

SECOND PARTY OPINION (SPO)

Sustainability Quality of the Issuer and Green Bond Framework

Zürcher Kantonalbank

28 March 2025

VERIFICATION PARAMETERS

Type of instrument contemplated	<ul style="list-style-type: none">Green bond
Relevant standards	<ul style="list-style-type: none">Green Bond Principles, ICMA, June 2021 (with June 2022 Appendix 1)
Scope of verification	<ul style="list-style-type: none">ZKB's Green Bond Framework (as of March 27, 2025)ZKB's eligible green asset pool (as of March 3, 2025)
Lifecycle	<ul style="list-style-type: none">Pre-issuance verificationFourth update of SPO as of May 8, 2024
Validity	<ul style="list-style-type: none">Valid as long as the cited Framework remains unchanged and on the basis of the portfolio analyzed as of March 3, 2025

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SCOPE OF WORK

Zürcher Kantonalbank (“the Issuer” or “ZKB”) commissioned ISS-Corporate to assist with its green bond by assessing three core elements to determine the instrument’s sustainability quality:

1. ZKB’s Green Bond Framework (as of March 27, 2025), benchmarked against the International Capital Market Association’s (ICMA) Green Bond Principles (GBP).
2. The green bond asset pool — whether the project categories contribute positively to the United Nations Sustainable Development Goals (U.N. SDGs) and how they perform against ISS-Corporate’s proprietary issuance-specific key performance indicators (KPIs) (see Annex 1).
3. Consistency of the green bond with ZKB’s sustainability strategy, drawing on the key sustainability objectives and priorities defined by the Issuer.

ZKB OVERVIEW

ZKB engages in the provision of universal banking services. It is classified in the public and regional banks industry, as per ISS ESG’s sector classification.

ZKB offers its services through the following divisions: Private Banking, International Banking and Asset Management. The Private Banking division offers private advisory, asset management, fiduciary and other services. The International Banking division provides international payments and trade finance services. The Asset Management division includes segregated, balanced and overlay mandates. It also offers strategy advice and portfolio analysis services. The company was founded on Feb. 15, 1870, and is headquartered in Zürich.

ESG risks associated with the Issuer’s industry

ZKB is classified in the public and regional banks industry, as per ISS ESG’s sector classification. Key sustainability issues faced by companies¹ in this industry are business ethics, labor standards and working conditions, sustainability impacts of lending and other financial services/products, customer and product responsibility, and sustainable investment criteria.

This report focuses on the sustainability credentials of the issuance. Part III of this report assesses the consistency between the issuance and the Issuer’s overall sustainability strategy.

¹ Please note that this is not a company-specific assessment but rather areas that are of particular relevance for companies within that industry.

ASSESSMENT SUMMARY

SPO SECTION	SUMMARY	EVALUATION ²
<p>Part I:</p> <p>Alignment with GBP</p>	<p>The Issuer has defined a formal concept for its green bond regarding the use of proceeds, processes for project evaluation and selection, management of proceeds, and reporting. This concept aligns with the GBP.</p>	<p>Aligned</p>
<p>Part II:</p> <p>Sustainability quality of the green bond asset pool</p>	<p>The green bond will (re)finance the following eligible asset category: Green Buildings. The product and/or service-related use of proceeds category³ individually contributes to one or more of the following SDGs:</p> <div data-bbox="632 891 983 1008" data-label="Image"> </div> <p>The process-related use of proceeds category⁴ improves the Issuer's/Borrower's operational impacts and mitigates potential negative externalities of the Issuer's/Borrower's sector on one or more of the following SDGs:</p> <div data-bbox="632 1290 983 1406" data-label="Image"> </div> <p>The environmental and social risks associated with the use of proceeds categories and the financial institution are managed.</p>	<p>Positive</p>
<p>Part III:</p> <p>Consistency of green bond with ZKB's sustainability strategy</p>	<p>The Issuer clearly describes the key sustainability objectives and the rationale for issuing a green bond. All considered project categories align with the Issuer's sustainability objectives.</p>	<p>Consistent with Issuer's sustainability strategy</p>

² The evaluation is based on ZKB's Green Bond Framework (March 3, 2025, version), on the analyzed asset pool as received on March 3, 2025.

³ Green Buildings (New Buildings).


⁴ Green Buildings (Renovation).

SPO ASSESSMENT

PART I: ALIGNMENT WITH THE GREEN BOND PRINCIPLES

This section evaluates the alignment of ZKB’s Green Bond Framework (as of March 3, 2025) with the GBP.

GBP	ALIGNMENT	OPINION
<p>1. Use of proceeds</p>	<p>✓</p>	<p>The use of proceeds description provided by ZKB’s Green Bond Framework is aligned with the GBP. The Issuer’s green categories align with the project categories proposed by the GBP. Criteria are defined clearly and transparently. Disclosure of the distribution of proceeds by project category is provided, and environmental benefits are described.</p>
<p>2. Process for project evaluation and selection</p>	<p>✓</p>	<p>The process for project evaluation and selection described in ZKB’s Green Bond Framework is aligned with the GBP. The project selection process is defined, and ESG risks associated with the project categories are identified and managed appropriately. Moreover, the selected projects align with the Issuer’s sustainability policy, which defines exclusion criteria for harmful project categories.</p> <p>The Issuer clearly defines responsibilities within the process for project evaluation and selection and involves various stakeholders. Additionally, the Issuer references any green standards and certifications used, in line with best market practices.</p>
<p>3. Management of proceeds</p>	<p>✓</p>	<p>The management of proceeds provided by ZKB’s Green Bond Framework is aligned with the GBP. The net proceeds collected will equal the amount allocated to eligible projects. These proceeds are tracked appropriately and attested to in a formal internal process. They are managed on an aggregated basis for multiple green bonds (portfolio approach). Moreover, the Issuer</p>

GBP	ALIGNMENT	OPINION
		discloses the temporary investment instruments for unallocated proceeds.
<p>4. Reporting</p>		<p>The allocation and impact reporting provided by ZKB’s Green Bond Framework is aligned with the GBP. The Issuer commits to disclosing the allocation of proceeds transparently and reporting with appropriate frequency. The reporting will be publicly available on the Issuer’s website. ZKB has disclosed the type of information that will be reported and explains that the level of expected reporting will be at the portfolio level. Moreover, the Issuer commits to reporting annually for as long as the Bank is committed to its green bond program.⁵</p> <p>The Issuer is transparent on the level of impact reporting and the information reported. It further defines the duration, scope and frequency of the impact reporting, in line with best market practice.</p>

⁵ ZKB’s green bond program is designed as an ongoing program, with green bonds issued regularly to refinance the pool of environmental loans and internal Bank projects continuously. This reporting will continue for as long as the Bank remains committed to its green bond program.

PART II: SUSTAINABILITY QUALITY OF THE GREEN BOND ASSET POOL

A. CONTRIBUTION OF THE INSTRUMENT_TYPE TO THE U.N. SDGs⁶

The Issuer can contribute to the achievement of the SDGs by providing specific services and products that help address global sustainability challenges. Additionally, the Issuer can contribute by being a responsible actor working to minimize negative externalities in its operations along the entire value chain. This section assesses the SDG impact of the use of proceeds (UoP) categories financed by the Issuer in two ways, depending on whether the proceeds are used to (re)finance:

- Specific products or services
- Improvements to operational performance


1. Products and services

The assessment of UoP categories for (re)financing products and services is based on a variety of internal and external sources. These include ISS ESG’s SDG Solutions Assessment, a proprietary methodology designed to assess the impact of an Issuer’s products or services on the U.N. SDGs. Additional sources include other ESG benchmarks, such as the EU taxonomy Climate Delegated Act, the Green and Social Bond Principles, and other regional taxonomies, standards and sustainability criteria.

The assessment of UoP categories for (re)financing specific products and services is displayed on a three-point scale:



The green bond’s use of proceeds category has been assessed for its contribution to, or obstruction of, the SDGs:

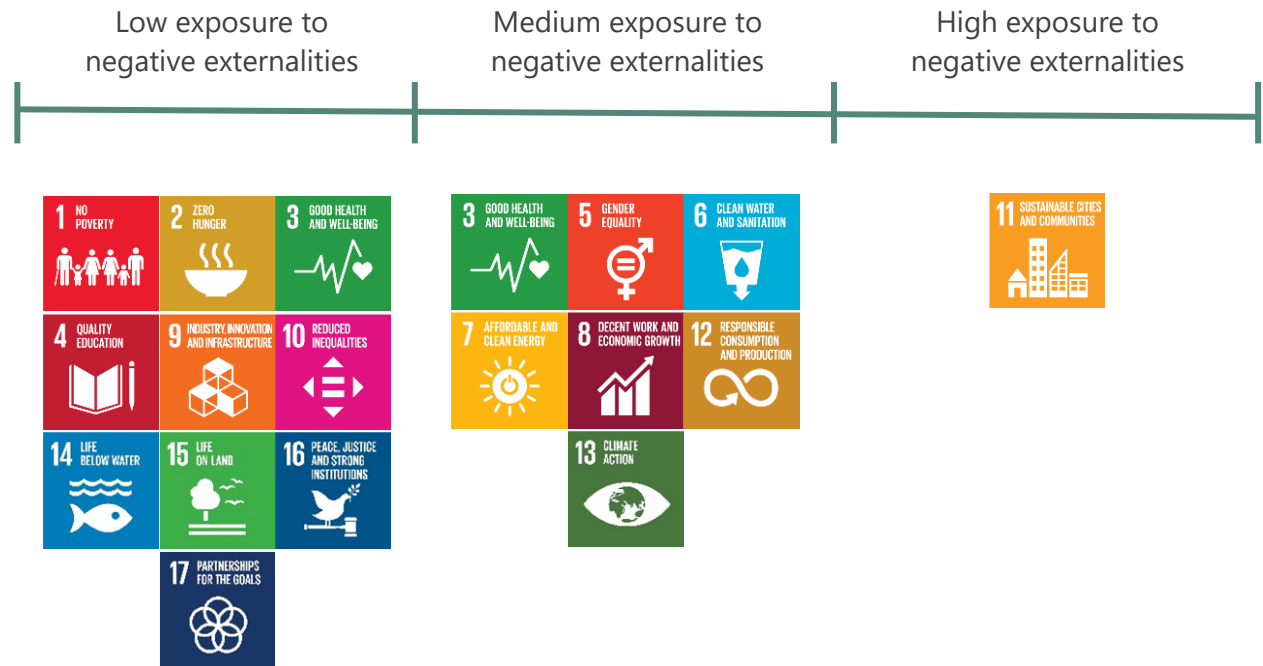
USE OF PROCEEDS (PRODUCTS/SERVICES)	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p>Green Buildings (New Buildings)</p> <ul style="list-style-type: none"> ▪ <i>Minergie</i> ▪ <i>Minergie-A</i> ▪ <i>Minergie-P</i> 	<p>Contribution</p>	

⁶ The impact of the UoP category on U.N. SDGs is assessed with proprietary methodology and may therefore differ from the Issuer’s description in the Framework.



Improvements to operational performance (processes)

The assessment below qualifies the direction of change (or “operational impact improvement”) resulting from the operational performance projects (re)financed by the UoP categories, as well as related SDGs impacted. The assessment demonstrates how the UoP categories mitigate the Issuer’s exposure to negative externalities relevant to its business model and sector.

According to ISS ESG’s SDG Impact Rating methodology, potential impacts on the SDGs related to negative operational externalities in the real estate sector are the following:









The table below displays the direction of change resulting from the operational performance improvement projects. The outcome displayed does not correspond to an absolute or net assessment of the operational performance.

USE OF PROCEEDS (PROCESSES)	OPERATIONAL IMPACT IMPROVEMENT ⁷	SUSTAINABLE DEVELOPMENT GOALS
<p>Green Buildings (Renovation)</p> <ul style="list-style-type: none"> ▪ Minergie ▪ Minergie-A ▪ Minergie-P ▪ Minergie-ECO 	 ⁸	

⁷ Only the direction of change is displayed. The scale of improvement is not assessed.

⁸ This UoP category is part of a broader strategy to achieve an established third-party standard. In this case, the Issuer is financing activities that contribute to its SBTi-validated GHG emissions reduction target.

USE OF PROCEEDS (PROCESSES)	OPERATIONAL IMPACT IMPROVEMENT ⁷	SUSTAINABLE DEVELOPMENT GOALS
<p>Green Buildings (Renovation)</p> <ul style="list-style-type: none"> ▪ <i>GEAK</i> 		 
<p>Green Buildings (Renovation)</p> <p><i>The Bank's own projects:</i></p> <ul style="list-style-type: none"> ▪ <i>District heating</i> ▪ <i>Lake-water heat pump</i> ▪ <i>Wood-fired systems</i> ▪ <i>Heat pump based on green electricity</i> ▪ <i>Biogas</i> ▪ <i>Waste incineration and green electricity</i> 		
<p>Green Buildings (Renovation)</p> <p><i>Other measures:</i></p> <ul style="list-style-type: none"> ▪ <i>Individual components</i> <ul style="list-style-type: none"> ▪ <i>Thermal insulation of walls, ceilings and floors</i> ▪ <i>Window replacement</i> ▪ <i>Renewable energy and waste heat</i> <ul style="list-style-type: none"> ▪ <i>Solar system</i> ▪ <i>Solar collectors</i> ▪ <i>Heat pump</i> ▪ <i>E-charging station</i> ▪ <i>Wood-fired heating</i> ▪ <i>Heat regeneration from wastewater or air</i> ▪ <i>District heating</i> ▪ <i>Rainwater tank</i> 		 

B. MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS ASSOCIATED WITH THE FINANCIAL INSTITUTION AND THE GREEN BOND ASSET POOL

The table below evaluates the green bond asset pool against issuance-specific KPIs. The entirety of the assets are and will be located in Switzerland.

ASSESSMENT AGAINST KPIs

Integration of ESG guidelines into the financing process

ZKB incorporates ESG criteria into its credit assessment and monitoring processes. In its investment activities, ZKB adheres to the Principles for Responsible Investment and publishes annual reports on its implementation. ZKB does not engage in business relationships with new customers who present high ESG risks or fall within the exclusion criteria outlined in its sustainability policy. For existing customers, if significant changes in business activity or ESG risks are identified during the review process, a comprehensive position review is undertaken.⁹ This review may result in the termination of the customer relationship or the establishment of an agreement with the customer to implement measures for sustainability improvement.

All business cases undergo individualized review and assessment. Lending transactions and financed projects are subject to ESG monitoring at the Bank level. In addition to the Principles for Responsible Investment, the Bank aligns with guidelines such as the Principles for Responsible Banking, the Net-Zero Banking Alliance and the Net Zero Asset Managers initiative.

For loans eligible under the “green building renovation — other measures” category, borrowers must provide written confirmation of specific project measures as part of the loan application:

- A form documenting the concrete measures and investment amounts is required.
- The form requires the signatures of both the borrower and the project’s planner or architect.
- The planner’s signature confirms the compliance of each measure with the minimum standards outlined in the form.
- The client adviser must also sign the form, and it is then added to the customer file.
- Periodic internal audits include verification of documentation completeness.

In accordance with Financial Market Infrastructure Ordinance (FINMA) Circular 2016/1, ZKB integrates climate-related financial risks into its risk management framework, aligning with the recommendations of the Task Force on Climate-related Financial Disclosures. Climate-related financial risks for the loan portfolio are assessed as part of the credit policy. For financial investments, specifically the bond portfolio, issuers should not operate in industries excluded by the sustainability policy for financing provisions. Additionally, CO₂e intensity is tracked for these investments.

⁹ The Issuer confirms that in the mortgage business, a review is generally conducted when the renewal of an expiring mortgage is imminent. For its commercial lending activities, reviews are usually conducted annually.

The board of directors defines the group strategy concerning sustainability. The Executive Board is responsible for establishing various business policies, including the sustainability policy. The Service Mandate Steering Committee and the Public Service Mandate unit are responsible for the planning, implementation, refinement, monitoring and communication of the sustainability mandate.

Labor, health and safety

- ✓ All financed assets will be located in Switzerland, ensuring compliance with high labor, health and safety standards mandated by Swiss national legislation.

Biodiversity

- ✓ All assets financed will be located in Switzerland. Therefore, the Issuer ensures that its environmental impacts have been mitigated and reduced, aligning with Swiss standards for environmental impact assessment. Furthermore, Switzerland is an Equator Principles Designated Country. ZKB confirms that all lending transactions and projects comply with the Bank's policies and legal standards mandated by Swiss law.

Community dialogue

- ✓ All assets financed will be located in Switzerland. Therefore, the Issuer ensures that its impact on communities has been mitigated and reduced, aligning with Swiss standards for social impact assessment. Furthermore, as Switzerland is an Equator Principles Designated Country, ZKB confirms that all lending transactions and projects comply with the Bank's policies and the legal standards mandated by Swiss law.

Data protection and information security

- ✓ ZKB has policies in place, such as Privacy Policy, Cookie and Tracking Policy, as well as processes for the transmission of customer data, to systematically ensure that data collection processes for retail borrowers meet minimum requirements for data and information security. ZKB must comply with all FINMA Circulars on data protection and information security, especially FINMA Circular 2008/21 and FINMA Circular 2023/1. Data protection is ensured in cooperation with various specialized departments. Every employee must be able to independently recognize and fulfill the essential requirements of data protection laws (e.g., transparency, purpose limitation, need-to-know principle, data economy, documentation). A mandatory whistleblower team on data protection is also available for all Bank employees. ZKB client data is subject to Swiss bank-client confidentiality and data protection law in Switzerland and is treated confidentially. ZKB's information security management system is not certified to ISO 27001. However, ZKB confirms that security assessments for IT

systems, both internal and outsourced to third parties, are based on the ISO 27001 standard and supplemented by measures from the NIST Cybersecurity Framework. Security assessments are updated at least annually for critical IT systems.

Responsible treatment of customers with debt repayment problems

Clients who are not entirely satisfied with the services of ZKB are advised to contact their relationship manager to implement an amicable solution. If a specific case remains unresolved, clients can contact the Swiss Banking Ombudsman, a neutral information and mediation institution affiliated with ZKB. The Swiss Banking Ombudsman becomes active only after a client submits a written complaint to the Bank and has given the Bank the opportunity to settle the matter directly.



ZKB has implemented various measures to deal responsibly with clients experiencing debt repayment problems. The Bank adheres to the Swiss Bankers Association's guidelines for the examination, valuation and processing of loans secured by real estate liens. These guidelines prescribe factors to be considered when granting loans, such as affordability, loan-to-value ratio and amortization. ZKB also calculates debt sustainability ratios based on its borrowers' sustainable net income and expenses.

The Bank's recovery strategy ensures that all possible options are examined before undertaking foreclosure. As a rule, ZKB does not give notice on mortgage loans as long as the mortgage debtor fulfills legal and contractual obligations, remains creditworthy and capable, and the real estate lien is well-maintained and valuable. In the event of an emergency situation occurring through no fault of the borrower, the Bank may assume increased risks. However, ZKB does not provide support to clients in finding adequate housing prior to foreclosure in these situations.

Sales practices



All loans at ZKB originate through the Bank's network. Therefore, compliance and sales regulations and procedures for KYC, AML, customer suitability, pricing policy and credit risk methodology apply uniformly. ZKB has corporate governance directives for ethical behavior, whistleblowing and responsible sales practices. All sustainability funds bear the European Transparency Code logo.

ZKB's responsible sales practices encompass all marketing activities, and the Bank avoids hidden fees. ZKB's compensation policy is based on long-term goals and does not incentivize inappropriate risks. The Executive Board, supported by the Sales Committee, is responsible for sales, brand and marketing-related issues.

ZKB tracks and analyzes customer feedback captured directly through a front office tool. The Bank conducts customer satisfaction surveys biennially and touchpoint surveys during customer interactions with Bank executives. Survey results are communicated to each organizational unit via reports or dashboards.

Sales team members undergo training on ethical business conduct and compliance. Over the past few years, the Bank has developed specific training modules on sustainable investment and lending. Additionally, ZKB tracks customer preferences regarding sustainability.

Responsible marketing



The Issuer has a policy in place that systematically ensures that assets financed under this Framework adhere to responsible marketing practices. This comprehensive commitment provides marketing and product information that is easily understandable, not misleading, comprehensive, accurate and balanced. ZKB is committed to correct pricing, transparency regarding product risks and the elimination of hidden costs.

Exclusion criteria

The Issuer's policies explicitly exclude direct financing for the following activities:

- Fossil energy sources:
 - Coal mining, oil and gas extraction
 - Fossil energy power plants run on coal or oil
- Commodity trading — companies must demonstrate that they align their business model with the scientifically required net-zero target by 2050.
- Nuclear power — ZKB excludes new financing for the development and construction of nuclear power plants and modernization. ZKB refrains from financing companies whose primary business activity is the production, trade and marketing of nuclear energy and/or the processing of nuclear fuel and uranium enrichment plants.
- Transactions involving bitumen/asphalt, asbestos, uranium, precious woods, live goods, diamonds, rare earth metals, perishable goods and non-certified palm oil.
- Non-certified agriculture and forestry operations abroad that cause tropical deforestation and/or the degradation of High Conservation Value Areas.
- Mining projects that apply particularly destructive mining methods, such as mountaintop removal.
- Unlawful, intentional water/groundwater pollution.
- Activities with adverse effects on High Conservation Value Areas abroad, namely primeval forests (illegal slash-and-burn and/or deforestation), endangered animal and plant species, wetlands and biotopes, cultural assets, and cultural World Heritage sites.

SECOND PARTY OPINION

Sustainability Quality of the Issuer
and Green Bond Framework

ISS-CORPORATE 

PART III: CONSISTENCY OF GREEN BOND FRAMEWORK WITH ZKB’S SUSTAINABILITY STRATEGY

Key sustainability objectives and priorities defined by the Issuer

TOPIC	ISSUER APPROACH
<p>Strategic ESG topics</p>	<p>Sustainability is a part of ZKB’s public service mandate, assessed yearly and updated every three years by the board of directors. The Issuer integrates ESG criteria into its sustainability policy, establishing minimum standards within its investment guidelines and ensuring transparency. This transparency aims to facilitate discussions and improvements related to sustainability, and assist in decision-making processes.</p> <p>Additionally, the Issuer defines exclusion criteria and contributes to mitigating the impact of climate change by increasing energy efficiency and substituting fossil fuels with renewable energy sources.</p>
<p>ESG goals/targets</p>	<p>In December 2022, the Issuer joined the Net-Zero Banking Alliance with the aim of achieving net-zero greenhouse gas emissions by 2050. The Issuer committed to setting sector-specific, science-based targets and milestones aligned with the 1.5°C climate target through its business activities.</p> <p>The Issuer aims to achieve the following targets:</p> <ul style="list-style-type: none"> ▪ 8.7 kgCO₂/m² energy reference area¹⁰ by 2030 ▪ Reduce to 1,800 tonnes of CO₂e¹¹ in the Issuer’s operations by 2030 to reach net zero ▪ 0.9 kgCO₂/m² energy reference area by 2040 ▪ CO₂e intensity reduction of at least 4% and 7.5% per year¹² for 20% and 25% of assets under management, respectively <p>Furthermore, the targets are disclosed in the Sustainability Report and Climate Report. Currently, the Issuer does not have any verified science-based targets.</p>
<p>Action plan</p>	<p>The Issuer has established action plans for its financing business, investment business and internal operations:</p> <ul style="list-style-type: none"> ▪ Financing business: The Issuer incentivizes clients to adopt environmentally friendly and energy-efficient practices in building, modernizing and managing properties and infrastructure. They are expanding their range of products and

¹⁰ As outlined on pages 22 and 33 of ZKB’s [Climate Report 2023](#).

¹¹ The Issuer has reduced its operational emissions by 68% since 2010.

¹² Plus economic growth.

TOPIC	ISSUER APPROACH
	<p>services in this area. The Issuer provides solutions for energy-efficient renovations and new buildings without excluding clients that utilize fossil fuel heating systems.</p> <ul style="list-style-type: none"> ▪ Investment business: ESG risks and opportunities are systematically integrated into investment solutions. For direct investments in self-managed funds, the Issuer focuses on dialogue with portfolio companies to achieve the SDGs and greenhouse gas neutrality by 2050. ▪ Own operations: The Issuer plans to offset remaining emissions through negative emission technologies.
<p>Climate transition strategy</p>	<p>The Issuer aims to minimize climate risks across its business operations and establish transparency in this regard. It mitigates climate change by promoting energy efficiency and substituting fossil fuels with renewable energy sources.</p> <p>To align with the Canton’s long-term climate strategy, the Issuer focuses on two strategic areas of action in the building sector:</p> <ul style="list-style-type: none"> ▪ Replacing fossil fuel heating systems with heat pumps and refurbishing buildings to increase energy efficiency. ▪ Mandating the replacement of oil and gas heating systems with environmentally friendly solutions at the end of their service life. <p>Furthermore, the board of directors oversees and manages climate-related risks and opportunities.</p>
<p>Sustainability reporting</p>	<p>The Issuer’s sustainability reporting aligns with the Global Reporting Initiative and Task Force on Climate-related Financial Disclosures recommendations.</p>
<p>Industry associations, collective commitments</p>	<p>The Issuer is a signatory to the Net-Zero Banking Alliance, Principles for Responsible Investment, the Principles for Responsible Banking, Partnership for Carbon Accounting Financials, the United Nations Environment Programme Finance Initiative, and swisscleantech.</p>
<p>Previous sustainable or sustainability-linked issuances or transactions and publication of sustainable</p>	<p>At the end of 2024, the Issuer issued CHF 1,275 million in green bonds. The bonds were issued to refinance the Issuer’s environmental loans and to finance projects aimed at improving energy efficiency in the office buildings used by the Issuer.</p>

TOPIC	ISSUER APPROACH
financing framework	

Rationale for issuance

ZKB has established the Green Bond Framework to demonstrate its alignment with recognized sustainability criteria. Sustainability, as part of its public service mandate, is a strategic objective of ZKB. These bonds help meet the growing demand for sustainable investments and contribute to greater transparency. The expansion of the investor base further diversifies ZKB’s sources of refinancing. The issuance of the green bond is primarily for refinancing ZKB’s environmental loans and financing projects with energy-related objectives, including renovations and individual energy measures in the office buildings used by ZKB.

Opinion: *The Issuer clearly describes the key sustainability objectives and the rationale for issuing the green bond. All financed project categories align with the Issuer’s sustainability objectives.*

DISCLAIMER

1. Validity of the Second Party Opinion (“SPO”): Valid as long as the cited Framework remains unchanged.
2. ISS-Corporate, a wholly owned subsidiary of Institutional Shareholder Services Inc. (“ISS”), sells, prepares, and issues Second Party Opinion, on the basis of ISS-Corporate’s proprietary methodology. In doing so, ISS-Corporate adheres to standardized procedures designed to ensure consistent quality.
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ANNEX 1: METHODOLOGY

The ISS-Corporate SPO provides an assessment of labeled transactions against international standards using ISS-Corporate's proprietary [methodology](#).

ANNEX 2: QUALITY MANAGEMENT PROCESSES

SCOPE

ZKB commissioned ISS-Corporate to compile a green bond SPO. The second-party opinion process includes verifying whether the Green Bond Framework aligns with the Green Bond Principles and assessing the sustainability credentials of its green bond, as well as the Issuer's sustainability strategy.

CRITERIA

Relevant standards for this second-party opinion:

- Green Bond Principles, ICMA, June 2021 (with June 2022 Appendix 1)

ISSUER'S RESPONSIBILITY

ZKB's responsibility was to provide information and documentation on:

- Framework
- Asset pool
- Documentation of ESG risk management at the asset level

ISS-CORPORATE'S VERIFICATION PROCESS

Since 2014, ISS Group, which ISS-Corporate is part of, has built up a reputation as a highly reputed thought leader in the green and social bond market and has become one of the first CBI-approved verifiers.

This independent second-party opinion of the green bond to be issued by ZKB has been conducted based on proprietary methodology and in line with the Green Bond Principles.

The engagement with ZKB took place in March 2025.

ISS-CORPORATE'S BUSINESS PRACTICES

ISS-Corporate has conducted this verification in strict compliance with the ISS Group Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behavior and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS Group.

About this SPO

Companies turn to ISS-Corporate for expertise in designing and managing governance, compensation, sustainability and cyber risk programs that align with company goals, reduce risk and manage the needs of a diverse shareholder base by delivering best-in-class data, tools and advisory services.

ISS-Corporate assesses alignment with external principles (e.g., the Green/Social Bond Principles), analyzes the sustainability quality of the assets and reviews the sustainability performance of the Issuer itself. Following these three steps, we draw up an independent SPO so investors are as well-informed as possible about the quality of the bond/loan from a sustainability perspective.

Please visit ISS-Corporate's [website](#) to learn more about our services for bond issuers.

For more information on SPO services, please contact SPOsales@iss-corporate.com.

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