22,787	134	0.6
Commission expenses	-14,354	-13,530	-824	6.1
Income from commission and service activities	95,689	86,525	9,164	10.6
Income from trading activities and exercising the fair-value option	53,826	62,444	-8,618	-13.8
Other ordinary income				
Income from the disposal of financial assets	71	83	-12	-14.5
Income from investments	33,894	33,803	91	0.3
Real estate income	992	1,544	-552	-35.8
Other ordinary income	46,138	47,246	-1,108	-2.3
Other ordinary expenses	-7	-	-7	-
Other ordinary income	81,088	82,676	-1,588	-1.9
Operating income	492,267	497,429	-5,162	-1.0
Operating expenses				
Payroll costs	-158,778	-153,713	-5,065	3.3
General and administrative expenses	-85,137	-84,749	-388	0.5
Compensation for the state guarantee / guarantor	-10,200	-10,200	-	-
Operating expenses	-254,115	-248,662	-5,453	2.2
Write-downs on investments and depreciation of property, plant and equipment, and amortisation of intangible assets	-12,464	-17,013	4,549	-26.7
Changes to provisions and other value adjustments, and losses	195	-17,651	17,846	-
Business performance	225,883	214,103	11,780	5.5
Extraordinary income	-	60	-60	-100.0
Change in reserves for general banking risks	-53,000	-56,750	3,750	-6.6
Net profit for the year	172,883	157,413	15,470	9.8

Appropriation of profit

Appropriation of profit	2024 in CHF 1000	2023 in CHF 1000	Change in absolute terms	Change in %
Net profit for the year	172,883	157,413	15,470	9.8
Profit carried forward from previous year	2,244	2,386	-142	-6.0
Balance sheet profit	175,127	159,799	15,328	9.6
Allocation to statutory retained earnings	1,400	1,400	-	-
Allocation to voluntary retained earnings	27,700	57,000	-29,300	-51.4
Dividend on participation certificate capital	16,726	16,726	-	-
Compensation for endowment capital	2,037	1,429	608	42.5
Ordinary handover to the Canton of Basel-Stadt	100,000	81,000	19,000	23.5
Sondergewinnablieferung Jubiläum an den Kanton Basel-Stadt	25,000	-	25,000	-
Profit carried forward to new account	2,264	2,244	20	0.9
Special anniversary dividend from capital reserves	6,433	-	6,433	-

Dividend	2024 in CHF	2023 in CHF
Per participation certificate of CHF 8.50 nominal		
- Gross dividend	3.25	3.25
- less federal withholding tax 35 %	1.14	1.14
- Net dividend	2.11	2.11
- Special anniversary dividend from capital reserves net	1.25	-
Credit on participation certificate dividend on	1.4.2025	27.3.2024

Balance sheet – after appropriation of profit

Assets	31.12.2024 in CHF 1000	31.12.2023 in CHF 1000	Change absolute	Change in %
Liquid funds	5,110,329	4,836,213	274,116	5.7
Receivables from banks	1,425,633	829,592	596,041	71.8
Receivables from securities financing transactions	5,967,092	3,741,400	2,225,692	59.5
Receivables from clients	3,133,375	3,050,454	82,921	2.7
Mortgages	16,660,010	16,307,088	352,922	2.2
Trading activities	949,590	1,150,349	-200,759	-17.5
Positive replacement values of derivative financial instruments	263,441	166,891	96,550	57.9
Financial assets	2,817,071	3,163,488	-346,417	-11.0
Prepaid expenses	80,033	78,223	1,810	2.3
Investments	745,959	745,959	-	-
Property, plant and equipment	69,347	73,986	-4,639	-6.3
Other assets	93,631	267,458	-173,827	-65.0
Total assets	37,315,511	34,411,101	2,904,410	8.4
Total subordinated receivables	6,955	9,380	-2,425	-25.9
– of which with conversion obligation and/or debt waiver	-	-	-	-
Equity and liabilities				
Liabilities to banks	5,370,887	4,870,613	500,274	10.3
Liabilities from securities financing transactions	2,896,586	2,608,810	287,776	11.0
Liabilities from client deposits	18,348,254	16,389,663	1,958,591	12.0
Liabilities from trading activities	3,681	9,679	-5,998	-62.0
Negative replacement values of derivative financial instruments	75,896	203,916	-128,020	-62.8
Liabilities from other financial instruments measured at fair value	300,763	295,178	5,585	1.9
Medium-term notes	108,587	62,800	45,787	72.9
Bonds and mortgage-backed bonds	6,306,480	6,095,825	210,655	3.5
Deferred income	113,629	122,401	-8,772	-7.2
Other liabilities	78,271	121,446	-43,175	-35.6
Provisions	24,248	18,394	5,854	31.8
Reserves for general banking risks	2,712,996	2,659,996	53,000	2.0
Share capital	354,150	354,150	-	-
Statutory capital reserve	141,317	147,750	-6,433	-4.4
– of which reserves from capital contributions	83,719	90,152	-6,433	-7.1
– of which other reserves	57,598	57,598	-	-
Statutory retained earnings	327,299	325,747	1,552	0.5
Voluntary retained earnings	230,800	203,100	27,700	13.6
Treasury shares (short position)	-80,597	-80,611	14	-
– against reserves from capital contributions	-67,839	-67,839	-	-
– other	-12,758	-12,772	14	-0.1
Profit carried forward	2,264	2,244	20	0.9
Total equity and liabilities	37,315,511	34,411,101	2,904,410	8.4
Total subordinated liabilities	101,474	101,474	-	-
– of which with conversion obligation and/or debt waiver	101,474	101,474	-	-
Off-balance sheet transactions				
Contingent liabilities	219,887	237,069	-17,182	-7.2
Irrevocable commitments	3,053,491	3,139,303	-85,812	-2.7
Liabilities for calls on shares and other equity	92,251	92,251	-	-

Statement of changes in equity

	Share capital	Statutory capital reserve	Statutory retained earnings	Reserves for general banking risks	Voluntary retained earnings and profit carried forward	Treasury shares (short position)	Net profit for the year	Total equity
	in CHF 1000	in CHF 1000	in CHF 1000	in CHF 1000	in CHF 1000	in CHF 1000	in CHF 1000	in CHF 1000
Equity at the beginning of the reporting period	354,150	147,750	324,347	2,659,996	148,486	-80,611	157,413	3,711,531
Disposal of treasury shares	-	-	-1	-	-	14	-	13
Appropriation of profit 2023								
- Allocation to statutory retained earnings	-	-	1,400	-	-	-	-1,400	-
- Allocation to voluntary retained earnings	-	-	-	-	57,000	-	-57,000	-
- Dividend	-	-	153	-	-	-	-16,726	-16,573
- Distribution to canton	-	-	-	-	-	-	-82,429	-82,429
- Net change in profit carried forward	-	-	-	-	-142	-	142	-
Allocations to the reserves for general banking risks	-	-	-	53,000	-	-	-	53,000
Net profit for the year	-	-	-	-	-	-	172,883	172,883
Equity at the end of the reporting period	354,150	147,750	325,899	2,712,996	205,344	-80,597	172,883	3,838,425

Basler Kantonalbank
PO Box
4002 Basel

Phone +41 61 266 33 33
investorrelations@bkb.ch
www.bkb.ch

The Annual Report in German is reviewed by KPMG and is legally binding.

The Publication in English is a summary of the Annual Report.

In the event of inconsistencies between the English document and the German Annual Report, the Annual Report shall prevail.



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