

Sustainable Development Charter 2024 – 2027

Investing for the future



Banque Cantonale de Fribourg
Freiburger Kantonalbank



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1. Editorial



The business policy of the Banque Cantonale de Fribourg (BCF) is strongly geared to the long term and influences the way its employees think and act. Our Bank prioritizes fair business practices and responsible purchasing and sales policy.

We believe that eco-responsible behavior, social commitment and economic success are closely intertwined. That is why we integrate these three dimensions into our actions, striving for a fair balance between them. This is how we contribute to the development of our economic environment and our living space by making a significant contribution to the development of our canton.

Through this Charter and the actions related thereto, BCF undertakes to assume its responsibilities and promote sustainable development. This document guides us through our actions so that we can achieve our goals and offer sustainable financial services that are unanimously approved. Through this approach, we also want to encourage our clients, business partners and employees to act sustainably on a day-to-day basis.

Alex Geissbühler
Chairman of the Board of Directors

Daniel Wenger
Chairman of the Executive Board



Daniel Wenger, Chairman of the Executive Board
Alex Geissbühler, Chairman of the Board of Directors

2. BCF oriented towards sustainable development



The Banque Cantonale de Fribourg focuses its business activities on long-term success and on the **creation of sustainable added value**. It aims to have a positive influence on the region in which it operates. It has been actively involved in this issue for many years.

For BCF, choosing sustainable development means doing business successfully over the long term, while acting responsibly with respect to society and the environment. This approach is spelled out in concrete terms in this document.

We at BCF are committed to meeting **sustainable development goals (SDGs)** and to aligning our management and core business more and more closely with these goals. In this Sustainable Development Charter, we set goals and define the principles that we at the Bank commit to uphold.

In coordination with the head of ESG, member of the BoD, the ESG working group (ESG WG) evaluates the extent to which we are meeting goals, initiates follow-up measures, and ensures that **our Bank's sustainability performance is presented transparently**.

The ESG WG is made up of individuals responsible for processes that have significant social or environmental impact as well as staff representatives. In particular, they aim to address sustainable development aspects in business processes in a pragmatic manner.



Taking concrete action to achieve the SDGs

The Sustainable Development Goals (SDGs) and the Sustainable Development Goals (SDGs) form the backbone of the 2030 Agenda adopted by the UN in autumn 2015. They set out the social, economic and ecological milestones that States should achieve by 2030. The SDGs over which BCF has the greatest influence through its activities are shown in colour in the table below.

<div>1</div> <div>NO POVERTY</div> <div></div>	<div>2</div> <div>ZERO HUNGER</div> <div></div>	<div>3</div> <div>GOOD HEALTH AND WELL-BEING</div> <div></div>	<div>4</div> <div>QUALITY EDUCATION</div> <div></div>	<div>5</div> <div>GENDER EQUALITY</div> <div></div>	<div>6</div> <div>CLEAN WATER AND SANITATION</div> <div></div>
<div>7</div> <div>AFFORDABLE AND CLEAN ENERGIE</div> <div></div>	<div>8</div> <div>DECENT WORK AND ECONOMIC GROWTH</div> <div></div>	<div>9</div> <div>INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div></div>	<div>10</div> <div>REDUCED INEQUALITIES</div> <div></div>	<div>11</div> <div>SUSTAINABLE CITIES AND COMMUNITIES</div> <div></div>	<div>12</div> <div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div></div>
<div>13</div> <div>CLIMATE ACTION</div> <div></div>	<div>14</div> <div>LIFE BELOW WATER</div> <div></div>	<div>15</div> <div>LIFE ON LAND</div> <div></div>	<div>16</div> <div>PEACE, JUSTICE AND STRONG INSTITUTIONS</div> <div></div>	<div>17</div> <div>PARTNERSHIP FOR THE GOALS</div> <div></div>	<div></div>

3. Products and Services



3.1 Principles

BCF promotes the **correct use of investment funds** and takes steps to minimize the negative impact on sustainability. It offers products and services that benefit the real economy and bring added value to its clients.

BCF is committed to **long-term partnerships with its clients**. It prevents conflicts of interest in advisory activities. It offers transparent and comprehensible products in plain language.

BCF ensures responsible management of **the investment products**. It shall progressively develop the relevant criteria and make them transparent. It offers its clients a wide range of sustainable investments and acts as a responsible investor.

BCF promotes adherence to ethical and environmental principles when **granting loans**. It provides targeted support for innovative environmental and energy projects that contribute to environmental protection. It is committed to local businesses and thus to the preservation of jobs in the region.

BCF periodically reviews the **range of its sustainable products which** it intends to expand in a reasonable manner.



3.2 Goals

- We regard sustainability as an important component of our client dialogue.
- We offer sustainable mortgage products that offer attractive interest rates to customers who want to build, purchase or renovate a property that meets the current energy standards.
- We provide our private clients with information and advice on real estate financing, focusing on preserving the long-term value of the properties and the opportunities to improve the energy efficiency of the buildings (valorisation) in accordance with the binding guidelines of the Swiss Bankers Association (SBA) in this area.
- We train all our advisors on how to preserve the value of real estate in the long term and how to improve the energy efficiency of buildings, as well as on the financing of the corresponding measures, in accordance with the SBA guidelines.
- We provide our customers with advisory tools relating to the assessment of renovation costs, CO₂ emissions and the sustainability of real estate. We integrate sustainability aspects as much as possible into our financing and investment analyses and decisions, in particular environmental, social and governance criteria.



- We ensure that our financial investments comply with BCF's sustainability approach.
- We train advisors and employees on sustainable products and socially responsible investment.
- We identify the main environmental and social impacts of our portfolios and services, and define management indicators to help improve the quality of our advice.
- We expand our sustainable investment portfolio with the aim of increasing the volume of portfolios that include the ESG preferences chosen by the client.



4. BCF as an employer



4.1 Principles

The Banque Cantonale de Fribourg is one of the largest employers in the canton. It fulfils its social responsibility by offering its employees a secure job in a high-performing company and **desirable working conditions** favorable to families.

BCF offers **apprenticeships** and **all-round internships**, and provides the necessary resources for training its employees.

BCF's **compensation policy** is based on principles of fairness, gender equality, transparency and consistency.

The **Caisse de pension du personnel de la Banque Cantonale de Fribourg** is in a financially sound position.

In the interest of protecting the **privacy** of its employees BCF actively combat all forms of discrimination in the working environment. BCF promotes the **health** of its employees. It takes preventive measures and is committed to preventing workplace-related illnesses and accidents.



4.2 Goals

- We advertise all vacant positions, both internally and externally.
- We continue our efforts to increase the proportion of women in positions of responsibility by 5% over the next three years.
- We are training the next generation, which represents at least 5% of the Bank workforce, through apprenticeships and all-round traineeships.
- We encourage young people to undergo a higher education funded by the Bank.
- We encourage our employees to take further training and ensure their employability through the presentation of a development plan.
- We ensure a fair compensation policy. This principle of equity is regularly reviewed by the external "Fair-On-Pay+" institute, which requires a difference of no more than 5%.
- Recognizing the importance of health in the workplace, we take measures to reduce the number of days of absence of our employees due to illness or accident. The absenteeism rate should not exceed the 5% threshold.
- We offer modern work models (e.g. job sharing). Flexible working hours, job mobility for advisors and the possibility of working from home help to retain employees. The turnover rate is kept low (<5%).

5. Social commitment



5.1 Principles

As a responsible company, BCF has long-term financial objectives, a stable capital base and a reasonable target return.

It contributes to the strengthening and development of the **regional economy** and to the maintenance of jobs and apprenticeships.

If possible, BCF uses **suppliers** located within its own business area to support small and medium-sized enterprises. When it buys products or assigns a mandate to a provider, sustainability considerations are taken into account.

BCF is active in **social, sporting and cultural areas**. It supports companies, associations and other institutions in a spirit of partnership.

BCF promotes **dialogue on sustainable development**. It informs and sensitizes stakeholder groups on financial, social and environmental issues.



5.2 Goals

- We pass on the majority of our mandates to suppliers operating in our canton.
- We work with more than 500 associations, clubs and events in the sports, cultural, economic and social sectors throughout the canton. In order to support the development of the canton, an annual budget of around CHF 4 million is allocated to sponsorship.
- We give special support to the training of young people in sport, culture and profession.
- We are committed to educating young people about responsible money management. Together with the other cantonal banks and the teachers' unions, we support the FinanceMission association (<https://financemission.ch/fr/>), which aims to develop young people's knowledge of budget management.
- Through the BCF Foundation, we finance the implementation and development of cultural, artistic and scientific projects with an impact on the general public.
- Through our art collection, we support artists from the Canton of Fribourg who are both emerging and established. An annual budget shall be allocated for the acquisition of works of art.

6. Corporate ecology and climate protection



6.1 Principles

In order to reduce **the environmental impact** associated with its activities, BCF measures the consumption of natural resources, calculates direct and indirect greenhouse gas emissions, and publishes the corresponding figures.

BCF promotes the parsimonious management of energy and natural resources. It invests the amount of the redistribution of the CO₂ tax in **measures that contribute to climate protection**.

Since 2018, BCF has been investing its entire CO₂ consumption in the purchase of certificates from the Carbon Fri Foundation, which supports sustainable projects in its economic sphere.





6.2 Goals




- We improve the energy efficiency of our buildings, using environmentally friendly resources (including electricity from exclusively renewable energy sources) and reducing business-related waste as much as possible.
- We supply ourselves with 100% renewable energy.
- We are reducing all greenhouse gas emissions from our operations by 10% in comparison to 2019 by 2027.
- We increase our energy efficiency by 30% from 2008 levels by 2027.
- We connect all our buildings to district heating (district heating system) as soon as it is available.
- We supply ourselves with 100% recycled paper and FSC only.
- We are investing in projects of the Carbon Fri Foundation in proportion to our production of CO₂, and are thus awarded the Carbon Fri label.
- With our CO₂ balance sheet, certified by Climate Services, we annually update our corrective measures plan.

7. Our contribution to the SDGs



SDG	Description	BCF Goals
	Enabling everyone to live in good health and to promote the well-being of everyone, at all ages.	<ul style="list-style-type: none">• Defend the rights of employees, promote health and safety in the workplace and ensure the protection of all employees. Establish processes with dedicated assistance mechanisms in the event of problems (La Clinique du travail).• Support the canton's associative, sporting and cultural life.
	Ensure equal access to quality education for all and promote lifelong learning opportunities.	<ul style="list-style-type: none">• As a training bank, ensure access to quality training to improve the level of qualification of young people and to raise their awareness of sustainable development.• Invest in the professional development of our employees and improving their employability through our continuous education offerings.
	Achieve gender equality and empower all women and girls.	<ul style="list-style-type: none">• Offer flexible working models and schedules by encouraging part-time work at all levels of the hierarchy, promoting equal opportunities in leadership roles, specifically increasing the share of women in management and ensuring equal pay to contribute to the equal treatment of women and men and to increase the participation rate of women.

SDG	Description	BCF Goals
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>Ensure that everyone has access to reliable, sustainable and modern energy services at an affordable cost.</p>	<ul style="list-style-type: none"> • Offer different sustainable products: <ul style="list-style-type: none"> • Eco Mortgage • Eco Renovation Mortgage • Implement a sustainable investment offering. • Purchase electricity exclusively from renewable energy sources. • Certify our online services to ISO 14044. • Continually improve our energy efficiency in collaboration with Climate Services, a quantification consulting firm and CO2 planning.
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Promote sustained, shared and sustainable economic growth, full and productive employment and decent work for all.</p>	<ul style="list-style-type: none"> • Be a privileged partner of companies and individuals in the canton. • Contribute to the growth of our economic area, thanks to our regional supply and the promotion of SMEs. • Offer SMEs services in the areas of finance and consulting as well as various other services (business start-up, growth financing, succession planning) in order to contribute to productivity and innovation in our business area. • Provide non-discriminatory access to our financial services. • Provide an appropriate banking network. • Improve access to products and services through digital channels. • Implement and expand the range of sustainable products. • Accompany customers throughout all stages of their lives. • Guarantee all women and men, including young people and people with disabilities, decent work and equal pay for work of equal value.

SDG	Description	BCF Goals
	Build resilient infrastructures, promote sustainable industrialization that benefits all and encourage innovation.	<ul style="list-style-type: none">• Invest in proportion to our CO2 emissions in the Carbon Fri Foundation, which delivers concrete actions with impacts to reduce greenhouse gas emissions.• Encourage innovation by identifying companies that stand out in sustainability.• Automate and simplify processes for our customers.
	Establish sustainable consumption and production patterns.	<ul style="list-style-type: none">• Ensure that all employees have the information and knowledge necessary for sustainable development.• Consider ecological and social criteria in our purchasing practices and communicate our sustainability performance in a transparent manner to contribute to environmental awareness.• Promote dialogue on responsible consumption through targeted campaigns and events.
	Take urgent action to address climate change and its impact.	<ul style="list-style-type: none">• Reduce greenhouse gas emissions caused by our activities.• Improve the energy efficiency of our buildings, reduce resource consumption, and reduce business waste.• Use electricity exclusively from renewable energy sources.• Implement a credit policy that includes energy standards and exclusion criteria.• Gather ESG preferences from all our management and advisory mandates in order to improve the overall balance of the portfolios in accordance with our investment policy.





8. Conclusion



The Charter marks a milestone for the Banque Cantonale de Fribourg, which has thus set out its guidelines, principles and objectives in the area of sustainability for the years 2024 to 2027.

The quantified results and analyses of the commitment of BCF are presented in the Sustainability Report (SR), which has been published as a supplement to the Annual Report (AR) every year since 2022.

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