



BANCA DEL SEMPIONE
PRIVATE BANK
SINCE 1960

Banca del Sempione SA

**Disclosure requirements in accordance
with FINMA Circular 2016/1 "Disclosure - banks"**

2024

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KM1 – Key metrics

(amount expressed in CHF 1,000)

	31.12.2024	31.12.2023
Eligible capital		
1 Common Equity Tier 1 (CET1)	132,398	127,127
2 Tier 1 capital (T1)	132,398	127,127
3 Total capital	132,398	127,127
Risk-weighted assets (RWA)		
4 RWA	440,694	432,285
4a Minimum capital requirement	35,256	34,583
Risk-based capital ratios (as % of RWA)		
5 CET 1 ratio	30.0%	29.4%
6 Tier 1 ratio	30.0%	29.4%
7 Total capital ratio	30.0%	29.4%
Additional CET1 buffer requirements (as % of RWA)		
8 Capital conservation buffer according to Basel minimum requirements	2.5%	2.5%
11 Total of CET1 specific buffer according to Basel minimum requirements	2.5%	2.5%
12 CET1 available after meeting the bank's minimum capital requirements	22.0%	21.4%
Target capital ratios according to CAO Annex 8 (as % of RWA)		
12a Capital conservation buffer according to CAO Annex 8	2.5%	2.5%
12b Countercyclical capital buffer according to CAO Art, 44 and Art, 44a	0.2%	0.2%
12c CET 1 capital target according to CAO Annex 8 plus countercyclical buffer according to CAO Art, 44 and Art, 44a	7.2%	7.2%
12d Tier 1 capital target according to CAO Annex 8 plus countercyclical buffer according to CAO Art, 44 and Art, 44a	8.7%	8.7%
12e Total capital target according to CAO Annex 8 plus countercyclical buffer according to CAO Art, 44 and Art, 44a according to CAO Art, 44 and Art, 44a	10.7%	10.7%
Basel III Leverage Ratio		
13 Total Basel III Leverage Ratio exposure measure	772,333	755,038
14 Basel III Leverage Ratio	17.1%	16.8%

	Quarterly average of the monthly figures				
	4 th quarter 2024	3 rd quarter 2024	2 nd quarter 2024	1 st quarter 2024	4 th quarter 2023
(amount expressed in CHF 1,000)					
Liquidity Coverage Ratio (LCR)					
15 Total of high-quality liquid assets	76,595	73,709	59,557	74,160	69,895
16 Net cash outflows	20,821	24,263	25,528	22,371	23,084
17 Liquidity Coverage Ratio (LCR)	368%	304%	233%	332%	303%

(amount expressed in CHF 1,000)

	31.12.2024	31.12.2023
Net Stable funding ratio (NSFR)		
18 Total available stable funding	627,041	600,705
19 Total required stable funding	347,870	350,935
20 Net Stable funding ratio (NSFR)	180%	171%

OV1 – Overview of risk-weighted assets

	31.12.2024	31.12.2023	31.12.2024
(amount expressed in CHF 1,000)	RWA	RWA	Minimum capital requirements
1 Credit risk (standard international approach)	332,320	336,435	26,586
20 Market risk (standard approach)	27,762	19,275	2,221
24 Operational risks (basic indicator approach)	80,612	76,575	6,449
27 Total	440,694	432,285	35,256

LIQA – Liquidity risk management

Liquidity risk management is described in paragraph 3 of the Notes to the consolidated financial statements.

CR1 – Credit risk: credit quality of assets

	Gross carrying values of		Value	
(amount expressed in CHF 1,000)	Defaulted exposures	Non-defaulted exposures	adjustments/ impairments	Net values
1 Loans (excluding debt securities)	1,054	559,944	1,054	559,944
2 Debt securities		56,515		56,515
3 Off-balance-sheet exposures		11,073		11,073
4 Total	1,054	627,532	1,054	627,532

Defaulted loans include non-performing and doubtful loans rated and valued according to the definitions set out in the FINMA Accounting Ordinance and FINMA circular 2020/1 "Accounting- Banks".

CR2 – Credit risk: change in stock of defaulted loans and debt securities

(amount expressed in CHF 1,000)	
1	Dafaulted loans and debt securities at end of 2023
2	Loans and debt securities that have defaulted since the last reporting period
3	Amounts returned to non-defaulted status
4	Amounts written off
6	Dafaulted loans and debt securities at end of 2024

CR3 – Credit risk: overview of credit risk mitigation techniques

	Exposures unsecured/carrying values	Exposures secured by collateral: secured amount	Exposures secured by financial guarantees or credit derivatives: secured amount
(amount expressed in CHF 1,000)			
Loans (including debt securities)	193,936	423,577	
Off-balance-sheet exposures	3,163	8,540	
Total	197,099	432,117	
<i>of which in default</i>	<i>1,054</i>		

Uncovered positions essentially include amounts due to banks and debt securities.

CR5 - Credit risk: exposure by asset classes and risk weight under the standardised approach

Assets classes		Risk weight							Total credit exposure amount (post-CCF and post-CRM)
(amount expressed in CHF 1,000)		0%	20%	35%	50%	75%	100%	150%	
1	Sovereigns and their central banks	74,884	180						75,064
2	Banks and securities traders		112,753		14,052		549		127,354
3	Public-sector entities and multilateral developments banks	5,248	5,334		102		180		10,864
4	Corporate		8,325	9,509	10,724	168	67,848		96,574
5	Retail			107,120		32,982	66,478		206,580
6	Equity securities						224	808	1,032
7	Other assets	4,898					1,553		6,451
8	Total	85,030	126,592	116,629	24,878	33,150	136,832	808	523,919
9	<i>of which receivables secured by real estate</i>			116,629		3,667	43,915		164,211
10	<i>of which receivables past due</i>	-	-	-	-	-	-	-	-

ORA - Operational risks: general information

Operational risk management is described in paragraph 3 of the Notes to the consolidated financial statements.

IRRBB - Interest rate risk: objectives and rules for managing the interest rate risk of the Bank's portfolio

Interest rate risk in the Bank and the Group's portfolio (IRRBB - Interest Rate Risk in the Banking Book) is measured as the impact of changes in interest rates on the economic value of assets, liabilities and off-balance-sheet positions (present value approach) and on interest income (current income approach).

Interest rate risk can take three forms:

- **Interest rates repricing risk**, arising from the different maturity structure of balance-sheet assets and liabilities.
- **Basis risk** describing the impact of changes in interest rates on instruments that have similar maturities, but are measured on the basis of different interest rates.
- **Option risk** arising from options, or embedded (implicit) options, under which the Bank or its client can change the amount and timing of payment flows (e.g. deposits with no fixed maturity, term deposits, and fixed-rate loans).

The Board of Directors has established the principles according to which the rate risk must be measured, monitored and controlled, as outlined in the Bank's "Risk Policy and Risk Management principles". It has also set the tolerance limits that constitute the reference values for the implementation of the Bank's internal management and control strategies and processes.

General Management develops and enforces risk management strategies through the issuing of directives and instructions and ensures that they are properly implemented.

On the basis of proposals drawn up by ALCO, it manages the balance sheet structure and implements the measures necessary to ensure permanently that the Bank does not assume risks higher than those tolerated.

ALCO is responsible for monitoring and controlling interest rate risk on the basis of analyses carried out by the Risk Control unit as well as for drawing up proposals to General Management for managing the balance sheet structure.

At least every three years ALCO verifies the integrity of the data and the adequacy of the measurement methods (including the underlying modelling assumptions and their impact). In the event of a substantial change in the business model or structure of clients and products, verification shall be carried out within the current year.

ALCO's analyses and considerations are included in the quarterly reports addressed to General Management.

On a quarterly basis, the Risk Control unit independently measures and assesses exposure to interest rates risk, verifies the observance of legal and internal limits, and provides General Management and ALCO with all the necessary support.

The analyses and considerations of the Risk Control unit are included in the quarterly reports addressed to General Management and the Board of Directors.

The consolidated financial statements are analysed every six months.

The Bank uses the "Delta Market Value" method to measure and manage interest rate risk.

The Bank is considered to be small in size (category 5). It provides purely advisory and asset management services.

Loan issuance is carried out on an ancillary basis and is mainly aimed at existing customers. The balance sheet structure is simple and transparent; the Bank does not offer complex products, nor are derivative instruments used for hedging interest rate risks.

The Bank therefore applies the interest rate shock scenarios provided for in Annex 2 of FINMA circular 2019/2 "Interest Rate Risks - Banks" which are considered appropriate in relation to the interest rate risks assumed:

- 1) parallel upward shock
- 2) parallel downward shock
- 3) steepener shock (fall in short-term rates and rise in long-term rates)
- 4) flattener shock (rise in short-term rates and fall in long-term rates)
- 5) upward shock in short-term rates
- 6) downward shock in short-term rates

The modelling principles and assumptions used are those provided for publication in the IRRBB table.

IRRBA1 – Interest rate risk: quantitative information on the exposure, structure and maturity repricing

	Amount expressed in CHF 1,000			Average repricing maturity (in years)		Longest repricing maturity (in years) assigned to non-maturity positions	
	Total	of which CHF	of which other currencies	Total	of which CHF	Total	of which CHF
(amount expressed in CHF 1,000)							
Determined repricing period							
Assets	232,049	159,270	72,779	1.92	2.39		
Amounts due from banks	29,126		29,126	0.11			
Amounts due from customers	4,383	1,465	2,918	0.17	0.30		
Variable-rate mortgage loans	39,258	25,890	13,368	0.47	0.46		
Fixed-rate mortgage loans	107,525	107,525		2.73	2.73		
Financial investments	51,757	24,390	27,367	2.50	3.09		
Liabilities	114,988	52,263	62,725	0.16	0.21		
Customer term deposits	114,988	52,263	62,725	0.16	0.21		
Undetermined repricing period							
Assets	335,095	112,811	222,284	0.29	0.47		
Amounts due from banks	44,084	9,026	35,058	0.08	0.08		
Amounts due from customers	255,023	67,797	187,226	0.22	0.22		
Variable-rate mortgage loans	35,988	35,988		1.04	1.04		
Liabilities	450,679	200,979	249,700	0.27	0.33		
Customer sight deposits	422,154	173,281	248,873	0.22	0.22		
Other sight liabilities	827		827	0.08			
Callable but not transferable customer saving deposits	27,698	27,698		1.04	1.04		
Total	1,477	18,839	-17,362			10	10

IRRBB1 – Interest rate risk: quantitative information on economic value of equity and net interest income

	Δ EVE (change of economic value of equity)		Δ NI (change of net interest income)	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
(amount expressed in CHF 1,000)				
Parallel upward shock	-6,141	-7,309	-808	-683
Parallel downward shock	6,674	8,057	794	672
Steepener shock	-800	-752		
Flattener shock	-292	-470		
Upward shock of short-term interest rate	-2,343	-2,720		
Downward shock of short-term interest rate	2,396	2,782		
Maximum	-6,141	-7,309	-808	-683
Tier 1 capital	132,398	127,127		

INDIVIDUAL ACCOUNTS

KM1 – Key metrics

(amount expressed in CHF 1,000)

31.12.2024

31.12.2023

Eligible capital

1	Common Equity Tier 1 (CET1)	105,675	102,528
2	Tier 1 capital (T1)	105,675	102,528
3	Total capital	114,185	111,038

Risk-weighted assets (RWA)

4	RWA	425,377	421,445
4a	Minimum capital requirement	34,030	33,716

Risk-based capital ratios (as % of RWA)

5	CET 1 ratio	24.8%	24.3%
6	Tier 1 ratio	24.8%	24.3%
7	Total capital ratio	26.8%	26.3%

Additional CET1 buffer requirements (as % of RWA)

8	Capital conservation buffer according to Basel minimum requirements	2.5%	2.5%
11	Total of CET1 specific buffer according to Basel minimum requirements	2.5%	2.5%
12	CET1 available after meeting the bank,s minimum capital requirements	18.8%	18.3%

Target capital ratios according to CAO Annex 8 (as % of RWA)

12a	Capital conservation buffer according to CAO Annex 8	2.5%	2.5%
12b	Countercyclical capital buffer according to CAO Art, 44 and Art, 44a	0.2%	0.2%
12c	CET 1 capital target according to CAO Annex 8 plus countercyclical buffer according to CAO Art, 44 and Art, 44a	7.2%	7.2%
12d	Tier 1 capital target according to CAO Annex 8 plus countercyclical buffer according to CAO Art, 44 and Art, 44a	8.7%	8.7%
12e	Total capital target according to CAO Annex 8 plus countercyclical buffer according to CAO Art, 44 and Art, 44a	10.7%	10.7%

Basel III Leverage Ratio

13	Total Basel III Leverage Ratio exposure measure	710,295	699,633
14	Basel III Leverage Ratio	14.9%	14.7%

		Quarterly average of the monthly figures			
		4 th quarter 2024	3 rd quarter 2024	2 nd quarter 2024	1 st quarter 2024
					4 th quarter 2023
(amount expressed in CHF 1,000)					
Liquidity Coverage Ratio (LCR)					
15	Total of high-quality liquid assests	76,595	73,709	59,557	74,160
16	Net cash outflows	22,546	28,861	30,162	36,291
17	Liquidity Coverage Ratio (LCR)	340%	255%	197%	204%

(amount expressed in CHF 1,000)

31.12.2024

31.12.2023

Net Stable funding ratio (NSFR)

18	Total avaible stable funding	555,199	532,488
19	Total required stable funding	331,533	332,164
20	Net Stable funding ratio (NSFR)	167%	160%

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