DISCLOSURE REQUIREMENTS (BASEL III - PILLAR 3)

1) BASIC REGULATORY KEY FIGURES

CHF 000s	31.12.2024	31.12.2023
1.1) Eligible capital		
Common Equity Tier 1 (CET1)	647 856	601 211
Tier 1 (T1)	647 856	601 211
Total eligible capital	647 856	601 211
1.2) Risk-weighted assets (RWA)		
Total risk-weighted assets (RWA)	3 403 554	3 197 365
Minimum capital requirements	272 284	255 789
1.3) Risk-based capital ratios (in % of RWA)		
CET1 ratio	19.0%	18.8%
Tier 1 ratio	19.0%	18.8%
Total capital ratio	19.0%	18.8%
1.4) Targeted capital ratios according to Annex 8 of CAO (in % of RWA)		
Minimum capital ratio	8.0%	8.0%
Capital buffer according to Annex 8 of CAO	2.5%	2.5%
CET1 target ratio according to Annex 8 of CAO	7.0%	7.0%
T1 target ratio according to Annex 8 of CAO	8.5%	8.5%
Total capital target ratio according to Annex 8 of CAO	10.5%	10.5%
1.5) Basel III leverage ratio		
Total exposure	4 677 143	4 274 710
Basel III leverage ratio (Tier 1 capital in % of total exposure)	13.9%	14.1%

1.6) Liquidity coverage ratio (LCR)	Average Q1-2024	Average Q2-2024	Average Q3-2024	Average Q4-2024	Average Q4-2023
LCR numerator: Total high quality liquid assets (HQLA)	666 475	998 909	1 112 510	716 723	820 964
LCR denominator: Total net cash outflow	304 049	360 537	473 574	291 411	343 533
LCR (in %)	226%	304%	238%	247%	250%

1.7) Net stable funding ratio (NSFR)	31.12.2024	31.12.2023
Available stable refinancing	1 881 348	1 450 743
Required stable refinancing	1 585 642	1 309 724
NSFR (in %)	119%	111%

2) OVERVIEW OF RISK-WEIGHTED ASSETS

CHF 000s	Approach used	Risk-weighted assets (RWA) 31.12.2024	Risk-weighted assets (RWA) 31.12.2023	Minimum capital requir. 31.12.2024
Credit risk	SA-BIS	3 101 504	2 912 940	248 120
Market risk	SA	51 213	46 593	4 097
Operational risk	BIA	250 838	237 832	20 067
Total		**3 403 554**	**3 197 365**	**272 284**

DISCLOSURE REQUIREMENTS (BASEL III - PILLAR 3)

3) LIQUIDITY: LIQUIDITY RISK MANAGEMENT

Structure and organization

The Board of Directors defines the risk profile of the Bank based on indicators for liquidity risk appetite and tolerance. The risk tolerance is determined taking into account the short term liquidity ratio LCR, the net stable funding ratio (NSFR) and other indicators for the analysis of the balance sheet structure.

The management of the liquidity is under the responsibility of the ALCO (Assets and Liability Committee) that reports directly to the General Management. This Committee follows the liquidity risks, the placements made by the Bank on the market, and ensures an adequate diversification of the placement and funding positions.

The Treasury department is in charge of the operational management of the liquidity in line with the strategy defined by the Board of Directors. It carries out the necessary means and actions to ensure compliance with internal and regulatory limits.

This department surveys the foreign currency movements and estimates the global needs of the Bank in foreign currency. The Treasury department is also in charge of the sound execution of the transactions of the Bank’s branches.

The Bank refinances its commercial activities mainly through deposits from the trade finance and wealth management customers, but also through the interbanking market.

Stress testing

The Bank regularly performs stress tests in order to identify and quantify the potential impacts that extreme but plausible events may have on the treasury inflows and outflows. Every year, the Bank reviews the applicable stress tests scenarios and their frequency according to internal (e.g. Bank's strategy) or external factors (e.g. market conditions, political environment). Several stress tests with two times horizon are performed. The results of the stress tests are properly documented and used to:

- compare the liquidity risk tolerance to the stress situation,
- ensure that the size and the structure of the liquidity reserve are adequate,
- integrate these stress scenarios in the process for setting of limits.

Contingency plan

The contingency plan is established by the Bank in accordance with the Liquidity Ordinance (OLiq) requirements. The contingency plan includes:

- alert indicators allowing to detect on time the dangers threatening the liquidity positions,
- internal escalation process depending on the gravity of the liquidity crisis,
- measures to undertake (by order of priority) depending on the seriousness of the liquidity crisis,
- clear repartition of roles and competencies of involved departments,
- well established means of communication ensuring a consistent and regular flow of information.

4) CREDIT RISK: CREDIT QUALITY OF ASSETS

As at : 31.12.2024 CHF 000s	**Gross carrying values of**		**Value adjustment / impairments**	**Net values**
	Defaulted exposures	**Non-defaulted exposures**		
Loans (excluding debt securities)	12 802	2 633 297	12 802	2 633 298
Debt securities	-	617 190	289	616 901
Off-balance sheet exposures	-	2 149 490	-	2 149 490
Total	**12 802**	**5 399 977**	**13 090**	**5 399 689**

5) CREDIT RISK: CHANGES IN STOCK OF DEFAULTED LOANS AND DEBT SECURITIES

	CHF 000s
Defaulted receivables and debt securities as at 31.12.2023	12 478
Receivables and debt securities that have defaulted since the end of the previous reporting period	-
Exposures that have returned to non-default status	-544
Amounts written-off	-
Other changes (+/-)	868
Defaulted receivables and debt securities as at 31.12.2024	12 802

6) CREDIT RISK: ADDITIONAL DISCLOSURE RELATED TO THE CREDIT QUALITY OF ASSETS

As at : 31.12.2024 CHF 000s	**Gross carrying values of**		**Value adjustment / impairments**	**Net values**
Geographical area/country	**Defaulted exposures**	**Non-defaulted exposures**		
Switzerland	-	862 579	-	862 579
Europe	-	678 834	-	678 834
Middle-East	-	100 888	-	100 888
Americas & Caribbean area	-	156 683	-	156 683
Rest of the world	11 128	107 598	11 128	107 598
Total amounts due from clients	**11 128**	**1 906 582**	**11 128**	**1 906 582**
Switzerland	-	60 153	-	60 153
Europe	-	705 160	289	704 871
Middle-East	-	55 710	-	55 710
Americas & Caribbean area	-	208 010	-	208 010
Rest of the world	1 674	314 847	1 674	314 847
Total amounts due from banks and debt securities	**1 674**	**1 343 879**	**1 962**	**1 343 591**

The Bank mitigates credit risks, in particular through due attention to their diversification. The Bank is highly selective on the quality of the borrowers, which is assessed taking into account specific guarantees inherent to trade finance business in terms of documentation and risk coverage.

DISCLOSURE REQUIREMENTS (BASEL III - PILLAR 3)

7) CREDIT RISK: OVERVIEW OF RISK MITIGATION TECHNIQUES

As at : **31.12.2024** CHF 000s

	Unsecured exposures	Secured exposures	Exposures secured with financial guarantees or credit derivatives
	carrying amounts	actual collateralized amounts	actual collateralized amounts
Receivables (including debt securities)	3 250 199	340 286	-
Off-balance sheet transactions	1 840 826	308 664	-
Total	5 091 025	648 950	-
- of which: defaulted	-	-	-

8) INTEREST RATE RISK: QUALITATIVE INFORMATION

Considering the short term nature of most activities of the Bank, the interest rate risk is considered as limited by the Bank.
The interest rate risk on the balance sheet and off-balance sheet side is centrally managed and supervised by the ALCO Committee (Assets and Liabilities Management).

9) INTEREST RATE RISK: QUANTITATIVE INFORMATION ON THE EXPOSURE'S STRUCTURE AND INTEREST RATE FIXING DATE

As at : **31.12.2024**

		Volume in CHF millions			Average interest rate reset period (in years)		Maximum interest rate reset period (in years) for exposures with modeled (not determined) interest rate reset dates	
		Total	**of which in CHF**	**of which other currencies (*)**	**Total**	**of which in CHF**	**Total**	**of which in CHF**
Defined interest rate reset date	Amounts due from banks	674	1	673	0.2	0.1		
	Amounts due form customers	1 028	0	1 028	0.0	1.1		
	Financial investments	616	51	564	2.7	2.9		
	Amounts due to banks	-1 548	-	-1 548	0.5	0.0		
	Amounts due in respect of client deposits	-745	-10	-734	0.1	0.1		
Undefined interest rate reset date	Amounts due from banks	53	6	47	0.1	0.1		
	Amounts due form customers	889	21	868	0.2	0.2		
	Paybles on demand from personnal accounts and current accounts	-550	-90	-460	0.2	0.2		
	Other payables	-188	-57	-132	0.1	0.1		
Total		**228**	**-77**	**305**	**0.3**	**1.8**		

(*) Significant currencies that make up more than 10% of assets or liabilities of total assets.

DISCLOSURE REQUIREMENTS (BASEL III - PILLAR 3)

10) INTEREST RATE RISK: QUANTITATIVE INFORMATION ON THE EXPOSURE'S NET PRESENT VALUE AND INTEREST RATE INCOME

CHF Mio	EVE (changes in the net present value)		NII (changes in the discounted earnings value)	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Parallel shift up	-18	-28	12	7
Parallel shift down	20	31	-12	-7
Steepener chock	-5	-4		
Flattener chock	2	-2		
Rise in short-term interest rates	-5	-12		
Fall in short-term interest rates	5	13		
Maximum	-18	-42	-12	-7

	31.12.2024	31.12.2023
Tier 1 capital	647.9	601.2

11) OPERATIONAL RISK: GENERAL INFORMATION

Framework and procedures

Operational risk is inherent to the different activities of the Bank, namely commodity trade finance, wealth management, treasury and correspondent banking.
In order to reduce as much as possible the occurrence of operational risks, the Bank has put in place a reinforced management of operational risks by:
- enhanced employee awareness in order to have a cautious attitude in their activities,
- reinforcement of operational processes which are formalised through directives and procedures,
- systematic application of task segregation and 4 eyes principle,
- regular tests of critical controls performed by the internal control function,
- regular tests aimed at detecting inappropriate behaviour in IT systems (applications, interfaces) or other means of communication,
- regular stress tests.

Structure

The Risk Management department is responsible for performing analysis in order to follow the operational risk profile of the Bank through Key Risk Indicators, to establish an inventory and a reporting and follow-up of the incidents and operational losses.
The General Management has put in place a Risk Management Committee, which meets at least quarterly. This Committee analyses the reports received from the Risk Management Department, discusses, proposes and/or validates the measures aimed at reinforcing the control of the operational risk.
In the context of the internal control system of the Bank, the Internal Control division reinforces the processes and critical controls put in place. Depending on the situation, this division carries out punctual missions based on risk evaluations. The division issues reccommendations and may collaborate with the Risk Manager in order to elaborate and set up remediation actions.
Reporting of operationnal losses incurred by the Bank is escalated to the Board of Directors on a quarterly basis. Significant losses are immediately announced.