



**Basler
Kantonalbank**

Annual Report 2025 – Abridged Version

Profitable and sustainable growth



About us

Group BKB* consists of two Group banks: the parent company Basler Kantonalbank and Bank Cler. Following the 100% acquisition of Bank Cler (formerly Bank Coop) in 2000, BKB employs around 1500 people (including apprentices and trainees) and has branches in all major cities throughout Switzerland. It has a high level of investment expertise in its Asset Management service which is of particular benefit to Private Banking clients and institutional clients. Client assets under management amount to around CHF 55 billion and BKB, when measured by its total assets of CHF 57.4 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 11 branches throughout the territory of the canton. 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 of the Canton of Basel-Stadt 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 with an AAA rating from Fitch and an AA+ rating from S&P Global Ratings.

Bank Cler is a modern retail bank that operates throughout Switzerland and impresses with its fresh image. It aligns its offering with the needs of private and real estate clients as well as with high net-worth individuals. With the Zak neobanking app and branches in all language regions of Switzerland, Bank Cler has a business model that is unique across the whole of Switzerland. Bank Cler offers financial clarity – with simple, understandable products and goal-based, comprehensive advisory services. It assists its clients in all financial matters, develops smart solutions for every phase of life and actively supports them along the path towards their personal goals. Clients find everything they need for their financial requirements at Bank Cler: accounts, cards and Digital Banking along with investment advice and mortgages as well as pension, inheritance and long-term financial planning.

*The Annual Report is primarily concerned with the Group (referred to as "BKB", "Basler Kantonalbank" or "Group BKB"). If the parent company BKB is meant, this is specifically stated ("parent company BKB" or "parent company").

Group BKB



Sales Private Clients

Sales Commercial Clients

Presidential

Finance & Risk

Legal & Compliance

Services



Sales Department

Finance & Risk

Market Management

Our results for 2025



CHF 202.8 million

Group net profit

(previous year: CHF186.3 million)



CHF 281.1 million

Business performance

(previous year: CHF 275.2 million)



54.6 %

Cost-income ratio

(previous year: 54.8 %)



12,000

New clients

(previous year: 8,400)



19.4 %

Total capital ratio

(previous year: 18.5 %)



AAA

Top rating from Fitch

S&P Global Ratings: AA+
Morningstar Sustainalytics:
«Low Risk», MSCI ESG: A



36.5%

Overall performance PC
BKB

(previous year 15.0 %)



CHF 3.60

Dividend per participation
certificate

(previous year excluded a non-
recurring special dividend: CHF 3.25)



558 CHF

per Basel resident as the
total transfer to the Canton
of Basel-Stadt

(total CHF 117.5 million)

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Management Report

Group key figures at a glance

Balance sheet		31.12.2025	31.12.2024
Total assets	in CHF 1000	57,367,563	55,892,230
- Change	in %	2.6	6.1
Customer loans	in CHF 1000	36,499,907	36,956,701
- of which Mortgages	in CHF 1000	33,516,375	33,768,352
Customer deposits	in CHF 1000	30,454,974	30,132,482
General public funds ¹	in CHF 1000	30,634,130	30,400,413
Reported own funds (incl. Group net profit)	in CHF 1000	4,658,884	4,543,591
Reported own funds (excl. Group net profit)	in CHF 1000	4,456,076	4,357,264
Income statement		2025	2024
Net income from interest activities	in CHF 1000	470,335	450,892
Income from commission and service activities	in CHF 1000	142,888	140,495
Income from trading activities and exercising the fair-value option	in CHF 1000	52,695	62,119
Other ordinary income	in CHF 1000	9,180	9,199
Gross Income ²	in CHF 1000	672,806	664,459
- Change	in %	1.3	-1.4
Operating income	in CHF 1000	675,098	662,705
- Change	in %	1.9	-1.8
Operating expenses	in CHF 1000	367,656	364,084
- Change	in %	1.0	3.0
Amortisation, depreciation, write-downs and provisions	in CHF 1000	26,307	23,384
Business performance	in CHF 1000	281,135	275,237
- Change	in %	2.1	-0.2
Group net profit	in CHF 1000	202,808	186,327
- Change	in %	8.8	10.0
Profitability key figures		2025	2024
Return on equity (Group net profit before reserves/average equity)	in %	5.8	5.9
Balance sheet ratios		31.12.2025	31.12.2024
Customer loans as % of total assets	in %	63.6	66.1
Mortgage loans as % of customer loans	in %	91.8	91.4
Customer deposits as % of total assets	in %	53.1	53.9
Degree of funding I (customer funds/customer loans) ¹	in %	83.9	82.3
Degree of funding II (general public funds/customer loans) ³	in %	115.2	112.6
Equity ratio	in %	8.1	8.1
Hard core capital ratio (CET1 ratio)	in %	18.8	17.6
Core capital ratio (T1 ratio) ⁴	in %	19.1	18.1
Total capital ratio	in %	19.4	18.5
Capital adequacy target ⁵	in %	13.1	13.0
Leverage Ratio	in %	7.5	7.1
Average liquidity coverage ratio (LCR) Q4	in %	128.9	132.4
Net stable funding ratio (NSFR)	in %	122.1	126.6
RWA efficiency ⁶	in %	1.26	1.20
Non-Performing Loans Ratio ⁷	in %	0.26	-
Income statement ratios		2025	2024
Cost income ratio (operating expenses/gross income) ²	in %	54.6	54.8
Net interest income as % of operating income	in %	69.7	68.0
Income from commission and service activities as % of operating income	in %	21.2	21.2
Net trading income as % of operating income	in %	7.8	9.4
Other ordinary income as % of operating income	in %	1.3	1.4
Personnel expenses as % of operating expenses	in %	58.4	58.4
Non-personnel expenses as % of operating expenses ⁸	in %	41.6	41.6
Client assets		31.12.2025	31.12.2024
Client assets ⁹	in CHF 1000	54,951,993	54,148,630
Net new money inflow/outflow (YTD)	in CHF 1000	-1,477,079	2,907,009
Performance/interest/dividends/charges	in CHF 1000	2,280,442	1,898,030

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 previous year's figures were aligned with the current accounting and presentation principles.

⁵ 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.

⁶ Gross profit / total risk-weighted assets (RWA).

⁷ Non-performing loans/client loans, first published 31.12.2025.

⁸ The compensation for the state guarantee is allocated to non-personnel expenses for the calculation of this key figure.

⁹ Client deposits and safe custody assets, fiduciary deposits and assets under global custody (custody at third-party banks).

Employees	31.12.2025	31.12.2024
Number of employees (Headcount)	1,443	1,440
Number of apprentices and trainees	62	68
Full-time equivalents (FTEs) ¹	1,273	1,271

¹ 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, Regula Berger (right)

Dear Investors,
Dear Clients,
Dear Residents of Basel

Over the last year Group BKB has added a further chapter to its success story. In a market environment characterised by geopolitical tensions, trade uncertainties and persistently low interest rates, we were able once again to increase our operating profits, strengthen our stability, enhance our future viability with a clear vision and set clear priorities for Strategy 2026+.

We look back on a year that has not only challenged us and moved us forward but, above all, has made us stronger. A year in which we achieved important milestones. For example, we formulated the new strategy, increased Group net profit by almost 9 %, once again received the award for “Best Employer” and are looking at an impressive price increase of 29 % for the BKB participation certificate.

We owe the fact that we were able to end 2025 so successfully to various factors.

Our stability and security

The fact that our parent company BKB has once again received top marks from international rating agencies due to its balanced business model, risk-conscious growth strategy and high capital resources and has been recognized by *“Global Finance” magazine* as one of the safest banks in the world gives the clientèle of both Group banks a decisive advantage, namely confidence. Nevertheless, stability is not an end in itself for us, but rather creates the foundation for us to remain capable of taking action, growing independently and driving innovation forward.

Our client focus

With the expansion of our client panel, we intensified client dialogue last year and have since benefited from direct, rapid feedback. We therefore understand not only where we are currently doing well but also where we need to make adjustments. Digitalisation serves as a lever for excellence here. It frees our employ-

ees from administrative tasks and creates space for what matters: personal advice that creates value-added.

Our expertise in pensions and investments

Demographic change and the upcoming generational change in SMEs are presenting complex challenges for the economy and society. In 2025, we specifically positioned ourselves within the areas of pension and succession planning with a comprehensive survey on SME succession, information events, and comprehensive advice. We want to raise awareness of this important topic among clients and create long-term financial security. After all, those who set the right course at an early stage can look to the future with greater peace of mind.

Our social commitment

The emotional highlight in 2025 was undoubtedly the Eurovision Song Contest (ESC). As a sponsor, we wanted to bring the world’s biggest TV show not only into people’s living rooms and the St. Jakob-Park stadium, but also right into the heart of the city. Together with the Host City Basel, we succeeded in creating an unforgettable celebration: for the general public, our clients, our employees and many ESC fans from near and far.

However, our regional roots are not only evident in such celebratory moments. With the new free offering for associations, the backbone of our society, we have been offering targeted support for their valuable work since 2025. In addition, we are contributing to community life in the region through various sponsorships and awards – totalling around CHF 2.3 million in 2025. Our partnerships with institutions such as the Swiss Cancer League, Pro UKBB, BirdLife Switzerland and Pro Senectute underscore our belief that sustainable success also invariably requires social responsibility.

Our commitment to sustainable business management

Sustainability was also an important concern for the Group last year. The focus lay once again on the climate-friendly transformation of the economy. We have continued to drive forward sustainable financing. This path has already led to over CHF 2 billion being spent on climate-friendly or social projects. Our ESG-oriented clients benefited from the significant price increase of gold last year thanks to the Max Havelaar gold fund. However, the miners in Peru also benefited as they were paid Fairtrade bonuses amounting to around USD 5 million. We also introduced “Active Ownership” during the reporting year. This enabled our sustainable investment approach to be further enhanced with an important element, as it allows us to encourage companies to align their business policies towards sustainability.

Our Strategy 2026+

With *Strategy 2026+*, we have a reliable compass that will provide us with direction in the coming four years: namely, a focus on sales excellence, investment expertise and balance sheet

management. The aim is to achieve stronger growth, especially in the investment business.

The Group is not only BKB and Bank Cler but rather a community of around 1,500 committed people. They are the key to our success. To ensure that we remain one of Switzerland's most attractive employers, Strategy 2026+ places an additional focus on the enhancement of leadership qualities and future-oriented skills, such as in the opportunity- and risk-conscious use of artificial intelligence.

Our plans for 2026

We see challenges as opportunities. According to our strategy, we want to continue to achieve risk-conscious growth in the coming months – especially in asset management and pension solutions.

We have therefore set ourselves ambitious goals for 2026 in order to improve even further for our clients and take an active role in shaping our future:

Pensions:

- We are conducting a comprehensive survey on the subject of «Pensions».
- We are offering numerous advisory events relating to pensions, succession, estate planning and inheritance. We are introducing a 1e executive pension solution for SMEs.

Client proximity:

- We are expanding the client panel.
- We are launching the new client format "[*CEO in Dialogue*](#)" in our branches.

Digitalisation and self-service banking:

- Online custody account opening and card management are available as self-service options.
- We created an online trading opportunity in January with Zak Invest.

Processes:

- We are improving quality and efficiency in the "Financing" and "Cards" processes.

Expansion of payment transactions:

- We are linking into bLink as a multi-bank option and Bexio as accounting software for SME customers.
- We are creating new cash pooling options for corporate clients.

Commitment:

- As the main sponsor, we are making the Swiss Yodelling Festival, which takes place in Basel between 26 and 28 June 2026, a celebration of the city, of togetherness and of living traditions.

Pro Senectute partnership:

- We are organising various events and educational sessions – from fraud prevention and Digital Banking to Zollitag (Zoo Day).
- We are expanding collaboration in four areas: skills transfer, prevention & awareness-raising, inclusion & generational exchange, social participation.

Employees:


- We are providing our employees with further training on the use of artificial intelligence.
- We are introducing a new performance management system and emphasising focus, transparency and agility in order to link our strategic objectives with their operational implementation.

We are convinced that even if low interest rates and geopolitical tensions remain as background noise for us in 2026, we have created optimal conditions to repeat the very good operational result of 2025 this year.

We sincerely thank you for your trust and look forward to continuing on our path together with you and for you.

Warm regards

Basler Kantonalbank



Adrian Bult
Chair of the Bank Council



Regula Berger
CEO

Strategic direction

Group BKB, the parent company and Bank Cler are currently well positioned. Based on the owner mandate, Group BKB has defined its strategic direction for 2026 to 2029 with Strategy 2026+. The aim is to further strengthen our position in a consolidating financial market over the next four years and to develop BKB as one of the leading universal banking groups. To achieve this, the Group sets itself apart through its financial stability, its consistent client orientation, advanced banking solutions and the future-oriented skills of its employees.

Foundation and mandate

Basler Kantonalbank operates in a challenging environment characterised by a wide variety of regulatory framework conditions. The Group is subject to numerous federal and FINMA banking and financial market regulations. Within this framework, the medium-term direction of the Bank is determined by the Canton of Basel-Stadt by means of the Owner Strategy and the Law on Basler Kantonalbank. Implementation takes place within a four-year strategy period.

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 prime aim of satisfying the needs of the population and the economy of the Canton of Basel-Stadt. The law stipulates a certain location-specificity which limits diversification in the lending business. Furthermore, the law prohibits “particularly risky” transactions and restricts proprietary trading primarily to transactions that are necessary to satisfy client needs.

Owner Strategy 2025–2029

As the owner, the Canton of Basel-Stadt sets out the overarching objectives for the parent company with the [Owner Strategy 2025–2029](#). The Owner Strategy acts as a binding framework for strategic management by the Bank Council and includes key requirements for corporate objectives, the service mandate, liquidity, sustainability and human resources policy.

Environment

In recent years, the markets have provided investors with significantly higher yields than expected. At the same time, the environment remains challenging: it is characterised by geopolitical tensions, a changed international world order, an economy that is below average but growing and a persistent low interest rate environment that restricts the profitability of the financial sector.

Within this environment, Group BKB continues to focus on a high level of stability in its business model and the earnings base.

Vision 2040

With Vision 2040, Group BKB has set itself a clear goal: it aims to strike a balance between interest income on the one hand and income from the commission/service business and trading activities on the other hand. Today, the ratio is around 70 % interest income and 30 % commission, service and trading income. Over the coming years, the Group will consistently invest in diversifying its earnings pillars in order to be able to grow significantly, especially in the commission business. With a balanced and diversified earnings base, BKB is preparing for the further consolidation expected in the Swiss banking market and is ensuring its long-term profitability.

CEO Regula Berger is convinced:

“Our Vision 2040 is ambitious and gives us a clear, strategic guideline: we represent stability, supporting our clients with advanced solutions and empowering our employees to actively help shape our future.”

Strategy 2026+

Strategy 2026+ builds on the proven strengths and market positioning of both banks: while the parent company represents security and proximity to people in the region, Bank Cler is present throughout Switzerland and, with the Zak banking app, primarily addresses a tech-savvy clientèle.

Focus on four strategic thrusts

With four strategic thrusts, the Group aims to strengthen its market position and above all boost earnings in the commission business. Efficient cost management ensures that growth remains profitable. Consistent balance sheet management and risk management also guarantee stability and security.

#1: Boosting excellence in sales and service	We are improving the quality of our offering and simplifying everyday banking for our clients. We are continuously optimising our banking processes, anticipating client needs in a more targeted manner and offering user-friendly banking solutions and self-service options both online and offline.
#2: Further developing asset management and investment advice	As a secure bank, we are establishing ourselves on the market as the first point of contact for matters relating to assets and pensions. We are expanding the services we offer in our advisory packages, offering comprehensive solutions relating to pensions, optimising the advisory process and thus strengthening our perceived investment expertise.
#3: Further developing balance sheet management	To grow in a risk-conscious manner in the business areas with corporate clients, real estate clients and trading clients, we will allocate the available funds in a more targeted way. We will achieve this using an optimised balance sheet structure as well as through tailored conditions.
#4: Developing leadership and future-oriented skills	We want to be above average when it comes to our leadership and future-oriented skills. We are strengthening our communication skills and openness to change and further developing our future key skills. This also has a positive impact on the quality of our advisory services.

BKB and Bank Cler pursue the four main thrusts together, utilise a shared infrastructure and competence centres, generally offer standardised products and services, and demonstrate the same values when collaborating: integrity, sustainability, passion, courage and respect. However, they remain legally independent and retain their own market presence.

High growth ambitions in four business segments

Strategy 2026+ is being implemented as part of the existing business model along clearly defined business segment strategies. By following this strategy, the parent company seeks above-average growth and an expansion of its share of the market. This is particularly the case in private banking, institutional investment clients and in the SME business. Bank Cler focuses on high net-worth individuals. Both banks place a particular focus on clients over 50 years of age: the parent company BKB wants to play a market-leading role in Northwestern Switzerland with its retirement and financial planning for private clients and its business succession for SMEs.

The growth sought in the private client business is ambitious in the light of the company's already large market share. It is intended that this growth is achieved by converting clients into main bank clients and increasing the wallet share, among other things. This means that clients would progress from the business segments "Private Clients Switzerland" or "SME Switzerland" to become private banking clients. A wide range of products and services as well as very attractive performance for Investment Solutions and asset management strategies in a comparison of the market also help here.

Measurable goals in four dimensions

With Strategy 2026+, the Group aims to achieve a measurable effect in four dimensions. Progress is measured and monitored using financial and non-financial key performance indicators (KPI):

KPI in four dimensions



In order to monitor and measure progress relating to the dimensions “Finance & Risk”, “Clients”, “Processes” and “Learning & Growing”, quantitative KPIs have been defined for every dimension and a baseline measurement taken.

In the case of the dimension “Finance & Risk”, progress relating to profitability, stability and balance sheet quality is measured based on six financial KPIs and presented accordingly.

Finance & Risk: Six financial KPIs



Profitability		Stability		Balance sheet quality	
Cost income Ratio (CIR)	Return on equity (ROE)	Total capital ratio (TCR)	Net stable funding ratio (NSFR)	Risk weighted asset efficiency (RWA Efficiency)	Non-performing loans ratio (NPL Ratio)
≤ 55 %	≥ 6 %	≥ 16 %	≥ 110 %	≥ 1 %	≤ 0.75 %

Responsibility for the region

Both banks continue to contribute to the balanced, environmentally and socially sustainable development of society in the new strategy period. They do this by ensuring operational sustainability and enhancing their sustainable solutions within the core business. In doing so, the parent company BKB, in particular, wants to help achieve the ambitious climate goals set by the Canton of Basel-Stadt.

Regula Berger, the CEO of BKB, is enthusiastic:

“With Strategy 2026+, we are creating sustainable, responsible growth. In this way, we are ensuring that Group BKB will also remain a reliable partner for the region, for companies and for private clients over the long term.”

Outlook for 2026

According to the strategy, the Group wants to further increase efficiency in the coming months and grow in a risk-conscious manner – especially within asset management and pension solutions. It has thus set itself ambitious goals for 2026 in order to become even better for its clients and take the first steps towards its Vision 2040.

#1: Boosting excellence in sales and service	<ul style="list-style-type: none">▪ expansion of self-service options▪ boost in process efficiency▪ expansion of payment transactions for SME clients▪ optimised customer relationship management and customer lifecycle management
#2: Further developing asset management and investment advice	<ul style="list-style-type: none">▪ introduction of private and flexible 1e pension solution▪ improvement in advisory process▪ publication of pension study “Ageing happily”▪ introduction of asset management mandate in EUR
#3: Further developing balance sheet management	<ul style="list-style-type: none">▪ ensuring risk-conscious growth▪ further development of risk management in the direction of the IRB model▪ preparations for the SNB’s Extended Liquidity Facility▪ risk-adjusted and personalised conditions
#4: Developing leadership and future-oriented skills	<ul style="list-style-type: none">▪ introduction of a new performance management with a focus on growth, dialogue and agility▪ training on the handling of artificial intelligence

Review of the strategy period 2022 – 2025

In the four years of the last strategy period, which came to a close at the end of 2025, Group BKB achieved significant progress, built on its strengths and grew profitably.

For satisfied and capable employees

BKB placed a key focus on further developing its working environment in recent years. With contemporary working models such as working from home and mobile working, the establishment of company health management and a new remuneration policy, the Group boosted its attractiveness as an employer. At the same time, targeted investments were made in our employees' future-oriented capabilities. This included introducing agile working methods, training a total of 126 apprentices and trainees and launching the CAS study programme "Sustainable Finance" in collaboration with FHNW which has already been completed successfully by 90 of the Group's employees. The fact that these initiatives are bearing fruit is evident in that BKB has been named "Best Employer" numerous times over recent years.

In the last strategy period from 2022 to 2025, Group BKB grew profitably, increased its attractiveness as an employer, made an important contribution to the future-oriented transformation of the regional economy, improved its offering for its clientèle, further increased stability and achieved a very pleasing performance for PS holders.

For a positive client experience

With a clear focus on client benefits, the Group has consistently simplified and digitalised its products and services. The most important progress includes the introduction of a new Digital Banking platform and the successful establishment of the Zak banking app, which is now already being used by 85,000 people. Specific offers for associations and a free basic offer have been making an important contribution to the acquisition of new clients since 2025 – around 32,000 or +8 % have joined in the last four years. At the same time, central consulting and service processes have been enhanced – for example by developing the Compass advisory tool or through the ongoing expansion of the services offered on a self-service basis. Direct dialogue with the clientèle was also strengthened with a client panel involving 220 participants. The panel offers prompt, direct feedback which helps when introducing new products or optimisations. The effectiveness of these efforts is demonstrated by the fact that BKB was once again selected as the "Top Bank 2026" in numerous categories by its clients and the Net Promoter Score (NPS) for both banks has increased (BKB from 36 to 38, Bank Cler from 34 to 41).

For smoothly functioning processes

In the strategy period 2022 – 2025, efficiency within the Group was systematically boosted and collaboration within the Group optimised. Processes were simplified, standardised and, where reasonable, automated or digitalised. A key step was the end-to-end redesign of the mortgage financing process and the introduction of the digital account opening process. By the end of 2025, over 90 % of all account openings could be carried out digitally. This saves considerable time: the opening of an account only takes 15 minutes and is often possible without the support of a client advisor. The downstream checks can also be completed in half the time.

For effective sustainability

Sustainability has been a key part of the Group strategy in recent years. For instance, governance was strengthened, a comprehensive climate plan was adopted and Active Ownership introduced. The offer of sustainable financing also met with a great response: over CHF 2 billion was spent on climate-friendly or social projects in the last four years. A further important milestone was the launch of the first gold fund backed by physical Fairtrade gold. Thanks to this, ESG-oriented clients were also able to participate in the gold rally of recent years. By the end of 2025, the *Max Havelaar Gold Fund* achieved a volume of CHF 285 million and is the only fund of its kind worldwide in terms of its design, having so far enabled around CHF 5 million in Fairtrade premiums to be paid to small-scale mining organisations.

Profitability improved noticeably: the cost-income ratio fell from 58.4 % to 54.6 %. At the same time, capital resources were further reinforced. Equity increased by CHF 0.6 billion to CHF 4.7 billion. Business performance rose continuously by an average of almost CHF 15 million per year to CHF 281 million. Group net profit even grew by an average of CHF 20 million per year and has risen by +67 % since 2022.

For profitable growth and stability

The Group is also looking back on a financially successful strategy period. Investments totalling CHF 123 million were primarily used for improving processes and digitalising the products and services on offer. Profitability improved noticeably: the cost-income ratio fell from 58.4 % to 54.6 %. At the same time, capital resources were further reinforced. Equity increased by CHF 0.6 billion to CHF 4.7 billion. Business performance rose continuously by an average of almost CHF 15 million per year to CHF 281 million. Group net profit even grew by an average of CHF 20 million per year and has risen by +67 % since 2022. Alongside the securities financing business, which is now making an important contribution to interest income, the securities and investment business has also gained importance as a stable earnings pillar. Asset management and Investment Solutions in which clients benefit from the high level of expertise within the Group's own Asset Management developed particularly dynami-

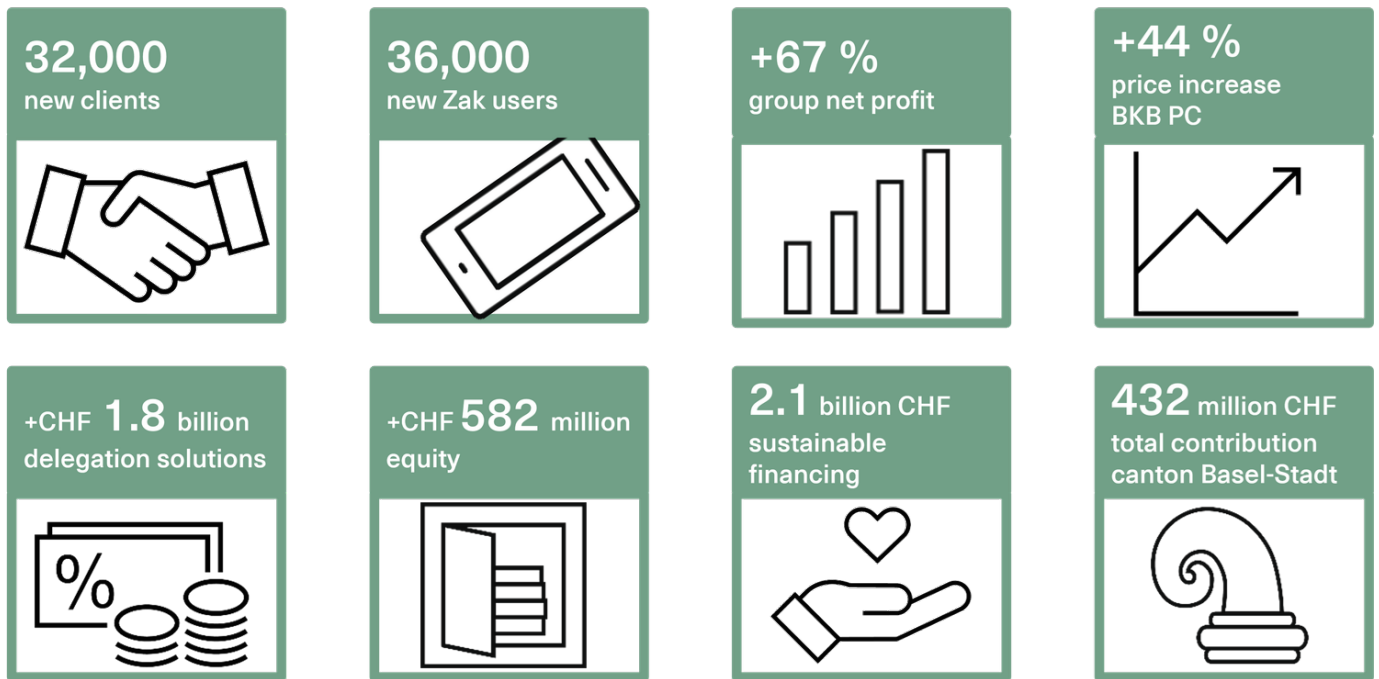
cally. Assets under management grew by CHF 1.8 billion to CHF 9.7 billion within just four years; the number of mandates increased by almost 40 % to over 55,000.

For the owners

Investors benefited directly from the Group's successful development. The price of the BKB participation certificate has increased by 44 % since the end of 2021 to CHF 89.20 (as a com-

parison, the SPI rose by 10 % in the same period). At the same time, the average dividend yield was 5 % per year. The Canton of Basel-Stadt has also received a substantial contribution: over the past four years, the parent company has contributed around CHF 430 million (interest on endowment capital, distribution of profits, compensation for the state guarantee). This corresponds to over 2000 CHF per Basel resident

The strategy period 2022+ in figures

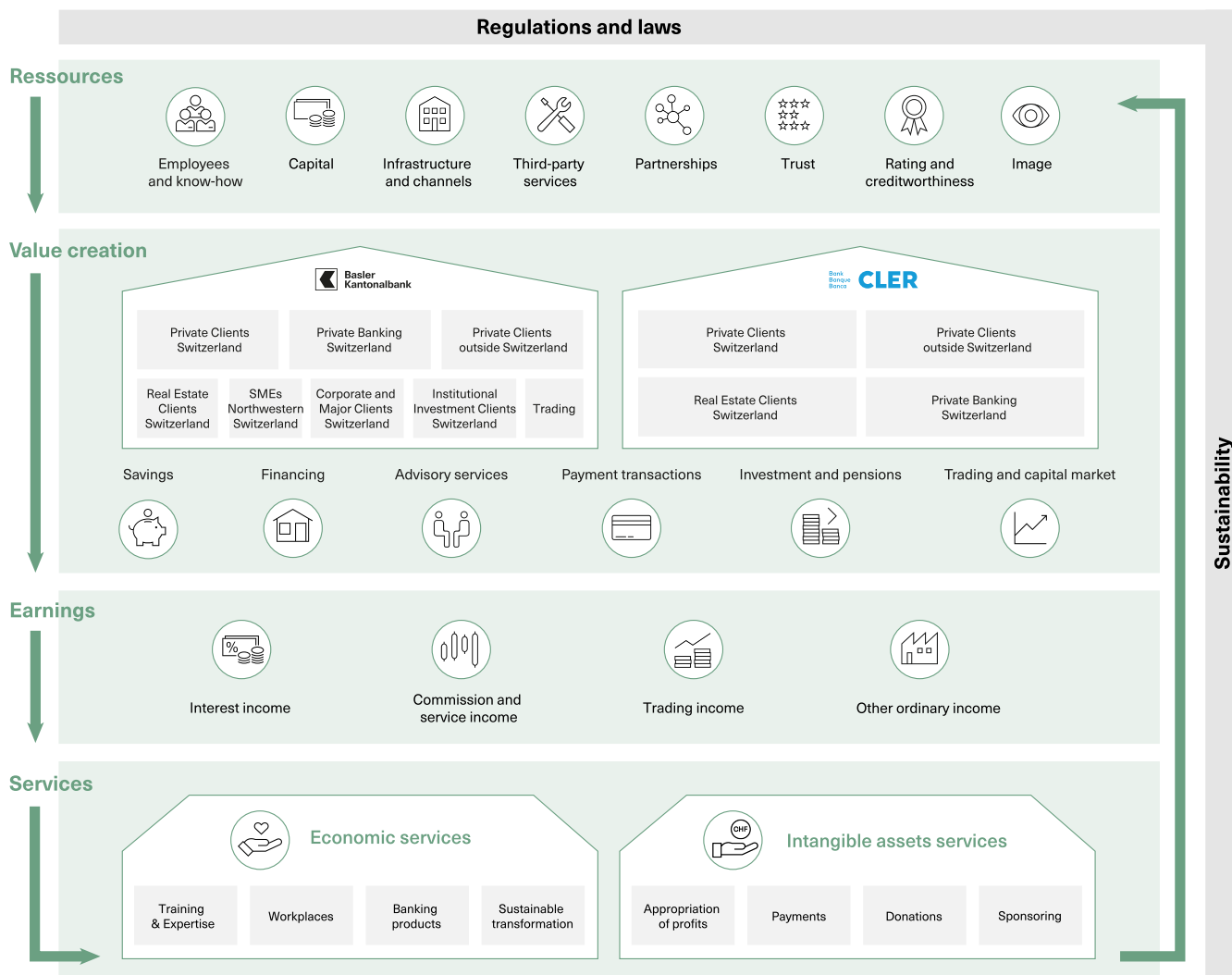


Group business model

Group BKB is a universal banking group, consisting of the parent company Basler Kantonalbank and Bank Cler. Its business model is consistently oriented towards stability and security. In addition to this, the regulatory requirements and a commitment to sustainable management provide the framework for the Group's business activities.

Value creation is based on a variety of resources. Banking products and services are offered in the business segments in which the Group banks have a particularly strong position. The resulting income has a noticeable impact within the region and, via Bank Cler, throughout Switzerland through both tangible and intangible contributions.

The business model (simplified presentation)



With Strategy 2026+, the Group is further enhancing this business model in line with Vision 2040: it wants to strengthen its market position, grow in a profitable, risk-oriented manner and diversify its earnings base in a more balanced way – especially through additional growth momentum in the commission business. At the same time the strong Corporate and Major Clients business remains unchanged.

Resources

The most important resources are the 1,443 employees and 70 young professionals (apprentices and trainees) who ensure the quality of advice, products and services through their expertise and commitment. A further key resource is financial capital. High, balanced capitalisation, in combination with stable refinancing, creates the conditions for security, innovation and sustainable growth. And, based on this, confidence, first-class ratings and the image of the Group banks.

Value creation

Group BKB consists of two operationally independent financial institutions: the parent company BKB and Bank Cler which is 100 % owned by BKB.

Parent company BKB

According to the service mandate of the Canton of Basel-Stadt, the parent company focuses on Private Client business and Private Banking as well as its business with SMEs, real estate clients and institutional investors. Key strengths include its high level of security, client proximity, investment expertise and its strong roots in its home canton. The parent company offers comprehensive advisory services and solutions relating to payments, savings, financing, investments and pensions – for private clients in Switzerland and in clearly defined foreign segments. For companies, the bank offers financing, hedging, foreign exchange and payment solutions, all with clear risk limitation and without international credit transactions. The Investment Clients business segment includes institutional investors, Asset Management and external asset managers. Asset Management plays a key role as a supplier to other business segments. Alongside client trading, the issuing business and money market transactions, trading also includes securities financing.

In accordance with Strategy 2026+, the parent company wants to achieve above-average growth in the Private Banking, SMEs and Investment Clients business segments and expand its share of the market by 2029.

Bank Cler

Bank Cler operates in the urban centres of Switzerland and its offering differs from the parent company in part in terms of breadth and pricing. It is positioned as a fresh and youthful bank catering above all to younger, tech-savvy clients with simple banking solutions and the Zak mobile banking app. It serves private clients, private banking clients, selected foreign segments and real estate clients.

Bank Cler is focusing its growth ambitions in the next four years on its business with high net-worth clients in Switzerland and would like to gain market shares in this business segment.

Earnings

The Group achieves its earnings from a variety of sources: commission, service and trading activities also contribute to the Group result alongside interest activities. The remaining ordinary income tends to play a minor role.

With Vision 2040, BKB is striving for a balanced, diversified earnings base. Commission and service activities, together with trading, are intended to generate around 50 % of the total return.

Services

The two Group banks contribute to economic prosperity and stability in their market areas with various material services. For example, BKB makes an important contribution to a balanced cantonal financial budget with its total contribution (interest on endowment capital, compensation for the state guarantee, distribution of profits) to the Canton of Basel-Stadt of over CHF 100 million per year.

In addition, both banks make important contributions to the high quality of life in Northwestern Switzerland and beyond through various intangible services – including the provision of secure, attractive jobs and training positions, their commitment to climate protection and various sponsorships.

Market environment

Macroeconomic environment

The economy

The global economy continued to develop positively in 2025, although once again at a below average rate. The main factor influencing the world economy was the USA's tariff and trade policy under President Donald Trump which was marked by uncertainty, particularly the tariffs announced in early April on "Liberation Day" and implemented over the course of the year. As a result of the new tariff barriers, global growth forecasts were initially revised significantly downwards. Despite initial fears, a recession failed to materialise in the USA. The US economy grew at a rate corresponding to the average of the last 25 years. A comparable trend could be seen in the Eurozone. However, Swiss GDP was significantly below the longer-term average.

The global economy continued to develop positively in 2025, although once again at a below average rate. Inflation dynamics weakened. The financial markets recorded a very good year overall with new record highs.

Inflation dynamics weakened further. While inflation in the USA remained close to the 3 % mark as a result of the tariffs, inflation was close to the European Central Bank's (ECB) monetary policy goal of 2 % in the Eurozone and 0.1 % in Switzerland at the end of 2025. As a result, the Swiss National Bank (SNB) and ECB cut the key interest rates further over the course of the year. In Switzerland, the key interest rate at the end of the year was 0 %, while the reintroduction of negative interest rates was also occasionally discussed. The US Federal Reserve, however, only resumed its cycle of interest rate cuts in September 2025.

Financial markets

Despite the challenging economic environment resulting from the US tariff and trade policy and the growing geopolitical tensions, the financial markets once again recorded a very good year. The equity markets in the USA, Europe and Switzerland reached new all-time highs. For Swiss investors, however, returns on US investments were more modest, as the US dollar fell considerably against the Euro in 2025. As a result, in spite of an increase of over 17 % of the S&P 500, the increase for Swiss investors in CHF terms was only 3 %. The SPI, however, achieved an above-average increase of almost 18 %.

The clear winners on the financial markets in 2025 were, once again, precious metals. Geopolitical risks, persistent inflationary pressure in the USA, the unpredictable policies of the new US government, the growing national debt of the United States and discussions surrounding the importance of the US dollar as the world's leading and reserve currency particularly drove the price of gold up to a new high. The price per troy ounce was recorded at over 3,500 CHF for the first time, with the kilo price rising to over 110,000 CHF.

Real estate market

2025 was also very pleasing for investors in listed Swiss real estate investments. Real estate funds and real estate stocks made considerable gains. The Swiss Real Estate Fund Index (SWIIT) grew by almost 11 % in 2025; the Real Estate Equity Index (REAL) even rose by over 23 %. Real estate stocks thus significantly outperformed the more volatile overall stock market (SPI) once again last year. While real estate funds are predominantly invested in residential properties, the stocks of the real estate companies generally have a higher proportion of commercial properties in their portfolios.

Despite the increased prices, the real estate funds – historically – are not overpriced on average. Fundamental factors, such as inflation and a weakening economy, could have dampened the supply or demand for residential and office space. However, the inflation situation eased in 2025 and interest rates remained low. This also continued to make the financing of real estate affordable. At the same time, the distribution yields of the funds continue to be attractive compared to bond yields. Overall, the market for real estate investments turned out to be more robust than expected. The demand for residential space remains high, asset values are rising, rental income is stable and vacancies remain low. 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 2025.

The Law on Basler Kantonalbank

In 2025, the work within Group BKB to implement the requirements of the partially amended [Law on Basler Kantonalbank](#) was largely completed. With the partial amendment of the Law on Basler Kantonalbank, the formation and management of the Group was established in law. The revision took place, in particular, against the backdrop of the 100 % takeover of Bank Cler in 2019 and thus the associated question of the liability risk for Basler Kantonalbank and ultimately for the canton as the owner. Following the approval of the revised BKB Business and Organisational Regulations (BOR) and other regulations of the executive committees by FINMA, the Governing Council of the Canton of Basel-Stadt agreed to the implementation as the owner. The revised BOR and other regulations entered into force on 1 January 2026.

Banking stability for Switzerland as a financial centre

Following the events surrounding Credit Suisse, the Federal Council set out key parameters for legislative and ordinance amendments on 6 June 2025, including measures to strengthen banking stability. The aim is to reduce the risks for the state, taxpayers and the economy. Some of these measures are also relevant for Group BKB.

In summer 2025, the Federal Council submitted amendments to the Capital Adequacy Ordinance, the Swiss Banking Ordinance and the Liquidity Ordinance for consultation. Key elements include improving the quality and loss-absorbing capacity of capital (including stricter treatment of certain balance sheet items and AT1 instruments) and more precise liquidity and risk management requirements. They are expected to come into force at the earliest from 1 January 2027.

In addition, the Federal Council sees a need for action to strengthen the corporate governance of banks. This is to be achieved, in particular, by introducing a Senior Manager Regime, increasing the supply of liquidity via the National Bank and expanding FINMA's supervisory powers. The Federal Council will present a corresponding draft in the first half of 2026.

In some cases, the introduction of a Senior Manager Regime is important for Group BKB. According to the preliminary draft, the focus would lie on the members of the senior management and executive bodies and people with a significant influence on the bank's risk profile. These people must perform their duties with the utmost care and ensure compliance with regulatory requirements and internal policies within their area of responsibility. Accordingly, the banks should incorporate corresponding regulations into their internal policies. A breach of the duty to exercise

due diligence is intended to lead to consequences in terms of remuneration or disciplinary measures. Entry into force is expected at the earliest on 1 January 2028 or later.

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

The requirements of the [FINMA Circular 2023/1 "Operational Risks and Resilience – Banks"](#) were implemented by the end of 2025. The circular has been in force since 1 January 2024, taking into account transition periods. The requirements of the circular with regard to managing operational risks, the principles for dealing with operational risks and the new principles on operational resilience of the Basel Committee on Banking Supervision were implemented. In addition, the recommendations in the field of Business Continuity Management (BCM) of the Swiss Bankers Association and FINMA's more detailed supervisory practice in connection with information and communication technology and the handling of critical data and cyber risks were also implemented within Group BKB's organisation.

Financial Services Act FinSA

[FINMA Circular 2025/2 "Rules of Conduct under FinSA/FinSO"](#) came into force on 1 January 2025. In this circular FINMA defines in greater detail some of the requirements set out in FinSA and the Financial Services Ordinance (FinSO) regarding the provision of financial services. The focus lies on the duty to inform clients about the type of financial service as well as the financial instruments used and the associated risks. The obligations to provide information with regard to risk disclosure in securities lending, on handling conflicts of interest and on compensation by third parties are also detailed. The circular also contains organisational requirements.

Sustainability in the finance sector

In 2025, the «Sustainability» core team within Group BKB coordinated, prioritised and managed the operational work on the topic of «sustainable finance».

In the year under review, the [self-regulations of AMAS](#) and the Swiss Bankers Association were supplemented in specific areas and, accordingly, the implementation of the revised requirements was a priority in 2025. In general terms, sustainable investment products may only be referred to as “sustainable” if they are either aligned with clearly defined and measurable sustainability goals or explicitly pursue them. Internally, Group BKB raises awareness of greenwashing risks among its employees via a knowledge platform on the intranet and training courses for client advisors.

Basler Kantonalbank also publishes a climate report for the 2025 reporting period. The climate reporting obligation in Switzerland is also based on the EU requirements. In 2025, the EU scaled back climate reporting requirements as part of the “Omnibus I package”. The initiative marks an important milestone on the path towards simplifying sustainability reporting. The Federal Council responded to the EU changes and suspended the revision of the ordinance aimed at tightening climate reporting requirements, which had already begun. With regard to Article 964 of the Swiss Code of Obligations concerning transparency in non-financial matters, the Federal Council also announced in March 2025 that it will only decide on possible amendments once there is clarity regarding how the EU will implement its Omnibus initiative. Further information is expected here in spring 2026.

FINMA Circular 2026/1 “Nature-related financial risks”

FINMA published the new circular [“Nature-related financial risks”](#) in December 2024 which came into force on 1 January 2026. In the circular FINMA sets out in more detail its expectations on financial institutions regarding the management of nature-related financial risks (especially governance, risk identification and scenario analyses) and integration as a driver of risk within the existing management of credit, market, liquidity, operational and legal risks. Group BKB is currently in the implementation phase and, according to the transitional provisions of FINMA for category 3 banks, must comply with the requirements on climate-related financial risks not later than 1 January 2027 and on nature-related financial risks by 1 January 2028.

Basel III, Capital Adequacy Ordinance and FINMA ordinances – Update

The new requirements for Basel III came into effect on 1 January 2025. The [“final Basel III standards”](#) are aimed at restoring confidence in the calculation of risk-weighted assets (RWA) and improving the comparability of banks’ capital ratios. To this end, the Capital Adequacy Ordinance was amended and five new FINMA ordinances came into force on 1 January 2025. The “final Basel III standards” brought no significant change in the total share capital and reserves required for the banking sector. Group BKB implemented the requirements of Basel III, the Capital Adequacy Ordinance and the FINMA ordinances within the time allowed.

Single credit registry (EKE)

With the Single credit registry to a [Single Borrower \(EKE\)](#), the Swiss National Bank and FINMA are introducing a new statistic that is intended to streamline the fragmented reporting landscape in the credit sector and take into account the additional data requirements. The final reporting requirements were communicated in the second half of 2025, which also marked the start of the 18-month implementation phase leading up to the first reporting date on 31 March 2027. The work within Group BKB for the 2025 reporting period centred on analysing the reporting requirements and data fields. Group BKB is currently in the implementation phase, with test reporting being a particular priority in the upcoming 2026 reporting period.

Important influences and positioning of the Group

Five main trends shaped business development and the course of business in the last strategy period 2022–2025: neobanks, new work, partnerships, artificial intelligence and omni-channel.

Neobanks

As digital financial institutions, neobanks generally exclusively offer a mobile and online-based banking experience. Their differentiation advantage resulting from user-friendly apps, low fees and innovative financial products has since diminished as traditional banks have continuously improved their client experience and their digital channels. This has led to market consolidation, with neobanks that maintain close ties to a traditional bank and can also advise their clients where required gaining an advantage.

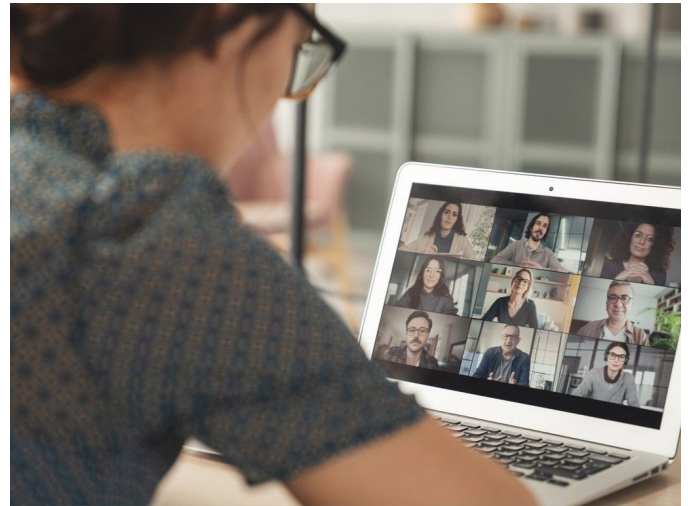


With the Zak neobanking app, Bank Cler has an offer for bank clients who are looking for an uncomplicated bank for their everyday banking transactions. Zak is the only neobank whose clients can also receive personal advice if necessary – throughout Switzerland in one of the 23 Bank Cler branches. The app, which is free of charge in its basic version, now has around 85,000 users.

→ [More about Zak](#)

New Work

The term «new work» encompasses flexible forms of work, flat hierarchies, self-organised teams and methods such as design thinking or lean startup. These factors are crucial for the ability to respond quickly to client needs. At the same time, the altered working methods place increased demands on managerial skills.



The Group addresses the challenges associated with new forms of working through mobile working, co-working spaces and agile, interdisciplinary teams within the framework of «impact-oriented working» (IOW). These methods promote creativity, personal responsibility, motivation and a good work-life balance. And, last but not least, a modern working environment has a positive impact on the attractiveness of both Group banks in the competition for talented employees.

Partnerships

In an increasingly networked world, partnerships with FinTechs, technology companies and other actors are becoming ever more important. This type of cooperation enables us to bring innovative products onto the market faster, tap into new client segments and benefit from external expertise. By combining resources and expertise, synergies are exploited and competitive advantages achieved.



Through its collaboration with partners such as Telebasel, housing associations and Max Havelaar, Group BKB has successfully strengthened its market position, opened up access to new client segments and improved its offering. Together with Pro Senectute, the parent company will not only be making a societal contribution in the future, but will also be able to position itself as a more targeted point of contact for pension and estate matters.

→ [More about partnerships and engagement](#)

Omni-Channel

Clients expect a seamless experience across all channels – online, mobile and in branches. A successful omni-channel strategy integrates these channels, allowing information to be available everywhere at all times. Targeted investments in technology and data management are required to synchronise client data and personalise interactions.

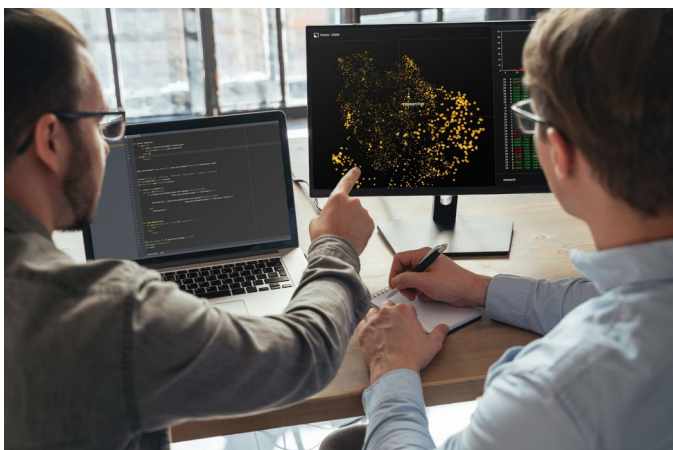


The Group's Digital Banking platform offers an efficient infrastructure. New functions were added in 2025, allowing many requests to be completed easily regardless of opening hours – such as online account opening, card blocking, address changes, opening a pension account and ordering foreign currencies.

→ [More on the useful functions in Digital Banking](#)

Artificial intelligence

Artificial intelligence (AI) has become a relevant lever for banks – especially with regard to boosting efficiency and productivity, personalising the client experience and developing digital solutions. As client data is highly sensitive, the focus lies on the responsible, value-creating use of artificial intelligence, taking into account the applicable regulatory and legal requirements.



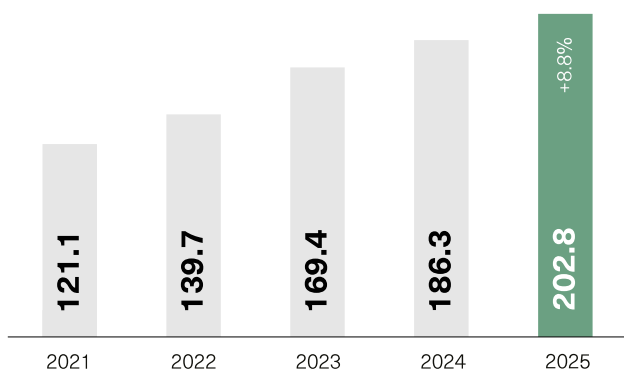
AI will become an important accelerator in the strategy period 2026+. BKB is thus increasing the usability of data to integrate AI applications into everyday banking in a reliable and compliant manner. At the same time, skills enabling safe, responsible and scalable use are being developed. Controls, clear responsibilities and the introduction of an enterprise GPT in the current year ensure that AI provides support in areas where it boosts operational excellence and is also safeguarded wherever risks may arise.

Group business development

Strong 2025 annual financial statements once again showing healthy earnings growth

In 2025, BKB once again achieved a very pleasing operating profit and increased the Group net profit by +8.8 % to CHF 202.8 million. The excellent result is supported by a growing earnings base, a consistent client focus, boosts in efficiency and an unchanged high degree of stability. With a net profit of CHF 44.0 million for the year, Bank Cler is also making an important contribution to the stable success and profitable growth of the Group.

Group net profit
(in CHF million)



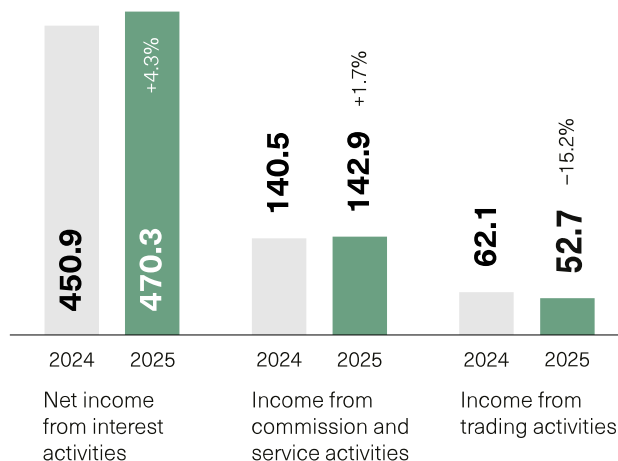
CEO Regula Berger is pleased:

“With the completion of the strategy period at the end of 2025, we have achieved our ambitious goals and even exceeded them in key areas. Together with our employees numbering about 1,500, we have consistently implemented our strategy, gained many new clients and thus achieved strong earnings growth along with cost stability.”

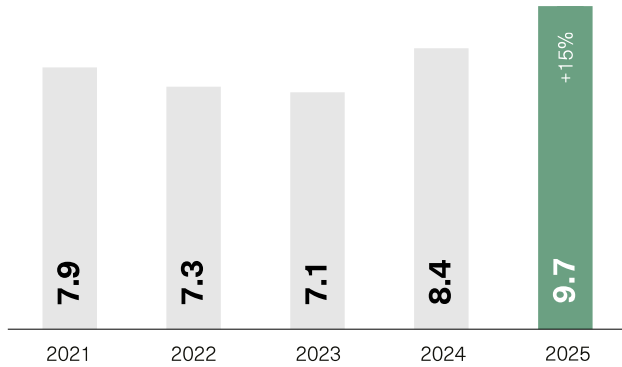
Growing earnings base

In 2025, BKB once again achieved healthy, broad-based earnings growth. Net income from interest-related activities increased by +4.3 % to CHF 470.3 million. In addition to margin-oriented growth, the forward-looking management of the balance sheet structure has particularly contributed to the good result. Commission and service income increased by +1.7 % to CHF 142.9 million. The main reason for this increase was the strong growth of delegation solutions in the Group (+15 %) to CHF 9.7 billion and the increase in asset management mandates by +25 % to just under 5,000. This development shows that clients not only have great confidence in both banks, but also recognise their consistently strong performance in asset management and advisory services. The uncertainties on the market led to reduced client activity for interest rate hedging transactions, which is why income from trading activities, at CHF 52.7 million, was unable to match the previous year’s level (-15.2 %). Overall, operating income increased by +1.9 % to CHF 675.1 million.

Income fields
(in CHF million)



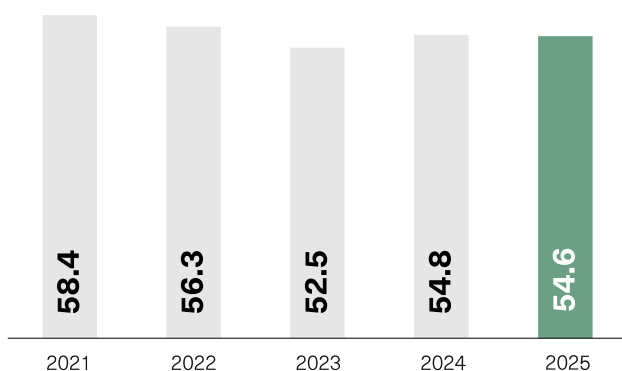
Client assets in delegation solutions
(in CHF billion)



Efficiency gains within business operations

Personnel expenses saw a moderate +0.9 % increase to CHF 214.6 million. Process optimisations, e.g. in the mortgage process or in the account opening process with “digital onboarding”, have continued to have a positive effect on productivity. As general and administrative expenses were cut by -2.4 % thanks to consistent cost management and a clear focus, operating expenses only rose by +1 % to CHF 367.7 million despite the increased compensation for the state guarantee totalling CHF 15.2 million (+5 million CHF). As a result of the rise in operating performance, business performance saw a +2.1 % increase to CHF 281.1 million. The cost/income ratio fell slightly once again to 54.6 % (previous year: 54.8 %).

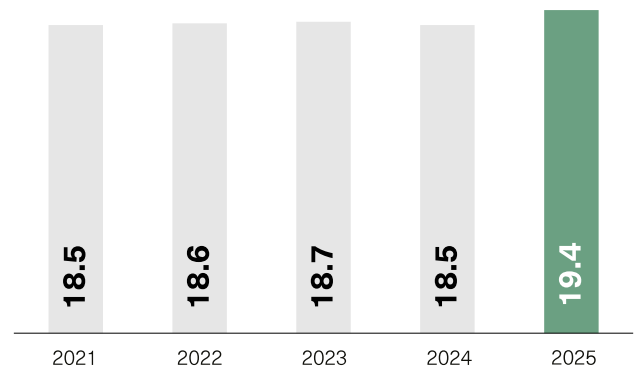
Cost-income Ratio
(in %)



Security and stability as a basic principle

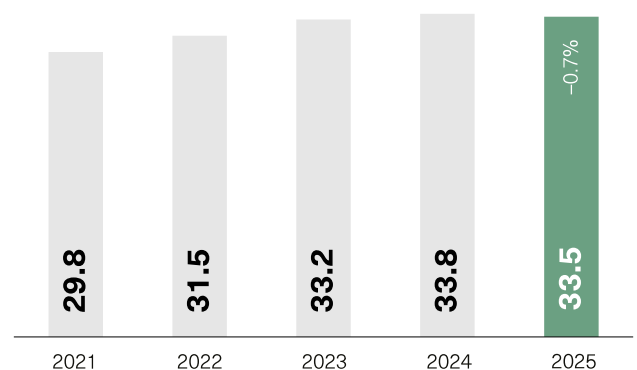
The capital base was further strengthened thanks to the strong operating result. This is a key prerequisite for BKB’s ability to finance its growth ambitions from its own resources and drive innovation forward. At 19.4 %, the total capital ratio is thus once again significantly above the regulatory requirement (13.1 %).

Total capital ratio
(in %)



As security and stability are essential in the current environment, the Group is prioritising stable refinancing and qualitative growth. Total assets increased in 2025 by +2.6 % to CHF 57.4 billion. As part of forward-looking balance sheet management, there was a slight reduction in receivables from clients (-6.4 % to CHF 3.0 billion) as well as in mortgages (-0.7 % to CHF 33.5 billion).

Mortgages
(in CHF billion)



The high quality of the loan portfolio is reflected in a very low non-performing loans ratio of 0.26 %.

Measurement of financial success using six KPIs

Six financial key performance indicators (KPIs) were defined in the three dimensions profitability, stability and balance sheet quality for the strategy period 2026+. They are to be met or complied with during the next four years ending in 2029. Five goals were achieved comfortably by the end of 2025. The objective regarding return on equity (RoE) was intentionally missed due to the strong capital base and the focus on security associated with this.

Financial KPIs

Five out of six strategic objectives were achieved by the end of 2025. In the strategy period 2026+, the non-performing loans ratio (NPL ratio) is being introduced as a new indicator.

	Profitability		Stability		Balance sheet quality	
value 2025	Cost income Ratio (CIR)	Return on equity (ROE)	Net stable funding ratio (NSFR)	Total capital ratio (TCR)	Risk weighted asset efficiency (RWA Efficiency)	Non-performing loans ratio (NPL-Ratio)
	≤ 55 %	≥ 6 %	≥ 110 %	≥ 16 %	≥ 1.0 %	≤ 0.75 %
target 2029	54.6 %	5.8 %	122.1 %	19.4 %	1.26 %	0.26 %

Pleasing year for investors

Participation certificate holders also benefit from sustainable balance sheet growth and excellent profitability. For the 2025 financial year, they receive an increased gross dividend of CHF 3.60 (previous year CHF 3.25, excluding a non-recurring special dividend of CHF 1.25). As a result, and due to the +28.9 % price increase, the overall performance of the BKB participation certificate for 2025 comes to an outstanding +36.5 %.

The BKB participation certificate achieved a very high overall performance of +36.5 % in 2025.

Further information on the BKB participation certificate can be found in the fact sheet.

Qualitative progress

The qualitative business development of BKB in 2025 was characterised by a consistent orientation towards the needs of the clients, a further boost in financial stability, a commitment to the environment and people, and the establishment of a strong management.

The foundation for the Group's business activities is the [Law on Basler Kantonalbank](#) as well as the new Owner Strategy of the Canton of Basel-Stadt which defines the service mandate for the years 2025 to 2029 and was released on 8 April 2025. This supplements the requirements relating to sustainability, remuneration and liquidity. The statutory mandate of the Group Committee is also taken into consideration and set out in more detail.

Added value for the clients

Over the last year, BKB increasingly focused on creating measurable added value through simplification, improved advisory services and a more intensive dialogue. It has successfully finalised numerous strategic plans that have noticeably improved the client experience both in the digital and in the personal sector.

In 2025, the Group implemented various improvements that make banking considerably easier.

The focus lay on various new developments to further simplify banking. With the introduction of the [digital account opening process](#), it is possible to open an account and request cards online in around a quarter of the time - in just a few minutes. At the end of 2025, one in every five new accounts was already opened fully automatically as part of self-onboarding.

Everyday banking was further simplified by continually expanding self-service banking within [Digital Banking](#). This allows clients to complete an increasing number of standard requests, such as address changes or cash orders, easily, independently and at any time.

In addition, the parent company introduced a [free basic service](#) and a special [free account for associations](#) in 2025. With these new offerings, it is establishing itself as the go-to bank for all residents of Basel and underscoring its ties to the regional community.

To cater to the needs of clients even more precisely, a [new client panel](#) was launched across the Group in spring 2025. This direct client dialogue enables BKB to orient itself optimally towards its clients' needs and promptly incorporate their feedback into product development.

A particular focus also lies on the 50+ target group. The parent company BKB, in particular, is positioning itself here as a capable partner for pension and succession planning – among other

things, with a comprehensive SME succession survey in North-western Switzerland, information events and comprehensive advisory services. The aim is to raise awareness of this important topic among clients and create long-term financial security for them.



The progress made by both Group banks in terms of the client experience is evident. In 2025, the parent company and Bank Cler were again awarded "Top Bank" status in a number of categories: the parent company in the categories "Private Bank" and "Savings and Pensions"; Bank Cler in the categories "Private Bank" and "Neobank".

→ [More about the topic](#)

Attractive employer

For approximately 1,500 employees and young professionals, the two Group banks are attractive employers. This strong employer branding is built on modern working models, a culture of appreciation, fair and competitive employment conditions, and attractive development opportunities. Against this backdrop, the parent bank, BKB, was once again ranked among Switzerland's "Best Employers" in 2025 according to Handelszeitung.

In addition, the new dialogue format "Performance Management 2026+" was successfully piloted during the reporting year, representing a key element in the further development of the Group's performance culture.

Commitment to the region

The Group understands its commitment to sustainability as a promise for the region and for Basel. BKB has thus also consistently enhanced its sustainable solutions in its core business – such as sustainable investment funds with active involvement in the companies (known as “engagement”) or financing – in 2025. In this way, the parent company, in particular, aims to contribute to the achievement of the canton’s climate goals.

The emotional highlight of the last year was undoubtedly the Eurovision Song Contest (ESC) which was held in Basel in May 2025. As a national sponsor, the parent company helped the Host City Basel get the whole city participating in this international major event. For instance, it succeeded in creating an unforgettable celebration for all music fans in the St. Jakob-Park arena, on Barfüsserplatz and in the ESC Village at Messe and Congress Center Basel.

In 2025, the parent company entered into a [new partnership with Pro Senectute](#). This represents its commitment to people in later life. With targeted advisory services on safety matters or leisure offers, the parent company wants to help ensure a self-determined and joyful old age.



Pro Senectute and BKB launched their renewed partnership in May with the ESC Disco 60+. In the lead-up to the Eurovision Song Contest, more than 1,200 people partied in the over-60s disco – an unofficial world record. The event was organised by the SRG and Pro Senectute and took place in the Cube Concept Club at Messe and Congress Center Basel.

Stability and security as an advantage

In a challenging market environment, the security and stability of BKB have once again proven to be crucial advantages.

The company’s financial strength is confirmed by first-class ratings from external agencies. Fitch reaffirmed its [top rating of “AAA”](#) in February 2026 and S&P Global Ratings confirmed its [top “AA+”](#) rating in November 2025 for the parent company. These ratings reflect the high core capital ratio and stability of the business model. The parent company is thus not only one of the most solid universal banks in Switzerland but was also named for the first time as one of the most world’s most secure banks.

Bank Cler also has a high, stable core capital ratio and strong internal financing. This enabled it to redeem the existing Additional Tier 1 bond at the earliest possible date [on 25 November 2025](#). (BKB announced in February 2026 that it would also redeem its existing AT1 bond on the earliest possible date, [on 17 March 2026](#).)



Global Finance has identified the world’s 100 most secure banks in its annual ranking. A total of five Swiss banks are listed in the ranking.

The parent company took an impressive eighth place in the overall ranking and is Switzerland’s second most secure bank.

→ [Find out more](#)

A future-oriented strategy

At the end of August 2025, BKB announced the Group Strategy 2026+ which sets out the guidelines for 2026–2029 for the parent company and Bank Cler. In the new strategy, the Group is linking its current strengths to the goal of further reinforcing its market position in the coming four years. The strategy is embedded into Vision 2040 which plans for a significant diversification of the earnings structure. BKB is thus preparing proactively for further consolidation in the Swiss banking market.

Further information on the strategy, vision, main thrusts and objectives can be found in the chapter “Strategic direction”.



With Strategy 2026+, both Group banks are working together on four strategic thrusts to strengthen:

1. Excellence in sales and service
2. Asset management and investment advice
3. Balance sheet management
4. Leadership and future-oriented skills

→ [Film explaining the Group's Strategy 2026+](#)

Strong management

The successful implementation of the strategy requires a strong, forward-looking management. Since 1 March 2025, Group BKB has been managed by Regula Berger as CEO of BKB and Chair of the Group Committee. At the same time, the Bank Council named Christoph Auchli, Group CFO, as the Deputy CEO and Deputy Chair of the Executive Board. And Michel Frei also took over from Regula Berger as Head of the “Sales Commercial Clients” Department on 1 March 2025.

The [AGM of Bank Cler](#) elected Regula Berger as the successor to Dr. Basil Heeb as Chair of the Board of Directors of Bank Cler on 27 March 2025 following Dr. Heeb’s announcement of his resignation in September 2024. Özlem Civelek, Head of the Service Center of Group BKB, was also elected to the Board of Directors alongside Regula Berger and Christoph Auchli. Özlem Civelek has been a member of the Executive Board of the parent company since 2022. In addition, Susanne Ziegler and Christian Reuss were elected as independent members of the Board of Directors of Bank Cler. They replace Maya Salzmann and Prof. Dr. Dr. Christian Wunderlin who decided not to stand for re-election.

As announced in December 2024, Sonja Stirnimann and Prof. Dr. Felix Uhlmann were also appointed to the Bank Council of the parent company BKB as new members with effect from 1 April 2025.



Regula Berger (43) has been CEO of BKB, Chair of the Group Committee and Chair of the Board of Directors of Bank Cler since March 2025. Before that, she managed the “Legal & Compliance” Department from 2018–2020 and the “Sales Commercial Clients” Department from 2021–2025.

→ [More about Regula Berger](#)

Outlook 2026

For 2026, BKB expects the economic, geopolitical and trade policy environment to remain challenging. The low interest rate environment will continue to impact earnings development this year.

With its Strategy 2026+, BKB is focusing not only on balance sheet management but also on sales and service excellence, wealth management and investment advisory, as well as leadership and future-oriented capabilities. In doing so, the Group aims to turn challenges into opportunities and to achieve sustainable growth in the coming years – particularly in wealth management and pension solutions. The Group will continuously monitor progress in the implementation of its strategy using a range of qualitative and quantitative performance indicators across four dimensions: Finance & Risk, Customers, Processes and Employees.

CEO Regula Berger remains confident for 2026:

“We are facing the macroeconomic headwinds and the low interest rate environment from a position of strength, underpinned by high productivity, investment expertise, advisory quality, and a clear focus on stability and security. This will enable us to continue growing successfully together with our clients in 2026.”

Information for investors

Price performance in percent (total return)



Price statistics

		2025	2024
Highest price	in CHF	90.00	69.60
Lowest price	in CHF	66.40	62.00

Yield

		2025	2024 ¹
Dividend	in CHF	3.60	4.50
Dividend yield	in %	4.0	6.5
Performance incl. div.	in %	36.5	15.0

Key figures per participation certificate

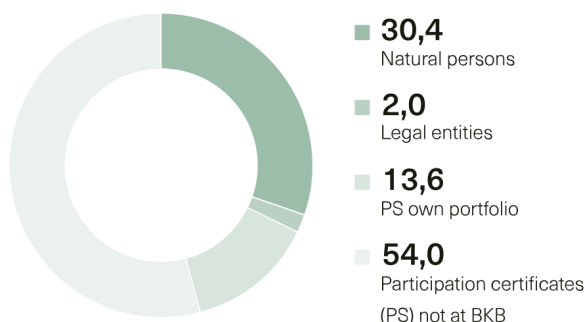
		31.12.2025	31.12.2024
Nominal value	in CHF	8.50	8.50
Book value ²	in CHF	106.95	104.58
Price-to-earnings ratios ³		14.0	11.0
Price-to-book ratio		0.8	0.7

¹ Incl. special dividend of CHF 1.25.

² PC capital and endowment capital.

³ Group net profit before reserves.

Structure of the participation capital in %



CHF 89.20

Closing price for the year

31.12.2024: CHF 69.20

CHF 3.60

Dividend per participation certificate

2024: CHF 4.50¹

4.0 %

Dividend yield

2024: 6.5 %

13.5 %

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

Inhaberinnen und Inhaber von Partizipationsscheinen sind am Geschäftserfolg direkt beteiligt und haben kein Stimmrecht.

Stock exchange listing

SIX Swiss Exchange
 Securities number: 923646
 Ticker Symbol: BSKP

Company profile

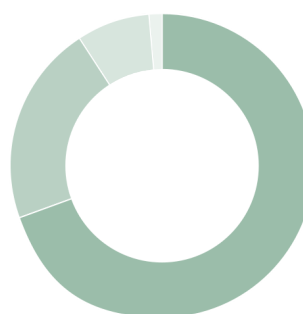
Basler Kantonalbank (BKB) has been firmly rooted in Northwestern Switzerland since 1899 and is positioned as a universal bank serving private clients, companies, and institutional investors. It combines personal advisory services with modern digital offerings and stands for customer proximity and security. In addition to the parent bank BKB, the Group includes Bank Cler AG, which operates independently, as well as the Zak neobanking app. The Group employs around 1,400 people and, measured by total assets, ranks among the ten largest banks in Switzerland.

Key figures for Group BKB

		31.12.2025	31.12.2024
Total assets	in CHF billion	57.4	55.9
Customer loans	in CHF billion	36.5	37.0
Client assets ¹	in CHF billion	55.0	54.1
Total capital ratio	in %	19.4	18.5
<hr/>			
		2025	2024
Business performance	in CHF million	281.1	275.2
Group net profit	in CHF million	202.8	186.3
Return on equity	in %	5.8	5.9
Cost Income Ratio	in %	54.6	54.8
<hr/>			
		31.12.2025	31.12.2024
Sustainability-related delegation solutions	in CHF billion	3.0	2.6
Sustainability-related loans	in CHF billion	2.0	2.0
Number of employees	Headcount	1,443	1,440

¹ Client deposits and safe custody assets, fiduciary deposits and assets under global custody (custody at third-party banks).

Diversified business model in %



- **69,7**
Net income from interest activities
- **21,2**
Income from commission and service activities
- **7,8**
Income from trading activities
- **1,3**
Other ordinary income

Ratings

AAA
Fitch

AA+
S&P Global Ratings

Strategic objectives

		Target 2025	2025
Profitability	Efficiency	≤ 55% Cost income ratio	54.6%
	Profitability	≥ 6% Return on equity	5.8%
Stability	Liquidity	≥ 110% Net stable funding ratio	122.1%
	Financial stability	≥ 16% Total capital ratio	19.4%
Balance sheet quality	Capital efficiency	≥ 1.0% Risk-weighted assets efficiency	1.26%

Company calendar:

Publication of Annual Report: 26 March 2026
Dividend payment: 31 March 2026
Publication of half-yearly results: 13 August 2026

Contact:

Basler Kantonalbank, Aeschenvorstadt 41, 4002 Basel
Phone: 061 266 33 33
E-mail: investorrelations@bkb.ch

Sustainability

Our claim and approach to sustainability

Understanding of sustainability

Group BKB's understanding of sustainability is based on the requirements of the Cantonal Banking 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 contri-

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



Promoting sustainability

Promoting climate protection

Examples:

- Net-zero goal:
- Reduction of greenhouse gases
- Conversion to a low greenhouse gas economy with the help of green loans
- Promote renewable energy, e.g. sustainability mortgage
- Promote biodiversity, e.g. engagement with Bird Life Switzerland

Promoting equal opportunities

Examples:

- Equal pay for men and women
- Affordable housing via the social bond
- Integration of people with physical/mental impairment via the social bond and Group personnel policy
- Youth and talent development through the Group's HR policy and sponsorship

Promoting the local economy

Examples:

- Start-up and innovation support, e.g. Startup Academy
- SME support via the SME impulse programme
- Creation of training places
- Safeguarding jobs

Sustainability strategy

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

“Supporting sustainability” was one of the eight strategic goals of Group BKB that served as a focal point during the strategy period 2022+ which ran until the end of 2025. The operational implementation of this strategic focus continued in the reporting year 2025 based on the defined responsibilities.

In keeping with the purpose of the company “Of 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.

The Cantonal Owner Strategy for 2025–2029 was also adopted in the reporting year. It is oriented towards the parent company BKB and contains extensive and specific objectives that clarify the high degree of the relevance of sustainability from the owner’s perspective. However, the subject of sustainability is also relevant for Bank Cler which is part of the Group.

This report describes the effects, approaches and achievements in relation to non-financial matters for Group BKB in 2025 that have arisen in the course of its business activities and its efforts to achieve the strategic goal of “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 in the reporting year

The so-called business context “Sustainability in Offerings and Operations” was created as a tool within the Group to implement the strategic focus “Promoting sustainability”. The implementation of suitable individual measures was coordinated and monitored, the responsibilities were 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 were formed to cover the entire Group strategy 2022+, while concrete measures were defined from year to year.

In 2025, the focus was on the following points:

- Further development of the climate plan for the organisation and its core business, with a focus on objectives, measures and data quality (Group BKB)
- Disclosure of financed emissions according to the standard of the Partnership for Carbon Accounting Financials (PCAF) (Group BKB)
- Adjustment of the gold products for retail clients (1 gram to 1 kilogram) with a focus on Fairtrade gold and traceable gold (parent company BKB)
- Environmentally friendly refurbishment of branches (Group BKB)
- Ensuring the content-based and organisational embedding of sustainability as part of strategy development 2026+ (Group BKB)
- Further development of non-financial reporting in accordance with the new materiality analysis (DMA) and continuous adaptation according to the legal requirements (Group BKB)
- Conducting of a pilot scheme regarding Active Ownership* in the field of sustainable investments and assessment of any expansion to further investment vehicles (parent company BKB)
- Marketing of green loans and sustainability-linked loans in the corporate client segment (parent company BKB)
- Further development of sponsorship commitment on biodiversity in partnership with BirdLife Switzerland and launch of a new partnership with Pro Senectute relating to social issues (parent company BKB)
- Development of a clear employer value proposition (Bank Cler)
- Expansion of the collaboration with the Ringier Media Group as part of “EqualVoice United” (Bank Cler)
- Onward development of performance management to promote a performance culture within the Group focusing on continuous dialogue and feedback (Group BKB)

Among other matters, current market trends and public and political demands as well as regulatory initiatives were considered when determining these operational priorities. The operational priorities reflect the importance of the topics according to the materiality analysis.

* Active Ownership refers to the active use of owner rights by investors, especially through dialogue with companies and the exercising of voting rights in order to promote improvements in environmental, social and governance matters and, for example, to promote strategies to reduce greenhouse gas emissions

Outlook

In 2026, the emphasis will lie on the continuation of the climate plan adopted at the end of 2024. In particular, the climate goals are to be expanded to other areas of the core business such as financing for corporate clients and the investment business. Sustainability is also being repositioned in the strategy period 2026+ and is no longer a single area of focus, but instead it shapes the implementation of the entire Strategy 2026+ within Group BKB as an overarching guideline. The appropriate foundations for this will be put in place at the beginning of 2026 by further developing governance.

Last but not least, progress will be made in two specific, regulatory-driven ESG projects: firstly, compliance with the self-regulations of the Swiss Bankers Association and the Asset Management Association Switzerland in the field of Sustainable Finance and, secondly, the disclosure of non-financial matters, especially relating to climate-related and nature-related financial risks.

Corporate 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 2026, 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 information relevant to remuneration 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 enshrined in the [Law on Basler Kantonalbank](#) of 6 June 2016 which has been in force in its current version since 11 July 2024. As part of the implementation work of the amended law, various regulations have been and are being revised and the organisational structure within Group BKB reviewed. The Group Committee is therefore now a committee of Basler Kantonalbank and the requirements on the Group Committee will now be governed by the Business and Organisational Regulations of Basler Kantonalbank which came into force on 1 January 2026. The revised regulations will come into force at the beginning of and during 2026.

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+ and, from 1 January 2026, Group strategy 2026+. Economies of scale in operations, investment and innovation can be achieved 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 as they existed on 31 December 2025 along with an indication of the most significant changes and the point in time when these changes became effective during the reporting year. In addition, amendments to the revised Business and Organisational Regulations of Basler Kantonalbank, which come into force on 1 January 2026, are already being outlined. Regarding the detailed listing of the Regulation applicable prior to these amendments, we refer in each case with a specific reference and link to the relevant information in the [Corporate Governance Report for the Financial Year 2024](#).

Group structure and shareholders

1.1 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 20 % in Pick-e-Bike AG, Oberwil. The entities included in the consolidation of Group BKB consist 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 and the regulations governing the Remuneration & Nomination Committee.

The Bank Council of Basler Kantonalbank performs the tasks associated with the Group's top management from a regulatory perspective at Group level, 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 implementation work for the revised Law on Basler Kantonalbank, the provisions on the Group Committee will now be governed by the Business and Organisational Regulations of Basler Kantonalbank which come into force on 1 January 2026.

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 had a combined Audit and Risk Committee since 1 January 2025. The Audit Committee and the Risk Committee of Basler Kantonalbank each consist of four members, 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 BKB Inspectorate Group of Basler Kantonalbank. As an internal auditing body, the BKB Inspectorate Group 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 relevant "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 appointed for both banks. This audit firm is both the statutory auditor and the supervisory auditor. Each year, it prepares a comprehensive report on the audit for the supreme governing body within the meaning of Article 728b par. 1 of the Swiss Code of Obligations and a report on the audits required by supervisory legislation for each supervised Group financial company (cf. also Auditor).

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 achieve synergy effects and cost savings. These are generally managed administratively by Basler Kantonalbank and are based on service level agreements (SLAs) for each infrastructure department and business department. Any services obtained from third-party providers are arranged via Basler Kantonalbank. These services are provided in compliance with framework agreements and the associated SLAs by Basler Kantonalbank or the relevant subcontractors.

1.2 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) on 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.

1.3 Cross-shareholdings

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

1.4 Owner Strategy

On 8 April 2025, the Governing Council of the Canton of Basel-Stadt adopted the Owner Strategy for the years 2025 to 2029 which is primarily directed at the Bank Council as the highest supervisory body and provides it with the benchmarks for the strategic orientation 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 at least every four years 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 general public and the local economy. This includes payment transactions, investment and financing transactions, innovative products tailored to client needs 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 Kantonal-

bank 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 level required by law and the regulatory authorities. 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 65 million per year on average over the four years.

Basler Kantonalbank is committed to pursuing a progressive and socially responsible human resources policy. It promotes the compatibility of family and work. 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 reduce the speed of climate change. The Bank Council is addressing this important issue in Group BKB. The owner expects Basler Kantonalbank to pursue an ambitious strategy to reduce climate risks and contribute to the balanced and ecologically, economically and socially sustainable development of the Canton of Basel-Stadt, so that future generations can also satisfy 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. The operational CO₂ emissions (Scope 1) of Basler Kantonalbank should be net zero by 2030 at the latest.

Capital structure

2.1 Capital

The share capital of Basler Kantonalbank amounts to CHF 354.2 million as at 31 December 2025. 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.

2.2 Capital volume and conditional capital in particular

By a 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.

2.3 Changes to capital

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

2.4 Shares and participation certificates

In addition to the endowment capital, Basler Kantonalbank has additional participation certificate capital. As at 31 December 2025, the nominal value of the participation certificate capital amounted 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 are entitled to subscribe for new participation certificates in proportion to the par value of their existing participation cer-

tificates. 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 2025, 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.

2.5 Profit participation certificates

Basler Kantonalbank has not issued any profit participation certificates.

2.6 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.

2.7 Convertible bonds and options

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

2.8 State guarantee

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. Controlled companies are usually managed as independent units and appear independently on the market. Bank Cler continues to be an independent legal entity with its own legal personality, its own liability base, its own market presence and its own FINMA licence.

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. 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 amounts to CHF 15.2 million annually.

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.

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 or employment). Persons who are married to each other, live in a registered partnership or

in a stable cohabitation, or are related by blood or marriage to the first or second degree, 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 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 Prof. Dr. Felix Uhlmann joined the Board in place of the Bank Council members who were no longer standing, Karoline Sutter and Urs Berger.

The Bank Council constituted itself on 26 March 2025 for the term of office until 2029. At the same time, the committees of the Board were also appointed, the composition of which came into effect on 1 April 2025 (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».

3.1 Members of the Bank Council

The members of the Bank Council in office as at 31 December 2025 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



Mathis Büttiker

Member of the Bank Council since 1 April 2021

Lic.iur. Licensed Attorney, Executive MBA



Dr. Christine Hehli Hidber

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

Dr iur., Licensed Attorney



Dr. Jacqueline Henn

Member of the Bank Council since 1 April 2017

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



Priscilla M. Leimgruber

Member of the Bank Council since 1 April 2017

Executive MBA; Advocate



Sonja Stirnimann

Member of the Bank Council since 1 April 2025

Swiss Certified Financial Auditor, Int. Executive MBA
Financial Services & Insurance HSG/HEC



Domenico Scala

Member of the Bank Council since 1 April 2017

Economist, professional member of the Board of Directors



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



Prof. Dr. Felix Uhlmann

Member of the Bank Council since 1 April 2025

Prof. Dr. iur. University of Zürich, Chair for Constitutional and Administrative Law, as well as Legislative Studies, Zürich

Executive Board and Group Committee

4.1 Executive Board and Group Committee

4.1 Members of the Executive Board

The Executive Board consists of the CEO and five other members as of 31 December 2025. These each manage one department. The members of the Executive Board are listed below along with information on their nationality, education and professional background and any previous work for Basler Kantonalbank or a Group finance company.



Regula Berger

CEO and Chair of the Group Committee since 1 March 2025,
Member of the Executive Board,
Head of Presidential Department since 1 March 2025

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



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)



Christoph Auchli

CFO,
Deputy CEO and Deputy Chair of the Group Committee since
1 March 2025,
Member of the Executive Board and Group Committee,
Head of Finance & Risk department since 22 October 2018

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



Raphael Helbling

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

Licensed Attorney



Markus Hipp

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

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



Michel Frei

Member of the Executive Board and Group Committee,
Head of Sales Commercial Clients Department since
1 March 2025

Executive MBA, IMD, Lausanne

Group BKB Annual financial statements

Group key figures at a glance

Balance sheet		31.12.2025	31.12.2024
Total assets	in CHF 1000	57,367,563	55,892,230
- Change	in %	2.6	6.1
Customer loans	in CHF 1000	36,499,907	36,956,701
- of which Mortgages	in CHF 1000	33,516,375	33,768,352
Customer deposits	in CHF 1000	30,454,974	30,132,482
General public funds ¹	in CHF 1000	30,634,130	30,400,413
Reported own funds (incl. Group net profit)	in CHF 1000	4,658,884	4,543,591
Reported own funds (excl. Group net profit)	in CHF 1000	4,456,076	4,357,264
Income statement		2025	2024
Net income from interest activities	in CHF 1000	470,335	450,892
Income from commission and service activities	in CHF 1000	142,888	140,495
Income from trading activities and exercising the fair-value option	in CHF 1000	52,695	62,119
Other ordinary income	in CHF 1000	9,180	9,199
Gross Income ²	in CHF 1000	672,806	664,459
- Change	in %	1.3	-1.4
Operating income	in CHF 1000	675,098	662,705
- Change	in %	1.9	-1.8
Operating expenses	in CHF 1000	367,656	364,084
- Change	in %	1.0	3.0
Amortisation, depreciation, write-downs and provisions	in CHF 1000	26,307	23,384
Business performance	in CHF 1000	281,135	275,237
- Change	in %	2.1	-0.2
Group net profit	in CHF 1000	202,808	186,327
- Change	in %	8.8	10.0
Profitability key figures		2025	2024
Return on equity (Group net profit before reserves/average equity)	in %	5.8	5.9
Balance sheet ratios		31.12.2025	31.12.2024
Customer loans as % of total assets	in %	63.6	66.1
Mortgage loans as % of customer loans	in %	91.8	91.4
Customer deposits as % of total assets	in %	53.1	53.9
Degree of funding I (customer funds/customer loans) ¹	in %	83.9	82.3
Degree of funding II (general public funds/customer loans) ³	in %	115.2	112.6
Equity ratio	in %	8.1	8.1
Hard core capital ratio (CET1 ratio)	in %	18.8	17.6
Core capital ratio (T1 ratio) ⁴	in %	19.1	18.1
Total capital ratio	in %	19.4	18.5
Capital adequacy target ⁵	in %	13.1	13.0
Leverage Ratio	in %	7.5	7.1
Average liquidity coverage ratio (LCR) Q4	in %	128.9	132.4
Net stable funding ratio (NSFR)	in %	122.1	126.6
RWA efficiency ⁶	in %	1.26	1.20
Non-Performing Loans Ratio ⁷	in %	0.26	-
Income statement ratios		2025	2024
Cost income ratio (operating expenses/gross income) ²	in %	54.6	54.8
Net interest income as % of operating income	in %	69.7	68.0
Income from commission and service activities as % of operating income	in %	21.2	21.2
Net trading income as % of operating income	in %	7.8	9.4
Other ordinary income as % of operating income	in %	1.3	1.4
Personnel expenses as % of operating expenses	in %	58.4	58.4
Non-personnel expenses as % of operating expenses ⁸	in %	41.6	41.6
Client assets		31.12.2025	31.12.2024
Client assets ⁹	in CHF 1000	54,951,993	54,148,630
Net new money inflow/outflow (YTD)	in CHF 1000	-1,477,079	2,907,009
Performance/interest/dividends/charges	in CHF 1000	2,280,442	1,898,030

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 previous year's figures were aligned with the current accounting and presentation principles.

⁵ 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.

⁶ Gross profit / total risk-weighted assets (RWA).

⁷ Non-performing loans/client loans, first published 31.12.2025.

⁸ The compensation for the state guarantee is allocated to non-personnel expenses for the calculation of this key figure.

⁹ Client deposits and safe custody assets, fiduciary deposits and assets under global custody (custody at third-party banks).

Employees	31.12.2025	31.12.2024
Number of employees (Headcount)	1,443	1,440
Number of apprentices and trainees	62	68
Full-time equivalents (FTEs) ¹	1,273	1,271

¹ Apprentices and trainees are weighted at 50 %.

Consolidated balance sheet

Assets	31.12.2025 in CHF 1000	31.12.2024 in CHF 1000	Change in absolute terms	Change in %
Liquid funds	7,851,707	7,252,155	599,552	8.3
Receivables from banks ¹	654,593	960,427	-305,834	-31.8
Receivables from securities financing transactions	7,154,761	5,967,092	1,187,669	19.9
Receivables from customers	2,983,532	3,188,349	-204,817	-6.4
Mortgages	33,516,375	33,768,352	-251,977	-0.7
Trading activities ¹	1,285,632	1,010,904	274,728	27.2
Positive replacement values of derivative financial instruments	149,597	263,444	-113,847	-43.2
Financial assets	3,228,496	3,035,194	193,302	6.4
Prepaid expenses	162,168	145,488	16,680	11.5
Non-consolidated investments	78,430	78,331	99	0.1
Property, plant and equipment ¹	144,623	151,643	-7,020	-4.6
Intangible assets ¹	14,930	4,645	10,285	-
Other assets	142,719	66,206	76,513	-
Total assets	57,367,563	55,892,230	1,475,333	2.6
Total subordinated receivables	5,592	3,695	1,897	51.3
- of which with conversion obligation and/or debt waiver	-	-	-	-
Equity and liabilities				
Liabilities to banks	7,819,129	6,162,723	1,656,406	26.9
Liabilities from securities financing transactions	2,131,462	2,896,586	-765,124	-26.4
Liabilities from customer deposits	30,454,974	30,132,482	322,492	1.1
Liabilities from trading activities	-	3,681	-3,681	-100.0
Negative replacement values of derivative financial instruments	78,404	75,896	2,508	3.3
Liabilities from other financial instruments measured at fair value	384,896	300,763	84,133	28.0
Medium-term notes	179,156	267,931	-88,775	-33.1
Bonds and mortgage-backed bonds	11,410,321	11,194,627	215,694	1.9
Deferred income	194,952	196,051	-1,099	-0.6
Other liabilities	30,447	85,737	-55,290	-64.5
Provisions	24,938	32,162	-7,224	-22.5
Reserves for general banking risks	3,062,578	3,000,108	62,470	2.1
Share capital	354,150	354,150	-	-
Capital reserve	126,416	132,638	-6,222	-4.7
Retained earnings	993,529	950,965	42,564	4.5
Treasury shares (short position)	-80,597	-80,597	-	-
Group net profit	202,808	186,327	16,481	8.8
Total equity and liabilities	57,367,563	55,892,230	1,475,333	2.6
Total subordinated liabilities	101,448	188,502	-87,054	-46.2
- of which with conversion obligation and/or debt waiver	101,434	188,502	-87,068	-46.2
Off-balance sheet transactions				
Contingent liabilities	218,461	238,215	-19,754	-8.3
Irrevocable commitments	3,520,861	3,412,369	108,492	3.2
Liabilities for calls on shares and other equity	152,524	121,434	31,090	25.6

¹ The previous year's figures were aligned with the current accounting and presentation principles.

Consolidated income statement

	2025 in CHF 1000	2024 in CHF 1000	Change in absolute terms	Change in %
Income from interest activities				
Interest and discount income	1,234,206	1,307,238	-73,032	-5.6
Interest and dividend income from financial assets	15,500	30,564	-15,064	-49.3
Interest expenses	-781,663	-885,156	103,493	-11.7
Gross income from interest activities	468,043	452,646	15,397	3.4
Changes in write-downs relating to the risk of default and losses from interest activities	2,292	-1,754	4,046	-
Net income from interest activities	470,335	450,892	19,443	4.3
Income from commission and service activities				
Commission income from securities and investment activities	123,846	114,992	8,854	7.7
Commission income from lending activities	9,259	9,593	-334	-3.5
Commission income from other service activities	31,100	35,775	-4,675	-13.1
Commission expenses	-21,317	-19,865	-1,452	7.3
Income from commission and service activities	142,888	140,495	2,393	1.7
Income from trading activities and exercising the fair-value option	52,695	62,119	-9,424	-15.2
Other ordinary income				
Income from the disposal of financial assets	14	921	-907	-98.5
Income from investments	5,327	5,143	184	3.6
- of which from investments accounted for using the equity method	354	332	22	6.6
- of which from other non-consolidated investments	4,973	4,811	162	3.4
Real estate income	1,825	1,642	183	11.1
Other ordinary income	2,057	1,590	467	29.4
Other ordinary expenses	-43	-97	54	-55.7
Other ordinary income	9,180	9,199	-19	-0.2
Operating income	675,098	662,705	12,393	1.9
Operating expenses				
Payroll costs	-214,572	-212,655	-1,917	0.9
General and administrative expenses	-137,884	-141,229	3,345	-2.4
Compensation for the state guarantee	-15,200	-10,200	-5,000	49.0
Operating expenses	-367,656	-364,084	-3,572	1.0
Write-downs on investments and depreciation of property, plant and equipment, and amortisation of intangible assets	-25,222	-22,573	-2,649	11.7
Changes to provisions and other value adjustments, and losses	-1,085	-811	-274	33.8
Business performance	281,135	275,237	5,898	2.1
Extraordinary income	166	116	50	43.1
Change in reserves for general banking risks	-62,470	-75,360	12,890	-17.1
Taxes	-16,023	-13,666	-2,357	17.2
Group net profit	202,808	186,327	16,481	8.8

Consolidated cash flow statement

	2025 cash inflow in CHF 1000	2025 cash outflow in CHF 1000	2024 cash inflow in CHF 1000	2024 cash outflow in CHF 1000
Cash flow from operations and capital	85,908		155,819	
Cash flow from operating result (internal financing)	120,621		174,822	
Income for the period	202,808		186,327	
Change in reserves for general banking risks	62,470		75,360	
Write-downs on property, plant and equipment ¹	22,253		20,388	
Amortisation of intangible assets ¹	2,972		2,185	
Write-downs of properties held for sale	-	-	-	1,414
Revaluation of financial assets	99	6,380	3,960	4,933
Revaluation of investments	-	99	-	42
Changes in write-downs relating to risk of default and losses	25,504	27,321	10,099	7,563
Other provisions	2,632	2,775	9,549	2,782
Prepaid expenses		16,679		8,970
Deferred income		1,100		8,187
Dividend for previous year		143,763		99,155
Cash flow from equity transactions	6,223		166	
Capital reserve		6,223	152	
Change in own equity instruments			14	
Cash flow from operations in property, plant and equipment		28,490		19,169
Investments	-	-	-	5,834
Bank buildings	-	6,894	691	2,103
Other properties	-	1,737	-	128
Other property, plant and equipment	-	6,188	-	7,490
Software	-	414	-	709
Intangible assets ¹	-	13,257	-	3,596
Cash flow from banking business: Medium and long-term business (> 1 year)		83,667		352,468
Cash flow from interbank business	10,000			14,680
- Receivables from banks			320	
- Liabilities to banks	10,000			15,000
Cash flow from client business	170,798			739,659
- Receivables from clients	81,725			105,402
- Mortgages	248,001			601,682
- Liabilities from client deposits		70,153		115,714
- Medium-term notes		88,775	83,139	
Cash flow from financial investments		348,357		77,266
- Bonds		348,350		80,982
- Equity instruments/precious metals		7		794
- Properties			4,510	
Cash flow from capital market business	215,695		291,861	
- Bonds		275,405	277,861	
- Mortgage-backed bonds	355,100			27,000
- Money market securities (certificates of deposit)	136,000		41,000	
Cash flow from other balance sheet items		131,803	187,276	
- Other assets		76,513	212,530	
- Other liabilities		55,290		25,254
Cash flow from banking business: Short-term business (< 1 year)	597,311		496,490	
Cash flow from interbank business	2,018,003			276,712
- Receivables from banks ¹	371,598			786,891
- Liabilities to banks	1,646,405		510,179	
Cash flow from client business		1,438,120	278,486	
- Receivables from clients	122,027		50,598	
- Receivables from securities financing transactions		1,187,669		2,225,693
- Liabilities from securities financing transactions		765,124	287,776	
- Liabilities from client deposits	392,646		2,165,805	
Cash flow from trading activities		343,977	261,369	
- Trade receivables ¹		340,296	267,367	
- Liabilities from trading activities		3,681		5,998
Cash flow from other financial instruments measured at fair value	84,133		5,585	
- Liabilities from other financial instruments measured at fair value	84,133		5,585	
Cash flow from financial investments	160,918		458,885	
- Certificates of Deposit and Money Market Book Claims	160,918		458,885	
Cash flow from replacement values of derivative financial instruments	116,354			231,123
- Positive replacement values	113,846			103,103
- Negative replacement values	2,508			128,020
Change in fund liquidity	599,552		299,841	

¹ The previous year's figures were aligned with the current accounting and presentation principles.

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	132,638	950,965	3,000,108	-80,597	186,327	4,543,591
Appropriation of profit from 2024							
- Allocation to retained earnings	-	-	42,564	-	-	-42,564	-
- Dividend	-	211	-	-	-	-16,726	-16,515
- Special dividend from capital reserves	-	-6,433	-	-	-	-	-6,433
- Distribution to canton	-	-	-	-	-	-127,037	-127,037
Allocations to reserves for general banking risks	-	-	-	62,470	-	-	62,470
Group net profit	-	-	-	-	-	202,808	202,808
Equity at the end of the reporting period	354,150	126,416	993,529	3,062,578	-80,597	202,808	4,658,884

Parent
company BKB
Annual
financial
statements

Parent company Basler Kantonalbank – at a glance

Balance sheet		31.12.2025	31.12.2024
Total assets	in CHF 1000	39,025,812	37,315,511
– Change	in %	4.6	8.4
Client loans	in CHF 1000	19,818,464	19,793,385
– of which Mortgages	in CHF 1000	16,894,741	16,660,010
Client deposits	in CHF 1000	18,783,239	18,221,217
Client funds ¹	in CHF 1000	18,864,137	18,329,804
Reported own funds (including profit for the year)	in CHF 1000	3,903,611	3,838,425
Reported own funds (after appropriation of profit)	in CHF 1000	3,782,743	3,688,229

Income statement		2025	2024
Net income from interest activities	in CHF 1000	263,863	261,664
Income from commission and service activities	in CHF 1000	97,542	95,689
Income from trading activities and exercising the fair-value option	in CHF 1000	44,465	53,826
Other ordinary income	in CHF 1000	81,034	81,088
Gross Income ²	in CHF 1000	489,070	494,731
– Change	in %	-1.1	-0.4
Operating income	in CHF 1000	486,904	492,267
– Change	in %	-1.1	-1.0
Operating expenses	in CHF 1000	258,749	254,115
– Change	in %	1.8	2.2
Amortisation, depreciation, write-downs and provisions	in CHF 1000	13,108	12,269
Business performance	in CHF 1000	215,047	225,883
– Change	in %	-4.8	5.5
Net profit for the year	in CHF 1000	189,201	172,883
– Change	in %	9.4	9.8

Profitability key figure		2025	2024
Return on equity (Group net profit before reserves/average equity)	in %	5.7	6.1

Balance sheet ratios		31.12.2025	31.12.2024
Client loans as % of total assets	in %	50.8	53.0
Mortgage loans as % of client loans	in %	85.2	84.2
Client deposits as % of total assets	in %	48.1	48.8
Degree of funding I (client funds/client loans) ¹	in %	95.2	92.6
Degree of funding II (general public funds/client loans) ³	in %	129.5	124.5
Equity ratio	in %	10.0	10.3
Tier 1 capital ratio (CET1 ratio)	in %	20.4	19.6
Core capital ratio (T1 ratio)	in %	20.8	19.9
Total capital ratio	in %	21.1	20.3
Own funds target ⁴	in %	12.7	12.6
Leverage ratio	in %	9.0	8.3
Average liquidity coverage ratio (LCR) – Q4	in %	133.3	135.8
Net stable funding ratio (NSFR)	in %	118.5	123.1
Risk-weighted asset efficiency ⁵	in %	1.24	1.27
Non-Performing Loans Ratio ⁶	in %	0.09	-

Income statement ratios		2025	2024
Cost income ratio (operating expenses/gross income) ²	in %	52.9	51.4
Net interest income as % of operating income	in %	54.2	53.2
Income from commission and service activities as % of operating income	in %	20.0	19.4
Net trading income as % of operating income	in %	9.1	10.9
Other ordinary income as % of operating income	in %	16.7	16.5
Personnel expenses as % of operating expenses	in %	62.4	62.5
Non-personnel expenses as % of operating expenses ⁷	in %	37.6	37.5

Client assets		31.12.2025	31.12.2024
Client assets ⁸	in CHF 1000	38,171,422	37,562,244
Net new money inflow/outflow (YTD)	in CHF 1000	-1,519,595	2,580,961
Performance/interest/dividends/charges	in CHF 1000	2,128,773	1,772,625

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 Non-performing loans/client loans, first published 31.12.2025.

⁷ The compensation for the state guarantee is allocated to non-personnel expenses for the calculation of this key figure.

⁸ Client deposits and safe custody assets, fiduciary deposits and assets under global custody (custody at third-party banks).

Employees	31.12.2025	31.12.2024
Number of employees (Headcount)	1,052	1,051
Number of apprentices and trainees	36	40
Full-time equivalents (FTEs) ¹	929	927

¹ Apprentices and trainees are weighted at 50 %.

Balance sheet – before appropriation of profit

Assets	31.12.2025 in CHF 1000	31.12.2024 in CHF 1000	Change in absolute terms	Change in %
Liquid funds	5,512,083	5,110,329	401,754	7.9
Receivables from banks	1,074,005	1,425,633	-351,628	-24.7
Receivables from securities financing transactions	7,154,761	5,967,092	1,187,669	19.9
Receivables from clients	2,923,723	3,133,375	-209,652	-6.7
Mortgages	16,894,741	16,660,010	234,731	1.4
Trading activities	1,286,625	949,590	337,035	35.5
Positive replacement values of derivative financial instruments	149,597	263,441	-113,844	-43.2
Financial assets	2,988,497	2,817,071	171,426	6.1
Prepaid expenses	97,739	80,033	17,706	22.1
Investments	745,959	745,959	-	-
Property, plant and equipment	63,305	69,347	-6,042	-8.7
Intangible assets	7,755	-	7,755	-
Other assets	127,022	93,631	33,391	35.7
Total assets	39,025,812	37,315,511	1,710,301	4.6
Total subordinated receivables	5,592	6,955	-1,363	-19.6
- of which with conversion obligation and/or debt waiver	-	-	-	-
Equity and liabilities				
Liabilities to banks	6,877,493	5,370,887	1,506,606	28.1
Liabilities from securities financing transactions	1,957,462	2,896,586	-939,124	-32.4
Liabilities from client deposits	18,783,239	18,221,217	562,022	3.1
Liabilities from trading activities	-	3,681	-3,681	-100.0
Negative replacement values of derivative financial instruments	78,404	75,896	2,508	3.3
Liabilities from other financial instruments measured at fair value	384,896	300,763	84,133	28.0
Medium-term notes	80,898	108,587	-27,689	-25.5
Bonds and mortgage-backed bonds	6,804,051	6,306,480	497,571	7.9
Deferred income	121,022	113,629	7,393	6.5
Other liabilities	16,267	55,112	-38,845	-70.5
Provisions	18,469	24,248	-5,779	-23.8
Reserves for general banking risks	2,738,966	2,712,996	25,970	1.0
Share capital	354,150	354,150	-	-
Statutory capital reserve	141,317	147,750	-6,433	-4.4
- of which reserves from capital contributions ¹	83,719	90,152	-6,433	-7.1
- of which other reserves	57,598	57,598	-	-
Statutory retained earnings	327,510	325,899	1,611	0.5
Voluntary retained earnings	230,800	203,100	27,700	13.6
Treasury shares (short position)	-80,597	-80,597	-	-
- against reserves from capital contributions	-67,839	-67,839	-	-
- other	-12,758	-12,758	-	-
Profit carried forward	2,264	2,244	20	0.9
Net profit for the year	189,201	172,883	16,318	9.4
Total equity and liabilities	39,025,812	37,315,511	1,710,301	4.6
Total subordinated liabilities	101,448	101,474	-26	-
- of which with conversion obligation and/or debt waiver	101,434	101,474	-40	-
Off-balance sheet transactions				
Contingent liabilities	212,732	219,887	-7,155	-3.3
Irrevocable commitments	3,247,710	3,053,491	194,219	6.4
Liabilities for calls on shares and other equity	123,341	92,251	31,090	33.7

¹ Of which CHF 15,879K recognised for tax purposes in the reporting year and CHF 22,313K in the previous year.

Income statement

	2025 in CHF 1000	2024 in CHF 1000	Change in absolute terms	Change in %
Income from interest activities				
Interest and discount income	960,112	982,593	-22,481	-2.3
Interest and dividend income from financial assets	13,183	28,363	-15,180	-53.5
Interest expenses	-707,266	-746,828	39,562	-5.3
Gross income from interest activities	266,029	264,128	1,901	0.7
Changes in write-downs relating to the risk of default and losses from interest activities	-2,166	-2,464	298	-12.1
Net income from interest activities	263,863	261,664	2,199	0.8
Income from commission and service activities				
Commission income from securities and investment activities	85,712	78,829	6,883	8.7
Commission income from lending activities	7,871	8,293	-422	-5.1
Commission income from other service activities	19,529	22,921	-3,392	-14.8
Commission expenses	-15,570	-14,354	-1,216	8.5
Income from commission and service activities	97,542	95,689	1,853	1.9
Income from trading activities and exercising the fair-value option	44,465	53,826	-9,361	-17.4
Other ordinary income				
Income from the disposal of financial assets	5	71	-66	-93.0
Income from investments	33,941	33,894	47	0.1
Real estate income	1,101	992	109	11.0
Other ordinary income	45,987	46,138	-151	-0.3
Other ordinary expenses	-	-7	7	-100.0
Other ordinary income	81,034	81,088	-54	-0.1
Operating income	486,904	492,267	-5,363	-1.1
Operating expenses				
Payroll costs	-161,393	-158,778	-2,615	1.6
General and administrative expenses	-82,156	-85,137	2,981	-3.5
Compensation for the state guarantee / guarantor	-15,200	-10,200	-5,000	49.0
Operating expenses	-258,749	-254,115	-4,634	1.8
Write-downs on investments and depreciation of property, plant and equipment, and amortisation of intangible assets	-13,616	-12,464	-1,152	9.2
Changes to provisions and other value adjustments, and losses	508	195	313	-
Business performance	215,047	225,883	-10,836	-4.8
Extraordinary income	124	-	124	-
Change in reserves for general banking risks	-25,970	-53,000	27,030	-51.0
Net profit for the year	189,201	172,883	16,318	9.4

Appropriation of profit

Appropriation of profit	2025 in CHF 1000	2024 in CHF 1000	Change in absolute terms	Change in %
Net profit for the year	189,201	172,883	16,318	9.4
Profit carried forward from previous year	2,264	2,244	20	0.9
Balance sheet profit	191,465	175,127	16,338	9.3
Allocation to statutory retained earnings	1,400	1,400	-	-
Allocation to voluntary retained earnings	66,900	27,700	39,200	-
Dividend on participation certificate capital	18,527	16,726	1,801	10.8
Compensation for endowment capital	2,341	2,037	304	14.9
Ordinary handover to the Canton of Basel-Stadt	100,000	100,000	-	-
Sondergewinnablieferung Jubiläum an den Kanton Basel-Stadt	-	25,000	-25,000	-100.0
Profit carried forward to new account	2,297	2,264	33	1.5
Special anniversary dividend from capital reserves	-	6,433	-6,433	-100.0
Dividend	2025 in CHF	2024 in CHF		
Per participation certificate of CHF 8.50 nominal				
- Gross dividend	3.60	3.25		
- less federal withholding tax 35 %	1.26	1.14		
- Net dividend	2.34	2.11		
- Special anniversary dividend from capital reserves net	-	1.25		
Credit on participation certificate dividend on	31.3.2026	1.4.2025		

Balance sheet – after appropriation of profit

Assets	31.12.2025 in CHF 1000	31.12.2024 in CHF 1000	Change absolute	Change in %
Liquid funds	5,512,083	5,110,329	401,754	7.9
Receivables from banks	1,074,005	1,425,633	-351,628	-24.7
Receivables from securities financing transactions	7,154,761	5,967,092	1,187,669	19.9
Receivables from clients	2,923,723	3,133,375	-209,652	-6.7
Mortgages	16,894,741	16,660,010	234,731	1.4
Trading activities	1,286,625	949,590	337,035	35.5
Positive replacement values of derivative financial instruments	149,597	263,441	-113,844	-43.2
Financial assets	2,988,497	2,817,071	171,426	6.1
Prepaid expenses	97,739	80,033	17,706	22.1
Investments	745,959	745,959	-	-
Property, plant and equipment	63,305	69,347	-6,042	-8.7
Intangible assets	7,755	-	7,755	-
Other assets	127,022	93,631	33,391	35.7
Total assets	39,025,812	37,315,511	1,710,301	4.6
Total subordinated receivables	5,592	6,955	-1,363	-19.6
- of which with conversion obligation and/or debt waiver	-	-	-	-
Equity and liabilities				
Liabilities to banks	6,877,493	5,370,887	1,506,606	28.1
Liabilities from securities financing transactions	1,957,462	2,896,586	-939,124	-32.4
Liabilities from client deposits	18,885,580	18,348,254	537,326	2.9
Liabilities from trading activities	-	3,681	-3,681	-100.0
Negative replacement values of derivative financial instruments	78,404	75,896	2,508	3.3
Liabilities from other financial instruments measured at fair value	384,896	300,763	84,133	28.0
Medium-term notes	80,898	108,587	-27,689	-25.5
Bonds and mortgage-backed bonds	6,804,051	6,306,480	497,571	7.9
Deferred income	121,022	113,629	7,393	6.5
Other liabilities	34,794	78,271	-43,477	-55.5
Provisions	18,469	24,248	-5,779	-23.8
Reserves for general banking risks	2,738,966	2,712,996	25,970	1.0
Share capital	354,150	354,150	-	-
Statutory capital reserve	141,317	141,317	-	-
- of which reserves from capital contributions ¹	83,719	83,719	-	-
- of which other reserves	57,598	57,598	-	-
Statutory retained earnings	328,910	327,299	1,611	0.5
Voluntary retained earnings	297,700	230,800	66,900	29.0
Treasury shares (short position)	-80,597	-80,597	-	-
- against reserves from capital contributions	-67,839	-67,839	-	-
- other	-12,758	-12,758	-	-
Profit carried forward	2,297	2,264	33	1.5
Total equity and liabilities	39,025,812	37,315,511	1,710,301	4.6
Total subordinated liabilities	101,448	101,474	-26	-
- of which with conversion obligation and/or debt waiver	101,434	101,474	-40	-
Off-balance sheet transactions				
Contingent liabilities	212,732	219,887	-7,155	-3.3
Irrevocable commitments	3,247,710	3,053,491	194,219	6.4
Liabilities for calls on shares and other equity	123,341	92,251	31,090	33.7

¹ Of which CHF 15,879K recognised for tax purposes in the reporting year and in the previous year.

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	325,899	2,712,996	205,344	-80,597	172,883	3,838,425
Appropriation of profit 2024								
- Allocation to statutory retained earnings	-	-	1,400	-	-	-	-1,400	-
- Allocation to voluntary retained earnings	-	-	-	-	27,700	-	-27,700	-
- Dividend	-	-	211	-	-	-	-16,726	-16,515
- Special dividend from capital reserves	-	-6,433	-	-	-	-	-	-6,433
- Distribution to canton	-	-	-	-	-	-	-127,037	-127,037
- Net change in profit carried forward	-	-	-	-	20	-	-20	-
Allocations to the reserves for general banking risks	-	-	-	25,970	-	-	-	25,970
Net profit for the year	-	-	-	-	-	-	189,201	189,201
Equity at the end of the reporting period	354,150	141,317	327,510	2,738,966	233,064	-80,597	189,201	3,903,611

Basler Kantonalbank
PO Box
4002 Basel

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

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

